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ONE MAN OVER EUROPE, AGAIN?

DE GAULLE'S antics in European politics remind one of the methods of Hitler who, in the beginning of the thirties of this century, rode to power in Germany literally over the ashes of the Third Reich. 'National Socialism,' was the ideology that he preached. His slogan was 'Aryanisation of the whole of Europe' which meant that the Continent should come under the rule of the Germans who, he thought, belonged to a superior race of Aryans. Jew-baiting was the means by which he injected the German Nation with the virus of racialism. The result was the Second World War, which destroyed the flower of the youth of Germany, France, England and Italy in Western Europe and brought rack and ruin to Europe and Russia. This demon of Nazism was supposed to have been crushed and buried many fathoms deep by the heroic efforts put forth unitedly by the democratic forces of the world.

Towards the close of the war in 1945, the Allies including Russia declared Fascist totalitarianism should not be given any more quarter in Europe. The Atlantic charter was drawn up defining the fundamental Freedoms of the peoples of the world and exhorting all the countries to stand firmly by them. But the times, as experience has proved, were not ripe for the Charter principles to be fully implemented by the declarants particularly Red countries. Stalin almost immediately began propagating the idea of 'Red Domination Over Europe'. Under the influence of this all-consuming passion to paint Europe Red, Russia forcibly brought the Eastern European Nations under her heels. Alarmed at this Red expansionism, the Western European powers including England, already exhausted by the devastation wrought on them by the war, tried to pull themselves together with the Marshall Aid of U.S.A. which came in all its spontaneity out of a sincere desire on the part of U.S. to save Europe and the world for Democracy and Freedom. Side by side with this economic aid, NATO military alliance was also forged for the same purpose. For the time being, it appeared that Red Imperialism which was making 'Westward Ho' was halted at West Berlin. Recently the Cuban affair had also shown to the Red Imperialists the strong and deterrent nuclear arm of the Free World headed by America and the firm determination of the latter to protect its own free way of life from the Red menace. This hope grew brighter with the successful working of the European Economic Community in the late fifties. The Six only required, it was thought, one more addition to their fold to complete the well-drawn-out picture

of Western Europe's effective solidarity against Red Imperialism. And England was to be this additional Seventh Member of the E.E.C. England, therefore, on her own part, carried on protracted negotiations with the Six for well over sixteen months for getting admission to the E.E.C. as a full-fledged member.

Hope Shattered

But just when that much-desired fuller unity of E.E.C. was in sight and was well-nigh achieved with the goodwill and sympathy of the majority of member nations, it was brutally blown sky-high and shattered to pieces by another 'ONE MAN' who wants to dominate Europe in the Sixties. And he is no other than De Gaulle, the all-powerful President of France who is fast enacting the twentieth century Napoleon on the stage of continental politics.

The aims and objects of this new Saviour of France and Europe have been succinctly stated by him in his statement issued on January 14, 1963. It is now clear that he wants to take Europe not forwards to international democratic unity and cohesion but backwards to the continental HOLY ALLIANCE against the Anglo-Saxon axis of England and America. He pooh-poohs the urgent necessity for the Free Nations, to strengthen the links and ties of inter-dependence for common trade, commerce and defence which have been built up with so much patience and labour, over years in the post-war period. His quixotic mind visualises a united Europe of both democratic and communist countries under his inspired leadership, which could live alone without the aid of America and England. The same contempt that Napoleon conceived for England, the then leading nation in world trade and commerce, has seized the mind of this super-man of France today. In his run-away enthusiasm for restoring to France her lost glory, he is being deliberately blind to the danger threatening the very existence of the European Community of which France is a founder-member.

Not only that. He seems to be intent on blasting out the very foundations of Western European Community and is swiftly moving in that direction. The Franco-German treaty which he and the German Chancellor Adenauer have signed with such loud blowing of trumpets and beating of drums, has only proved itself on an objective analysis to be a sinister threat to other members of E.E.C. that if they did not fall in line with these two powerful nations, they would be simply left behind on the road-side only to be compelled in the end, to come under the

domination of the latter in political and economic sphere. He is also reported to be wooing General Franco, the dictator of Spain to join in this grand alliance which will be a challenge to the NATO alliance led by U.S.A and U.K. How dangerously close comes this game of power-politics played by De Gaulle to the fascist way of thinking could be seen from the hatred he is whipping up against the influence wielded by England and America over Europe. He is suspected of entertaining some queer notions of continental pattern of being and thinking as distinct from that of the Anglo-Saxon nations. He is trying to give a racial bias to this artificial conflict which he is deliberately creating between Western Europe and Anglo-American overseas free countries.

Will Europe Call De Gaulle's Bluff?

But the lessons of history of the last war, we hope, will not be lost on the European nations, particularly France and Germany. The freedom-loving sections of the population of these two countries are reported to have been visibly shaken and dazed at these antics of De Gaulle. The Franco-German friendship which at the outset was held out to be a historic event, has lost much of its glow, glamour and grace due to De Gaulle's mischievous attempt to enter into a similar military pact with Franco, the Spanish dictator to dislodge the American influence from that country. On the top of this also comes the alarming news that this Messiah of Europe right after the Hitler style has even sent some feelers to Russia about the possibility of a rapprochement between France and Russia, as in his view Russia, a European country, is bound to gravitate towards Europe more than towards the Asiatic country of China, in the context of the present ideological conflict going on between the two Red countries.

Thus De Gaulle's political philosophy and practice closely resemble Nazism in their belief in the glorious destiny of France and in Gaulle's own role as the Saviour of France and Europe, in continental chauvinism, political opportunism and racial arrogance. De Gaulle the Messiah, Franco the Feudal dictator, Khrushchev the prophet of Red totalitarianism may well come together with their common reactionary totalitarian ideas and ideals.

The Five of the E.E.C. at least till now, have not fully gone over to De Gaulle's continental bluster and balderdash. Happily they are still doggedly fighting for saving the NATO alliance and the European Community from a complete break-down and are hoping to bring about a fuller understanding and co-operation between Western Europe on the one hand and England and America on the other.

Whether Europe will have again 'ONE MAN' over her or whether she will continue as of yore to be the great sentinel of World Democratic Freedom will be fatefully decided in the

near future by the extent to which the other nations of the European community will be able to resist this pressure of De Gaulle's dangerous power-politics on them.

ENGLISH CANNOT BE SUPPRESSED

The Hindi and regional language patriots will receive a rude shock at the news that English is again coming into its own in schools and colleges of Gujarat. The linguistic fanatics there had banked on their ability to brow-beat the Central Government into submission to their will. They tried in vain to get the Centre to amend the Constitution for this purpose so as to deny the right of a minority to receive education through a medium other than Hindi or the regional language. The Supreme Court decision went against the Gujarat University which challenged such a right. The Gujarat University has now been made to eat the humble pie and it has now reverted to the English medium and given it an honoured place along with Hindi and Gujarati as a medium of instruction.

In the meanwhile, it is also reported from Madras that in difference to the insistent public demand for English medium schools, the Madras Government has also adumbrated a new scheme under which every district will have at least one High School having English as the medium of instruction. This step is also expected to meet the special educational needs of children whose

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parents come from outside as Government servants or as professionals, merchants and traders.

All these trends clearly point out how English holds the field successfully even against the regional languages by its intrinsic merit as a window to the outside world and as a language of modern science, enlightenment and culture. Its serviceability in uniting the intelligentsia of all States and in spreading national consciousness among the diverse peoples of India could be ignored only at our peril. It is a happy sign of the times that rational and sane public opinion is asserting itself vigorously in such matters vitally affecting the future of our country and her rising generation.

THE YELLOW METAL CRISIS

The redoubtable Finance Minister Morarji Desai was formerly known to be a 'kill-joy' Minister in the Bombay State. He is never tired of priding himself on his being a true disciple of Mahatma Gandhi. The little joys and pleasures of life such as racing, drinking, or normal sexual life are for him taboo. And now he has thought it fit to come down with a heavy hand on the people's traditional love for the 22 carat gold ornaments in the hope that this yellow metal in the possession of the people in quantities small and big, will find its way into the Government vaults and will help the Government to tide over the foreign exchange crisis all the more accentuated by the Yellow peril to India's freedom and security.

The 14 carat rule applied to gold ornaments will not bring in any appreciable measure the gold hoardings of the people into the Government coffers but will only usher in, a flourishing black market in gold with all its attendant evils of middle-men, smugglers and wide-spread corruption in the Government circles in the same way that the discredited prohibition policy of the Government has done. Already it is reported that a major portion of hoarded gold has been transferred from the open market to the black one. The gold racketeers are said to be looking forward to a boom period when people will be too willing to buy 22 carat gold secretly even for a prohibitive price. The people will be after gold all the same, since they need it not only for the purpose of making ornaments of unalloyed gold but also for the purpose of safely investing their money in this yellow metal. And the common people could not be surely blamed for this love for and belief in gold when they see that almost all the Governments of the world including our own, covet gold so much and look upon it as a stable and reliable standard of value. Naturally therefore the people value gold more than the Government. Gold Bonds though the latter offer higher rates of interest and promise immunity to the investors in these Bonds from Governmental enquiry about the sources of their gold-hoards.

The people could be made to part with their gold only out of patriotism kindled into them by

Government's sound, economic and political policies. Fanciful planning which brings in its wake an all-pervading inflation will not succeed in bringing down the prices of gold for any considerable length of time. For, gold prices must catch up eventually with the general inflationary trends. Therefore what is needed to meet the foreign exchange crisis is a sound economic and monetary policy that will give the people an honest Rupee and stabilise the prices. It must be remembered that a Yellow peril from the North of Himalayas could not be successfully met on the financial side by creating a yellow metal crisis within the country in the south.

D. M. Kulkarni.

FOOD FOR THOUGHT

"Throughout history orators and poets have extolled Liberty but no one has told us why Liberty is so important. In any advancing society any restriction on Liberty reduces the number of things tried and reduces the rate of progress. In such a society freedom of action is granted to the individual, not because it gives him greater satisfaction but because, if allowed to go his own way, he will on the average serve the rest of us better than any orders we know how to give".

—H. B. Phillips.

"In a world of independent nations the threat of war will disappear only when citizens control their government, arbitrariness has disappeared, free elections and a free press operate and decisions are reached only through the slow-moving democratic procedure. When Liberal Democracy has replaced authoritarianism, who works for Liberty at home or abroad, works also for peace".

—Massimo Salvadori.

"It is the conscious Conservative with his respect for patriotism, his ingrained suspicion of revolutionary short-cuts, his feeling for history and consciousness for the lessons of the past, his root-and-branch rejection of economic collectivism, who is firmest in his opposition to the greatest contemporary threat to Liberty—Communism. He could be trusted to die fighting against a communist take-over, while the average Socialist or modern style Liberal would be more likely to sigh—and submit."

—W. H. Chamberlin.

"THE PERIL TO LIBERTY TODAY COMES FROM THE LEFT, FROM SOVIET AND CHINESE COMMUNISM".

—William Chamberlin.

"THE NATION WHICH CAN BE SAVED BY ONE MAN AND WANTS TO BE SAVED THAT WAY DESERVES A WHIPPING."

—Seume.

Morale And Leadership In War-time

By M. A. VENKATA RAO

The Colombo Proposals do not secure for us a clearance of the Chinese forces from September 8 line. Granted that national interests require their acceptance for the time being, national morale could be maintained by giving a clear understanding to the people that this yielding is only for the purpose of gaining time. Today the leadership is on trial and has to prove that it can rise to the situation in all dimensions—military, economic diplomatic, psychological.

THE shock of the defeats sustained by our forces in the Northeast Frontier Agency areas in October last roused the nation to the reality of the danger confronting it in the present tangle of international relations. There may be some sort of order and justice inside each nation but as between nation and nation, even as yet in mid-twentieth century in spite of the oceans of learning and mountains of scientific achievements developed by advanced peoples in the past centuries of the modern period, there is no rule of law, no institutions for the making, interpreting and enforcing of law.

Mr. Krishna Menon argued in the United Nations some time ago that no written enactment defining aggression could be passed and agreed to by member nations. His reason was that aggression is a complex and many-sided event that could not be legally defined unambiguously enough to pin down responsibility on the law-breaker.

Of course this is a quibble giving unreal force to an illusory difficulty. The definition required need not be refined enough to satisfy mathematical logic. It is enough if it is sufficiently clear to be recognisable by nations. Today, China claims to be the victim of Indian aggression on the sophistical ground that the areas claimed by her in the Indian borders belonged to her through Tibet. This claim is quite capable of verification through historical and traditional evidence.

An impartial court of law could certainly arrive at just conclusions about the dispute between India and China.

But the real difficulty is whether we could find a sufficient number of national judges capable of strict impartiality as between the two contending nations. For the rivalry between the Russian and Chinese power bloc of international communism of the one hand and the free world led by the United States of America on the other has become world-wide because of the ambition of international communism to cover the whole world with their communist hegemony.

In the absence of an impartial tribunal to try this case between India and China, even if China were willing to abide by the award of

such a tribunal, India has to adopt the well-tried policies of armed preparedness and a system of alliances of varying degrees of commitments with and to other nations willing to enter into such alliances.

The awakened determination of the people to restore the lost national prestige and to make permanent arrangements for national security in the future can be maintained only by a policy adopted by Government that bids fair to fulfil these national objectives, that is, of honour and security.

It is in this light that we have to consider the endorsement of Parliament of the proposal of the Government to enter into Peace Negotiations and Talks as suggested by the Colombo Powers.

The Colombo proposals do not secure for us a clearance of the Chinese forces from the line occupied by them on 8 September as demanded by our Government in previous declarations. It is not clear whether the enemy will permit India to reoccupy the areas voluntarily vacated by them from December 1, 1962. It is reported on the contrary that they remain in some numbers even in Tawang, Dhola and Longju.

They have no intention of retreating from any line held by them in Ladakh areas all the way from Sinkiang to North Jammu. The Colombo Powers have asked the Chinese to withdraw 12½ miles from their present line of control. But they have not agreed.

With characteristic diplomacy (which means duplicity in this context) the Chinese ministers have assured Mrs. Sirimavo that they have made a positive response, reserving only some points for further decision or alteration! It means that they mean disagreement by their words of agreement! They mean "no" when they say "yes!"

That means that India will meet the Chinese victors face to face at the negotiating table—with what face after our crushing military defeats! We do not envy the officers of ministers who will be entrusted with that odious job. After our brave declarations that we shall not negotiate till they clear out of our sacred soil, we have to eat humble pie and meet them at the table and take tea with them and exchange

smiles! This is more than human nature can bear.

But let us grant that national interest demands that we endure this agony and humiliation and dishonour.

The maintenance of morale in these circumstances requires that the nation should be given clearly to understand that this yielding is only for purposes of gaining time so that we might complete our military preparations from A to Z in the meantime.

The nation should be given to understand that when we are ready, militarily—in manpower, equipment, supplies and diplomatically by way of the help of friendly nations, we shall take resolute action to remove this danger from the Chinese once for all.

This means that all the various steps involved in such a policy of preparedness are taken in hand at once—begun effectively, though effects will no doubt take some time to materialise.

This time our defeat was largely due to the fact that we were unprepared to use our air force to attack the enemy when he was assembling his forces and equipment in the hinterland. We were afraid of retaliation on our forces and our cities and railways and transports etc.

The people should see that we are providing against this contingency in the next round. It may be that in the first phase we have to rely on the air forces of friendly countries. If Russia objects, we have only to ask her also to send us her air force contingents to resist the enemy Chinese!

If they cannot, owing to their alliance with their brother China, well, we can only ask that our friend Russia will let us defend ourselves with the help of other friends, to which she can have no objection if she means well by us! Non-alignment should not become an engine of isolation to keep us weak and a helpless prey to China!

A knowledge that our government is proceeding this way to provide air defence will strengthen our morale immensely. It will maintain the confidence of the people in the wisdom and capacity of the government to lead them to victory and to secure their future.

Democratic leadership is different in kind from dictatorship. In a dictatorship, policy is made in secret by a small group of leaders or by the supreme leader by himself alone and acquiesced in by his immediate colleagues, and followers. It is then put into practice. The policy in full is not explained to the people. Its consequences are explained, particularly the duties of the people flowing therefrom. The how and why of the policy will remain a secret from the people.

The people will have to follow the directions of the governing group out of a blind habit of obedience, out of faith in their leader and his

destiny. This is irrational and unworthy of grown up men and women.

The personality cult that even Khrushchev found so obnoxious in Stalin and which he castigated so mordantly in the 20th Congress of the Soviet Communist Party in 1956 is inherent in all dictatorships. So Khrushchev himself was obliged to secure adherence to his line by a fresh interpretation of Leninist doctrines and clothing this policy (framed in view of the current world crisis) in the garb of Leninist "theology".

The Leninist doctrine of democratic centralism in party organisation recognises the limitation of individual discussion and contribution in free group thinking and holds the field as against the democratic theory and practice of rational opinion-making in free group-contact and inter-personal relations and free interaction of ideas.

In the communist party, the top leaders lay down the policy based on their application of Marxism-Leninism-Stalinism to the current situation. Then they send their explanation of their point of view down the line of control to secure the intelligent understanding of the membership of lower committee and echelons. The lower committees have no power to react and send up their own version. They have no right to contribute to policy. They have but to obey mechanically. The centre will change the office-bearers below if they refuse to tow the line!

In this process, the word centralism is more vital and decisive than the word democratic.

But in a democratic party, leadership crystallises opinion from the grass-roots. No level is excluded from contribution. Conclusions are held subject to revision in the light of experience and fresh developments. The goal of policy is common good in any particular area of social life. The means that will secure such common good may differ with a change in circumstances. Policy will reflect group-thinking in democratic discussion to which every member should be free to contribute his experience and ideas. The result will then represent everyone's mind and not particularly any one person's mind. The democratic leader is he who is specially gifted to divine and seize the imperfectly expressed beliefs and ideas and feelings of members and to give it clearer and more radiant expression. Members will see in such expression their own views more clearly and effectively expressed. Ideas then will obtain hands and feet, for clear expression is the necessary prelude to effective action. It becomes a lure to action.

In the situation India finds herself in today, China is likely to remain a permanent danger so long as she remains in Tibet.

It is not enough if she withdraws even more completely from our areas, even to the line of 15 August 1947 i.e. the Indian borders sanctified by history, treaties and tradition.

For she can accumulate forces and equipment, develop communications, arsenals, food depots, missile launching platforms and all the dread paraphernalia of twentieth century war, (conventional and even nuclear) on the roof of the world. Her bombing planes will be within a few hours' striking range of Indian cities!

Her missiles will have our cities and projects at her absolute mercy.

Every newspaper reader knows all this. Morale can be maintained in the face of this dread knowledge only if the citizens know that their government have quietly and finally put away their childish inheritance of Gandhian non-violence and pacifist resistance, which are futile and perilous gestures today. Morale will be maintained only if we know that we have understandings with Britain, America, Australia, New Zealand, Canada etc. that they will help us to arm a vastly bigger army navy and air force on lend lease or long term credit without interest (or) and as pure gifts as part of the expense of defending the free world.

In defending Indian borders we are defending the free world against aggressors of all kinds. We need not proclaim that the aggressors apart from China are likely to be Communist States or Arab States or any one in particular. It is enough if we know a firm and unyielding determination to protect our own borders by land and sea, in the air and under the sea.

We may call it a pact or not. The West is wise and understanding enough not to insist on names and shibboleths. They are satisfied with substance and care not for outward form.

For dealing with the Chinese menace on a permanent footing, it is necessary to persuade China to demilitarise Tibet, even if they retain political and administrative control of the unfortunate country. If China does not agree, we should maintain forces enough near our northern borders to deter the Chinese dragon from attacking us again in the hope of an easy walk-over. Only if we know that we have some such understanding and have set such preparations in train can morale be maintained naturally without intimidation and dictatorship. Patriotic intelligence will suffice. Today it is the leadership that is on trial and have to convince the people that they are capable of rising to the height of the situation in all relevant dimensions—military, economic, diplomatic and psychological.

RICH PEOPLE HAVE GIVEN MOST, FICCI SAYS

NEW DELHI:

The Federation of Indian Chambers of Commerce and Industry says about 75 to 80 per cent of total contributions to the National Defence Fund has come from the well-to-do and business classes.

In a Press communique, the Federation has convincingly contradicted certain reports that contributions to NDF by the well-to-do classes generally and the business community in particular have been on the low side.

According to the Federation, the reports are based on incorrect information and "some seem to be motivated by a desire to belittle the massive participation by certain sections of the community . . . and to drive a wedge in the ranks of the people."

The Federation communique says only 11 lists of contributions to the NDF have so far been issued by the Government amounting to about Rs. 8.6 crores.

The lists are in respect of contributions of Rs. 1,000 and above and do not include those made in the first instance to the branch accounts of the Fund at State headquarters. The total of all contributions up to the time of the eleventh list came to Rs. 31.60 crores.

UNPUBLISHED LISTS

The lists of contributions to State headquarters are not being published. But some Chief Ministers have said the bulk of contributions has been by the well-to-do classes and businessmen.

In one or two cases, they have mentioned that contributions by the well-to-do classes have been about 80 per cent.

The Federation has therefore asked the Government to publish these lists, also, so that public has a full picture before it.

The Federation had decided on its own that all business concerns, whether companies, private or public, or managing agency houses, should contribute a minimum of 5 per cent of their net profits to the NDF.

Business houses have and are making contributions on this basis, and even on a most conservative reckoning their contributions would amount to about Rs. 16 crores.

According to the Federation, another misconception on the part of the public is that contributions by the business community are entirely from the profits of their companies.

The communique says this is only partly correct because contributions by companies mean contributions by shareholders who, by and large, belong to well-to-do classes.

Moreover, managing agents, investment companies and trading companies are also contributing according to the formula laid down by the Federation, and so also are businessmen from their own personal resources.

"The way to have good and safe government is not to trust all to one, but divide it among the many, distributing it to everyone exactly the functions he is competent to do. What has destroyed liberty and rights of man in every government which has ever existed under the Sun? The generalising and concentrating all cares into one body, no matter whether of the autocrats of Russia or France or of the aristocrats of a Venetian Senate."

—Jefferson.

All Roads Lead To Alignment

By M. N. THOLAL

The expert opinion of General Thimayya vs. the wishful Thinking of Mehtab?—American expert opinion favours an air umbrella to be provided by U.S.A., U.K. and allies to protect our Indian cities and vital installations from air attack—Our seeking aerial defence aid from these countries does not indicate success of Nonalignment as claimed by Nehru.

In his reply to the debate on the Colombo proposals in the Lok Sabha, Prime Minister Nehru said that India, as constituted today, would not submit to any dishonour, whatever the consequences, in dealing with the Chinese. "That time," he declared amidst cheers, "is past and a new India has arisen which cannot and will not submit to any aggression." Submitting to aggression is not a matter of the will of the people alone; it is also a matter of the strength of the people, of their military strength. One of our greatest military experts—I am not referring to Mr. Menon but to Gen. Thimayya—has estimated that the Chinese are three hundred times stronger than we, doubtless as a result of Russian military aid. Assuming that his estimate was exaggerated, it would be very unwise on the part of any one to say that it is exaggerated beyond all proportion and that the Chinese are not even a hundred times stronger than we.

Mr. Nehru himself in one of his speeches in November last referred to the huge military reservoirs in Tibet at the disposal of the Chinese Army and to the country's huge military machine. As against these pronouncements is the heroic declaration of Mr. Harekrushna Mehtab in Parliament on January 24 last: "I do not admit that the Chinese are more powerful than ourselves. We can defeat China by building up our strength." That is the crux of the question. Whom to believe—Gen. Thimayya or Mr. Hare Krushna Mehtab? If to that is added the rider that optimism in the matter of defence leads to disasters, there can be no doubt about the answer to the question.

On the answer to that question depends the soundness or unsoundness of our policy of non-alignment. If Gen. Thimayya is right, as every one except a wishful thinker must believe, then the policy of non-alignment is not only unpatriotic. It is also suicidal. Of course, there is no reason why we should take Gen. Thimayya for our final authority. Mr. Nehru can take the opinions of other Generals, who, incidentally have not been keeping their opinions on the subject a closely-guarded secret, and he will find that their opinions will be more or less the same as those of Gen. Thimayya.

AMERICAN EXPERT OPINION

For one thing, we are almost without air protection. A PTI message date-lined New

Delhi, Jan. 24, informed us that a joint U.S.-Commonwealth air defence mission is arriving in India on Jan. 29 at the invitation of the Indian Government to examine with the Indian Air Force the problem and technical requirements involved in organising effective air defence of India's northern border and cities against Chinese aggression. It is learnt that the examination of air defence is likely to be in terms of an "air umbrella" to be provided by the U.S., U.K., Canada and Australia to Indian cities and vital installations against possible air attack by the Chinese in the event of renewal of Chinese aggression. It is felt in Delhi that for India itself to raise the necessary air squadrons with the aid of the western powers, to provide air protection, will involve expenditure beyond its means, running to several billions of pounds. It will mean acquisition of aircraft, familiarisation with the techniques and training of personnel in considerable strength, beyond the realm of practicability, and the idea has therefore been ruled out as a practical proposition.

The visiting mission, the message proceeds, is therefore likely to address itself to the task of examining the question of organising ground facilities, installation of radars and other technical requirements for a massive defence air force. In the event of Chinese aggression the friendly countries could provide the "air umbrella" by utilizing these facilities with a view to protecting Indian cities and defence installations, and intercept Chinese aircraft. Such an umbrella will, it is thought, act as a deterrent against massive invasion by the Chinese. The mission is also likely to examine the question of equipping and augmenting the Indian air force for tactical purposes.

Mr. Mehtab is bound to disagree with these suggestions, alarming in their implications both regarding our preparedness and our capacity for the same. And is that how our non-alignment is to progress? In that case we should have no objection even to non-alignment. It may be added here that this PTI message has not been contradicted by the Government, although it appeared several days ago.

Non-alignment has indeed been progressing by leaps and bounds. The Hindustan Times Washington Correspondent cabled on January 25: Evaluating the rival claims of interception and deterrence, to offer Indian cities the

(Continued on Page 9)

ECONOMIC SUPPLEMENT**"Planning" vs. The Free Market**

By HENRY HAZLITT

When we discuss "economic planning," we must be clear concerning what it is we are talking about. The real question being raised is not: plan or no plan? but whose plan?

Each of us, in his private capacity, is constantly planning for the future: what he will do the rest of today, the rest of the week, or on the weekend; what he will do this month or next year. Some of us are planning, though in a more general way, ten or twenty years ahead.

We are making these plans both in our capacity as consumers and as producers. Employees are either planning to stay where they are, or to shift from one job to another, or from one company to another, or from one city to another, or even from one career to another. Entrepreneurs are either planning to stay in one location or to move to another, to expand or contract their operations, to stop making a product for which they think demand is dying and to start making one for which they think demand is going to grow.

Now the people who call themselves "Economic Planners" either ignore or by implication deny all this. They talk as if the world of private enterprise, the free market, supply, demand, and competition, were a world of chaos and anarchy, in which nobody ever planned ahead or looked ahead, but merely drifted or staggered along. I once engaged in a television debate with an eminent Planner in a high official position who implied that without his forecasts and guidance American business would be "flying blind." At best, the Planners imply, the world of private enterprise is one in which everybody works or plans at cross purposes or makes his plans solely in his "private" interest rather than in the "public" interest.

Now the Planner wants to substitute his own plan for the plans of everybody else. At best, he wants the government to lay down a Master Plan to which everybody else's plan must be subordinated.

It Involves Compulsion

It is this aspect of Planning to which our attention should be directed: Planning always involves compulsion. This may be disguised in various ways. The government Planners will, of course, try to persuade people that the Master Plan has been drawn up for their own good, and

that the only persons who are going to be coerced are those whose plans are "not in the public interest."

The Planners will say, in the newly fashionable phraseology, that their plans are not "imperative," but merely "indicative." They will make a great parade of "democracy," freedom, co-operation, and noncompulsion by "consulting all groups"—"Labor," "Industry," the Government, even "Consumers Representatives"—in drawing up the Master Plan and the specific "goals" or "targets." Of course, if they could really succeed in giving everybody his proportionate weight and voice and freedom of choice, if everybody were allowed to pursue the plan of production or consumption of specific goods and services that he had intended to pursue or would have pursued anyway, then the whole Plan would be useless and pointless, a complete waste of energy and time. The Plan would be meaningful only if it forced the production and consumption of different things or different quantities of things than a free market would have provided. In short, it would be meaningful only insofar as it put compulsion on somebody and forced some change in the pattern of production and consumption.

There are two excuses for this coercion. One is that the free market produces the wrong goods, and that only government Planning and direction could assure the production of the "right" ones. This is the thesis popularized by J. K. Galbraith. The other excuse is that the free market does not produce enough goods, and that only government Planning could speed things up. This is the thesis of the apostles of "conomic growth."

The "Five-Year Plans"

Let us take up the "Galbraith" thesis first. I put this name in quotation marks because the thesis long antedates his presentation of it. It is the basis of all the communist "Five-Year Plans" which are now aped by a score of socialist nations. While these Plans may consist in setting out some general "overall" percentage of production increase, their characteristic feature is rather a whole network of specific "targets" for specific industries: there is to be a 25 per cent increase in steel capacity, a 15 per cent increase in cement production, a 12 per cent increase in butter and milk output, and so forth.

There is always a strong bias in these Plans, especially in the communist countries, in favor of heavy industry, because it gives increased power to make war. In all the Plans, however, even in noncommunist countries, there is a strong bias in favor of industrialization of heavy industry as against agriculture, in the belief that this necessarily increases real income faster and leads to greater national self-sufficiency. It is not an accident that such countries are constantly running into agricultural crises and food famines.

But the Plans also reflect either the implied or explicit moral judgments of the government Planners. The latter seldom plan for an increased production of cigarettes or whisky, or, in fact, for any so-called "luxury" item. The standards are always grim and puritanical. The word "austerity" makes a chronic appearance. Consumers are told that they must "tighten their belts" for a little longer. Sometimes, if the last Plan has not been too unsuccessful, there is a little relaxation: consumers can, perhaps, have a few more motor cars and hospitals and playgrounds. But there is almost never any provision for, say, more golf courses or even bowling alleys. In general, no form of expenditure is approved that cannot be universalized, or at least "majoritized." And such so-called luxury expenditure is discouraged, even in a so-called "indicative" Plan, by not allowing access by promoters of such projects to bank credit or to the capital markets. At some point government coercion or compulsion comes into play.

"The Nation" Cannot Afford It

This disapproval and coercion may rest on several grounds. Nearly all "austerity" programs stem from the belief, not that the person who wants to make a "luxury" expenditure cannot afford it, but that "the nation" cannot afford it. This involves the assumption that, if I set up a bowling alley or patronize one, I am somehow depriving my fellow citizens of more necessary goods or services. This would be true only on the assumption that the proper thing to do is to tax my so-called surplus income away from me and turn it over to others in the form of money, goods, or services. But if I am allowed to keep my "surplus" income, and am forbidden to spend it on bowling alleys or on imported wine and cheese, I will spend it on something else that is not forbidden. Thus when the British austerity program after World War II prevented an Englishman from consuming imported luxuries, on the ground that "the nation" could not afford the "foreign exchange" or the "unfavorable balance of payments," officials were shocked to find that the money was being squandered on football pools or dog races. And there is no reason to suppose, in any case, that the "dollar shortage" or the "unfavorable balance of payments" was helped in the least. The austerity program, insofar as it was not enforced by higher income taxes, probably cut down po-

tential exports as much as it did potential imports; and insofar as it was enforced by higher income taxes, it discouraged exports by restricting and discouraging production.

But we come now to the specific Galbraith thesis, growing out of the age-long bureaucratic suspicion of luxury spending, that consumers generally do not know how to spend the income they have earned; that they buy whatever advertisers tell them to buy; that consumers are, in short, boobs and suckers, chronically wasting their money on trivialities, if not on absolute junk. The bulk of consumers, also, if left to themselves, show atrocious taste, and crave cerise automobiles with ridiculous tailfins.

Bureaucratic Choice

The natural conclusion from all this—and Galbraith does not hesitate to draw it—is that consumers ought to be deprived of freedom of choice, and that government bureaucrats, full of wisdom—of course, of a very unconventional wisdom—should make their consumptive choices for them. The consumers should be supplied, not with what they themselves want, but with what bureaucrats of exquisite taste and culture think is good for them. And the way to do this is to tax away from people all the income they have been foolish enough to earn above that required to meet their bare necessities, and turn it over to the bureaucrats to be spent in ways in which the latter think would really do people the most good—more and better roads and parks and playgrounds and schools and television programs—all supplied, of course, by government.

And here Galbraith resorts to a neat semantic trick. The goods and services for which people voluntarily spend their own money make up, in his vocabulary, the "private sector" of the economy, while the goods and services supplied to them by the government, out of the income it has seized from them in taxes, make up the "public sector". Now the adjective "private" carries an aura of the selfish and exclusive, the inward-looking, whereas the adjective "public" carries an aura of the democratic, the shared, the generous, the patriotic, the outward-looking—in brief, the public-spirited. And as the tendency of the expanding welfare state has been, in fact to take out of private hands and more and more take into its own hands provision of the goods and services that are considered to be most essential and most edifying—roads and water supply, schools and hospitals and scientific research, education, old age insurance and medical care—the tendency must be increasingly to associate the word "public" with everything that is really necessary and laudable, leaving the "private sector" to be associated merely with the superfluous and capricious wants that are left over after everything that is really important has been taken care of.

If the distinction between the two "sectors" were put in more neutral terms—say, the "private sector" versus the "governmental sector," the scales would not be so heavily weighted in favour of the latter. In fact, this more neutral vocabulary would raise in the mind of the hearer the question whether certain activities now assumed by the modern welfare state do legitimately or appropriately come within the governmental province. For Galbraith's use of the word "sector," "private" or "public," cleverly carries the implication that the public "sector" is legitimately not only whatever the government has already taken over but a great deal besides. Galbraith's whole point is that the "public sector" is "starved" in favour of a "private sector" overstuffed with superfluities and trash.

Voluntary versus Coercive

The true distinction, and the appropriate vocabulary, however, would throw an entirely different light on the matter. What Galbraith calls the "private sector" of the economy is, in fact, the **voluntary** sector; and what he calls the "public sector" is, in fact, the **coercive** sector. The voluntary sector is made up of the goods and services for which people voluntarily spend the money they have earned. The coercive sector is made up of the goods and services that are provided, regardless of the wishes of the individual, out of the taxes that are seized from him. And as this sector grows at the expense of the voluntary sector, we come to the essence of the welfare state. In this state nobody pays for the education of his own children but everybody pays for the education of everybody else's children. Nobody pays his own medical bills, but everybody pays everybody else's medical bills. Nobody helps his own old parents, but everybody else's old parents. Nobody provides for the contingency of his own unemployment, his own sickness, his own old age, but everybody provides for the unemployment, sickness, or old age of everybody else. The welfare state, as Bastiat put it with uncanny clairvoyance more than a century ago, is the great fiction by which everybody tries to live at the expense of everybody else.

This is not only a fiction; it is bound to be a failure. This is sure to be the outcome whenever effort is separated from reward. When people who earn more than the average have their "surplus," or the greater part of it, seized from them in taxes, and when people who earn less than the average have the deficiency, or the greater part of it, turned over to them in hand-out and doles, the production of all must sharply decline; for the energetic and able lose their incentive to produce more than the average, and the slothful and unskilled lose their incentive to improve their condition.

The Growth Planners

I have spent so much time in analyzing the

fallacies of the Galbraithian school of economic Planners that I have left myself little in which to analyze the fallacies of the Growth Planners. Many of their fallacies are the same; but there are some important differences.

The chief difference is that the Galbraithians believe that a free market economy produces too much (though, of course, they are the "wrong" goods), whereas the Growthmen believe that a free market economy does not produce nearly enough. I will not here deal with all the statistical error, gaps, and fallacies in their arguments, though an analysis of these alone could occupy a fat book. I want to concentrate on their idea that some form of government direction or coercion can by some strange magic increase production above the level that can be achieved when everybody enjoys economic freedom.

For it seems to me self-evident that when people are free, production tends to be, if not maximized, at least optimized. This is because, in a system of free markets and private property, everybody's reward tends to equal the value of his production. What he gets for his production (and is allowed to keep) is in fact what it is worth in the market. If he wants to double his income in a single year, he is free to try—and may succeed if he is able to double his production in a single year. If he is content with the income he has—or if he feels that he can only get more by excessive effort or risk—he is under no pressure to increase his output. In a free market everyone is free to maximize his satisfactions, whether these consist in more leisure or in more goods.

But along comes the Growth Planner. He finds by statistics (whose trustworthiness and accuracy he never doubts) that the economy has been growing, say, only 2.8 per cent a year. He concludes, in a flash of genius, that a growth rate of 5 per cent a year would be faster. How does he propose to achieve this?

What Rate of Growth?

There is among the Growth Planners a profound mystical belief in the power of words. They declare that they "are not satisfied" with a growth rate of a mere 2.8 per cent a year; they demand a growth rate of 5 per cent a year. And once having spoken, they act as if half the job had already been done. If they did not assume this, it would be impossible to explain the deep earnestness with which they argue themselves whether the growth rate "ought" to be 4 or 5 or 6 per cent. (The only thing they always agree on is that it ought to be greater than whatever it actually is). Having decided on this magic overall figure, they then proceed either to set specific targets for specific goods (and here they are at one with the Russian Five-Year Planners) or to announce some general recipe for reaching the overall rate.

But why do they assume that setting their

magic target rate will increase the rate of production over the existing one? And how is their growth rate supposed to apply as far as the individual is concerned? Is the man who is already making \$50,000 a year to be coerced into working for an income of \$52,500 next year? Is the man who is making only \$5,000 a year to be forbidden to make more than \$5,250 next year? If not, what is gained by making a specific "annual growth rate" a governmental "target"? Why not just permit or encourage everybody to do his best, or make his own decision, and let the average "growth" be whatever it turns out to be?

The way to get a maximum rate of "economic growth"—assuming this to be our aim—is to give maximum encouragement to production, employment, saving, and investment. And the way to do this is to maintain a free market and a sound currency. It is to encourage profits, which must in turn encourage both investment and employment. It is to refrain from oppressive taxation that siphons away the funds that would otherwise be available for investment. It is to allow free wage rates that permit and encourage full employment. It is to allow free interest rates, which would tend to maximize saving and investment.

The Wrong Policies

The way to slow down the rate of economic growth is, of course, precisely the opposite of this. It is to discourage production, employment, saving, and investment by incessant interventions, controls, threats, and harassment. It is to frown upon profits, to declare that they are excessive, to file constant antitrust suits, to control prices by law or by threats, to levy confiscatory taxes that discourage new investment and siphon off the funds that make investment possible, to hold down interest rates artificially to the point where real saving is discouraged and malinvestment encouraged, to deprive employers of genuine freedom of bargaining, to grant excessive immunities and privileges to labor unions so that their demands are chronically excessive and chronically threaten unemployment—and then to try to offset all these policies by government spending, deficits, and monetary inflation. But I have just described precisely the policies that most of the fanatical Growthmen advocate.

Their recipe for inducing growth always turns out to be—inflation. This does lead to the illusion of growth, which is measured in their statistics in monetary terms. What the Growthmen do not realise is that the magic of inflation is always a short-run magic, and quickly played out. It can work temporarily and under special conditions—when it causes prices to rise faster than wages and so restores or expands profit margins. But this can happen only in the early stages of an inflation which is not expected to continue. And it can happen

even then only because of the temporary acquiescence or passivity of the labor union leaders. The consequences of this short-lived paradise are malinvestment, waste, a wanton redistribution of wealth and income, the growth of speculation and gambling, immorality and corruption, social resentment, discontent and upheaval, disillusion, increased governmental controls, and eventual collapse. This year's euphoria becomes next year's hangover. Sound long-run growth is bankruptcy, always retarded.

In Spite of "The Plan"

Before closing, I should like to deal with at least one statistical argument in favour of government Planning. This is that Planning has actually succeeded in promoting growth, and that this can be statistically proved. In reply I should like to quote from an article on economic planning in the Survey published by the Morgan Guaranty Trust Company of New York in its issue of June 1962:

"There is no way to be sure how much credit is due the French plans in themselves for that country's impressive 4½ per cent average annual growth rate over the past decade. Other factors were working in favour of growth: a relatively low starting level after the wartime destruction, Marshall Plan funds in the early years, later an ample labour supply siphonable from agriculture and from obsolete or inefficient industries, most recently the bracing air of foreign competition let in by liberalization of import restrictions, the general dynamism of the Common Market, the break-through of the consumer as a source of demand. For the fact that France today has a high degree of stability and a strong currency along with its growth, the stern fiscal discipline applied after the devaluation of late 1958 must be held principally responsible.

"That a plan is fulfilled, in other words, does not prove that the same or better results could not have been achieved with a lesser degree of central guidance. Any judgment as to cause and effect, of course, must also consider the cases, of West Germany and Italy, which have sustained high growth rates without national planning of the economy."

In brief, statistical estimates of growth rates, even if we could accept them as meaningful and accurate, are the result of so many factors that it is never possible to ascribe them with confidence to any single cause. Ultimately we must fall back upon an a priori conclusion, yet a conclusion, that is confirmed by the whole range of human experience; that when each of us is free to work out his own economic destiny, within the framework of the market economy, the institution of private property, and the general rule of law, we will all improve our economic condition much faster than when we are ordered around by bureaucrats.

—The Freeman.

(Continued from Page 8)

best protection against the threat of aerial attack, is one of the main tasks confronting the western air defence team scheduled to reach New Delhi on January 30. Since the Indian Air Force will be fully extended in providing tactical ground support, if fighting is resumed, it is believed adoption of either alternative will involve the use of U.S. or Commonwealth air force units. The Indian Government is reported to have requested such assistance soon after China launched its major offensive last October. Washington sources have made it clear, however, that no firm decision has yet been taken committing the West to participation in India's air defence.

Yet another reason for suggesting western air protection is that this would forestall Indian requests for expensive new aircraft and missile systems and reduce possible Pakistani objections, says the message, adding: "It would be much less expensive to meet Indian requirements for additional Canberras, Hunters, Mysteres and helicopters. Western observers do, however, recognise the possibility of the Chinese mounting air raids on major cities and industrial and transportation centres with the object of creating panic and dislocation, especially if they remain wide open to air attack. If practicable, both India and the West would presumably prefer to limit western involvement in India's air defence to fighter interception. This would mean that western aircraft would fly only over Indian territory (as the U.S. transport squadron is now doing) and be called on only if the Chinese bombed civilian populations. But the wide area to be covered has raised doubts whether even a billion dollar crash programme could provide adequate protection against a possible Chinese attack this summer. Effective air defence would require a screen of radar posts high in the Himalayas, an extensive network of communications and guidance facilities and a large number of fighter bases. Even this would not be fool-proof.

Protagonists of deterrent thinking argue, according to the message, that the threat of retaliation from aircraft carriers in the Pacific and Indian Oceans would be more effective and much cheaper. It would mean minimal diversion of western forces. Fighter protection would be provided for New Delhi and a few other major cities within range of Chinese attack and the explicit or implicit threat of western retaliation would be there to deter the Chinese from considering massive aerial bombardment.

OUR MOMENT OF SUCCESS

I have quoted rather extensively from these two messages to show how far we have to discard non-alignment to be able to protect the country in the event of resumption of warfare, and also to show the soundness of the Prime Minister's decision to accept the Colombo proposals. Defending his policy of non-alignment re-

garding which he said, "I still believe in it; I hope we will continue to follow it," Mr. Nehru said, "On the one side the Soviet Union and China were beginning to fall out, while on the other hand there was some attempt on the part of the Soviet Union and the United States to come closer". If making a virtue of necessity can be called "coming closer", Mr. Nehru is right. For, the Soviet Union, balked at every turn by American brinkmanship, which Mr. Nehru derides, has started talking of co-existence. Was it for the sake of co-existence that the Soviet Union was establishing missile rocket bases in Cuba? As for Russia and China beginning to fall out, does Mr. Nehru think that the supply of the latest rockets and missiles by Russia to China to bring down the American U-2s is further proof of the falling out? He finds more comfort in words than in deeds. That has been his lifelong weakness. Is it statesmanship to ignore deeds and rely on words?

And he calls this moment, when he is asking for U.S.-Commonwealth aerial assistance on a colossal scale, "a moment of success in this policy" (of non-alignment)! Replying to the debate Mr. Nehru said: "In pursuing aggressive policies China has become a menace and danger to the world. It has been our misfortune that we have been the victims of this aggression." Does he mean to suggest that this misfortune is not the result of the policy he has been pursuing and is the result of the policy he has not been pursuing? Of that the misfortune is not his fault, but Mr. Ranga's fault? The aggression followed his policies as night follows day. Any clear-headed man could have foreseen it. The Indian Libertarian is witness to the fact that this writer did during the last four or five years.

There is little so far to substantiate his assertion that "this aggression has made not only us but other countries realise the nature of the problem that faces the world." If the Prime Minister of the country that has been the victim of the Chinese aggression had realised the nature of the problem that faces the world, he would have called his policy of non-alignment a Himalayan blunder. But Mr. Nehru is certainly right when he says that "even the Chinese Government had realised the dangers of the aggressive policy," with the beginnings, he might have truthfully added, of western aid to India, but instead he taxed his imagination and added, "and possibly also of the wrong it had done to India by following that policy."

"We have committed many mistakes and will no doubt commit more," said Mr. Nehru in a moment of devastating frankness, seeming to suggest that he is aware of the consequences of continuing to follow the policy of non-alignment, "but I have yet to know that we have succumbed to fear and have fashioned our policies on that basis," Mr. Nehru himself gave rise to the idea that we had "succumbed to fear" when

some years ago in a retort to a suggestion in Parliament for aerial reconnaissance over Ladakh to find out Chinese moves, he said, "What if our planes are shot down?" And he will be a very bold man indeed who can say that the Prime Minister's fear regarding using our air force was unjustified. All paths indeed are leading to alignment.

RANGA VS. NEHRU

There was excitement in the House when, in reply to the Prime Minister's "I think each is too big and too conscious of its honour to submit to any humiliation," Mr. Ram Sevak Yadhav (Socialist) interrupted the Prime Minister saying, "You remove your humiliation." At this Congress members shouted "Sit down" and Mr. Yadhav retorted by saying "Shut up". Continuing, Mr. Nehru said he was talking slowly, calmly and dispassionately and that he was trying to analyse the position. He was not referring to any member opposite even remotely and he did not know why "this extraordinary excitement" was taking place. (Apparently it took place because Mr. Yadhav's shot had gone home.) But resuming his dispassionate speech he observed with reference to an amendment, "I definitely say that Acharya Ranga did not agree with it. Probably he will never agree with anything good. I am prepared to make an exception of Ranga with every proposition I make." "One would have expected the Prime Minister to congratulate Mr. Ranga on the foresight he had shown and the prophetic warnings he had uttered in the course of his speeches during the last three or four years—which went unheeded by the Prime Minister to India's discomfiture. But here he is turning round and trying to ridicule Mr. Ranga as if it is Mr. Ranga who has had to confess that he had been living in a world of his own creation. (Mr. Nehru should have said he had been living in a world of Sino-Russian creation, but that is another matter—not that being right or wrong matters in this country, whatever the consequences.)

As for humiliation, presence of foreign invading troops in a country against the will of the Government and the people of the country is a humiliation. No one can deny that. A decrease in the extent of the territory where they are present decreases the humiliation; it does not remove it. But if, as the Prime Minister said, "The main point is that we must never submit to coercion or military pressure," then it has to be admitted that we are submitting to it in accepting the Colombo proposals—though that is only being realistic, faced with the situation with which we are faced. The Prime Minister ordered the Army to throw the Chinese out of the country and we saw the result. It is, therefore, absurd to demand rejection of the Colombo proposals in the present situation. But it is, at the same time, being optimistic to argue that "it is a temporary arrangement," or that "the Colombo proposals have nothing to do with the

boundary dispute, as they only aim at creating a situation which would enable India and China to discuss matters between themselves to lessen tension"—as Mr. Nehru put it.

But in the main the Prime Minister was right in coming to the conclusion he did—within the four corners of his policy of non-alignment, which demands appeasement and more appeasement for its success, and which has the approval of all parties in the House except the Swatantra. In fact only the Swatantra Party has the right under the circumstances to criticise the Prime Minister and his policies. One cannot logically laud a policy and criticise the results that directly flow from that policy. As Mr. Nehru put it, "It is a question how to bring about the Chinese withdrawal to a certain extent in order to be able to deal with the matter in a manner which may lead to results not possible now"—results, he might have added, which may be possible with more of alignment and less and less of non-alignment. Therefore, as he said, "The attitude that the Government has taken and intends to take in the matter is correct."

To expect mediators to condemn one party to the dispute beforehand is to expect them to disqualify themselves as mediators. Also, the Prime Minister made out a good case for his proposition that withdrawal to the September 8 line had been accepted by the House as a pre-condition to the starting of negotiations. As for Mr. Nehru's complaint that our publicity is ruined by some such remarks made in this House, he ought to know that his and Mr. Menon's remarks, which are reported all over the world, have ruined India's publicity much more than those of all the obscure M.P.'s put together, for the simple reason that the latter neither are reported nor matter. The Colombo proposers must have heard the unforgettable words of our ministers who used to talk of "un-administered territory"—"where grows not a blade of grass", and remembered them with all their awful implications.

It cannot be denied that, by accepting the Colombo proposals, we are partly submitting to aggression. The most that the Prime Minister can say is that we are submitting to aggression for the time being and that we will throw the Chinese out when we are ready—not as we were ready for the Chinese in NEFA. But it should be obvious to any one not given to wishful thinking that we cannot throw out the Chinese from our sacred soil unless we give up non-alignment and qualify ourselves for alignment with the West. So far we have been disqualifying ourselves for alignment with as well as assistance of any kind from the West.

OUR FUNDAMENTAL APPROACH

Regarding the solemn pledge taken by Parliament on November 14, Mr. Nehru said, "We

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Escalation Into Surrender: Socialist Dictators: "King" Kairon

(From Our Correspondent)

TRUTH is self-evident, but only to those who can distinguish the chaff from the grain and remember that there is no generosity in politics. A bully wants to know how far he can go with impunity. As soon as the Chinese realised "the Americans are coming" he fled. His uncle had done, the same in Cuba under similar circumstances. (That does not reveal a marked ideological difference between the two, on which we are being fed so assiduously these days.) The military sanction behind the Colombo proposals is the might of the U.S.A., without which India and all the other non-aligned nations will be at the mercy of China and Russia. The other sanction is political—the Sino-Russian necessity of keeping the non-aligned nations non-aligned. A policy of alignment will make the Chinese pull out altogether from India. But hope is triumphing over experience, because we learn not from experience.

By the time this appears any comment on the debate in Parliament on the Colombo proposals would be almost out of date, and I would therefore confine myself to a recital of the self-evident truths uttered in the course of the debate, in the conviction that it is never too late to realise the truth. The Swatantra leader, Mr. N. C. Ranga, asked, "Is it reasonable to expect us to go into a partnership with the Chinese, a territorial and administrative partnership on our own soil which she has grabbed?" He said, that the acceptance of the Colombo proposals would result in India giving up the possibility of taking the initiative to retake the occupied areas. If that is so, and it is obviously so under non-alignment, there was little point in Mr. U. N. Dhebar's reminder that the Colombo Conference proposals provided only a basis for negotiations and not the terms for final settlement. He also said that the Colombo powers were keen on not allowing the aggressor to reap the benefit of his aggression—within the limits, he might have more truthfully added, imposed by their task of mediation.

The Jan Sangh leader, Mr. U. M. Trivedi, said that the Prime Minister's statement had unfortunately confused the whole issue as if it was a question of territorial adjustment concerning a few check posts. The time has come, in his opinion, when "India must make the courageous decision of fighting it out with the Chinese and liberating the land from all enemy occupation." He does not seem to be reading his newspaper

regularly, for the Prime Minister did order the Army to "throw out the Chinese" and the courageous decision which he wants the Prime Minister to take had already been taken by him; and what the Jan Sangh leaders should now think over, with all the brain power at their command, is: "Where do we go from here—to the U.S.A. and Britain and the Commonwealth, or back into the flattering arms of Soviet Russia,"—for that is what non-alignment comes to, when all is said.

Mr. A. P. Jain said that acceptance of the proposals would give the lie to Chinese propaganda that India did not want peace. (This is a very good argument for those who want peace at any price.) He repeated the familiar Congress and Government argument that acceptance of the proposals would not come into conflict with the pledge that the aggressor must be driven out of Indian territory, since the proposals only formed the basis for preliminary negotiations and not for final settlement. But if the Chinese retire as a result of negotiations from Indian territory—and does any one seriously expect it?—they would not have been driven out, as the pledge demands. The fact of the matter is that the pledge was not a very peaceful proposition, and now we are all for peace, having forgotten the pledge, at least for the time being.

According to Mr. Indulal Yajnik, who maintained that the Prime Minister had taken a patriotic stand, the "only bitter pill" for India in the proposal was that she was being asked to agree to have joint civilian posts with China in the demilitarised area. He warned that if the move by the Colombo powers did not go through, it would freeze the cease-fire line and sometime or other China might attempt to march on Indian soil. Even if the move by the Colombo powers goes through the result can and will most probably be the freezing of the cease-fire line, for the Colombo proposals only aim at bringing the two parties together for negotiations—which can always be prolonged.

The best contribution to the debate was made by Mr. Frank Anthony, who has been warning us regarding the Chinese menace since China occupied Tibet. He said the Colombo powers had done nothing but indulge in horse-trading. He observed that it was a cynical affront to the House to ask it to consider proposals which had already been accepted in principle by the Government—proposals which were

not only far-reaching but might well be disastrous not only for Indian history but the history of Asia". He said India's policy had represented steady retreat and equally the Chinese policy of calculated duplicity had represented calculated advance. "Every time we have receded every time they have exaggerated and inflated their claims and today they are in a position beyond what they were accepting in August last year."

"I am afraid," Mr. Anthony continuing said, "this will emasculate the psychology and national will of the people. In the final analysis the people will say blatantly that the series of retreats represent nothing but escalation into abandonment of one principle after another, escalation into one surrender after another. Once the Government of India places its seal of approval on the Chinese occupying the September 7 line, we will have completely and actively placed our approval on the Chinese occupying permanently 16,000 square miles of our territory. China lives by certain maxims: ruse and duplicity, advance and retreat, confuse and demoralise and has applied these maxims in regard to India blatantly and succeeded completely." By every wishful thinker, i.e. by almost all of us, this speech should be read over and over again.

SOCIALIST DICTATORS

The chances of the Socialist merger have receded with the announcement by the National Committee of the Socialist Party of its firm resolve to adhere to its 1962 election manifesto. The resolution of the PSP executive suggesting that a joint committee of the two parties make necessary "modifications and additions" in the manifesto to facilitate a merger is totally unacceptable to the Socialist leaders. They have thus put themselves in the wrong. According to the Socialist Party Chairman, Raj Narain Singh, their manifesto is a "just document. But that is exactly what was to have been decided by the proposed joint committee. To say that they cannot agree to a committee even to consider modifications in the manifesto is to claim a monopoly of wisdom for themselves and to deny it to the PSP. On this basis there can be no unity.

There is no force in the other argument that "we have been elected on its basis and cannot make any departure from it now," because a portion of the manifesto has already been deleted to accommodate the PSP. Also as Mr. Triloki Singh has pointed out from Lucknow, the Socialist Party in its February 1962 manifesto thought it would be puerile to attempt to take back the Ladakh area, but now it swears by the August 15, 1947, boundary and wishes to even throw the Chinese out of Tibet. Perhaps what the Socialist Leader means is that they can make a somersault but not change a comma in the manifesto.

It is absurd to accuse the PSP leaders of in-

dulging in duplicity by asking the Socialist Party to make changes in its basic policies. For, no one is asking the Socialist Party to make changes in its "basic policies". By no stretch of the imagination can reservation of 60 per cent of Government posts for backward classes or permission to Government employees, except members of the armed forces, to join political parties, be considered part of the party's basic policy.

The Socialists have apparently decided to exploit the urge for merger among Socialists of all kind in the country. The National Committee resolution appealed to the various PSP units in the country to unite with the Socialist Party forthwith, notwithstanding the "obstructionist attitude" of some PSP leaders. It also invited the Socialist parties in the U.P. and Rajasthan assemblies to function as legislative wings of the Socialist Party "within the framework of the Socialist constitution and discipline". This invitation is now being held out to those who were threatened with disciplinary action when the merger took place. Lucknow correspondents of local dailies are doubtful regarding the United Socialist Party submitting to the discipline and constitution of the Socialist Party, as demanded by its national executive, as U.S.P. circles are pointing out that the merger was unconditional. That is in fact what it should be, without the first person singular performing its singular acrobatics. Even if the Socialist manifesto is a perfect document, Socialists have the right to make it imperfect. That is democracy, while the claim for perfection is dictatorial.

"KING KAIRON"

Chief Minister Kairon has sprung a surprise upon constitutional pundits by appointing a number of advisors. To whom? Since he himself is supposed to advise the Governor, the Advisors will presumably advise him. One would have supposed that this is exactly what the Cabinet Ministers are there for. If that is so and the Advisors are also to advise, it follows that, for the Advisory Body to have any meaning, Chief Minister Kairon will sometimes listen to the Cabinet and sometimes to the Advisors, ignoring the Cabinet. The appointment of Advisors is therefore not only a slur on his colleagues but also unconstitutional, inasmuch as it deprives the Cabinet of its right not only to advise the Chief Minister but also to see that the advice is followed. That is what Cabinet decision means. Is not the Chief Minister bound by Cabinet decisions, even as the Governor is bound by the advice of the Chief Minister?

A negative answer to the first question will obviously promote fissiparous tendencies and party splits. In Nepal King Mahendra appointed his Advisors after dismissing his ministers. In Punjab King Kairon has appointed his advisors without dismissing his ministers. The Ministers retained after the recent drastic reduc-

tion in the size of the Cabinet must be feeling too grateful to utter even a humble protest, and of this factor Sardar Kairon was presumably not oblivious. The Akali split strengthened his hands and raised his stature in the eyes of the Centre, i.e., Mr. Nehru. By the appointment of Advisors he is no doubt helping himself at a time when he is emerging as the strong man of Punjab and when the Centre is too busy and too worried to realise the implications of what Sardar Kairon is doing. But if, as is being presumed here, he has obtained Mr. Nehru's verbal consent to this constitutional monstrosity, his position may be regarded as unchallengeable—so long as fissiparous tendencies do not manifest themselves.

(Continued from Page 10)

took that solemn pledge and by that we stand". And he appealed to members not to raise the argument that the Government was playing false to this pledge. What is in Mr. Nehru's mind is known only to himself, and is seldom betrayed, but even he cannot deny that the solemn pledge is in abeyance—though rightly so—by his acceptance of the Colombo proposals. It has to be in abeyance under the circumstances. But if, as he said, "the main point is that we must never submit to coercion or military pressure," then the main point has been given up.

"The fundamental approach of India," according to the Prime Minister is "to settle problems in the world through peaceful methods", and he reiterated the suggestion for referring the border issue to the International Court of Justice at the Hague for arbitration. The question arises whether this "fundamental approach of India to settle problems through peaceful methods" holds good only in dealing with mightier powers and not in dealing with weaker powers. If that is our fundamental approach, why do not we say in regard to Kashmir, the root cause of all our troubles? What is sauce for the goose should be sauce for the gander, and fundamental principles should not be lost sight of in dealing with brothers.

Mr. Nehru would make a much better impression as a speaker and a debater if he were to give up his habit of overplaying his hand and thus inviting criticism. Overplaying one's hand may be part of the technique of claptrap, but members of Parliament are intelligent people who would prefer appeals to their intelligence. To describe the moment of our failure as the moment of our success would take some beating. It is not likely to convince any one, even among his followers.

Book Review

COMMON SENSE CREDIT by Charles Morrow Wilson (Credit Unions Come of Age) Devin Adair Company, New York, 1962 Pages 180. Price \$3.95.

This is a breezy survey of the new credit union movement in the United States, written in an attractive journalistic style by Mr. Charles M. Wilson, a roving editor of the famous international monthly known as *The Reader's Digest*.

The Survey overflows into Canada, South America and even East Asian countries like Japan, the Philippines, India and Thailand.

It gives brief sketches of some of the heart-warming stories of "millions" of needy persons in all walks of life who have benefited from the co-operative credit movement which is a sort of self-help or mutual aid (for credit) association of members who come together for the purpose.

The aim is to help people from falling into the clutches of loan sharks and save them from high interest rates and from the dangers of unwise instalment buying beyond their means of payment in the number of instalments stipulated.

It gives (in bright, chatty style) stories of how hundreds of people—fishermen, teachers, artisans, students, small shopkeepers, small industrialists, farmers and others were advanced moneys by credit unions and helped to recover solvency, increase their earning power, free mortgaged property and helped even students pay their way through college etc.

The capital in all cases has been the common share amounts subscribed by members with no swell advances from banks or governments. The interest rates have been kept reasonably low, although the rate of one per cent per month mentioned in some case seems unduly high.

The account is popular and uplifting with a view to arouse interest in the movement. It does not enable us to assess the exact value of the movement, for it does not give balance sheets of any typical societies.

In India city or urban co-operative credit societies and consumer stores are the least unsuccessful in a dismal record.

The co-operative movement seems to require some homogeneity or community in members who know each other and are dependent on each other's goodwill for success in life. The alienation from community and the consequent atomisation of people in Indian cities and the increasing individualising effect of modern life together with its greater mobility seems to make for the weakening of social conscience and social bonds. Hence the failure of the co-operative movement here.

Ambition to succeed, capacity to subordinate immediate consumption to later projects, capa-

city to plan one's earnings and expenses—all seem to be necessary for success in co-operative finance.

The commitment to monopoly co-operation in rural reconstruction (including farming) announced in the Five Year Plans in India as a consequence of the Socialist Pattern of Society seems to be clearly unwise. This book by Mr. Wilson serves to arouse interest in co-operative credit but requires fuller information for a balanced judgement of its utility in our plans for rural reconstruction.

M. A. Venkatrao.

Gleanings from the Press

CONFUSION OF NEHRUVIAN ELOQUENCE

"Our conflict with China is a much deeper one than the present differences and we may have to carry this for many years, whether there is an actual war or not. Therefore, we have to go on with our preparations to strengthen ourselves to the best of our ability," said the Prime Minister in Parliament on January 25th. "To the best of our ability" is not merely the ability to levy and collect taxes and 'voluntary' contributions and spend them on our soldiers and their equipment, but includes the capacity to formulate and carry into execution an effective foreign policy, which will bring us the moral and material assistance required to make up for the difference in military potential between China and India before the enemy further increases his potential. The nation should call for a halt of inhibitions that stand in the way of the adoption of a wise foreign policy which would act as a deterrent of aggressive ambitions on the part of communist China. The doctrine of self-sufficiency in the Indo-China conflict will lead to the economic ruin of the country and not to any parity with China. The doctrine of unending emergency, which the Prime Minister is predicting, will lead to the disappearance of democracy in all but its forms. These are the two points on which citizens of the Indian Republic should direct their attention, in spite of the confusion of eloquence in Parliament.

—C. R. in Swarajya.

News & Views

AND NOW FOR RUSSIA . . .

HONG KONG.

The sparsely populated wastes of Soviet Siberia bordering on Manchuria may be the next target of Chinese aggression.

The Chinese have already settled 1,00,000 people in Manchuria's virgin lands near the border. Thirty State farms have been set up, run principally by demobilised ex-servicemen, according to a report in a North China newspaper.

The White Russian population here has already been evacuated by the Chinese. Soviet consulates and Sino-Soviet associations have been closed.

Peking could seek to expand here on the analogy of their advance across the "illegal" McMahon Line. In this area the Amur river forms the boundary. The area north of it was ceded to Russia less than a century ago by treaties of 1858 and 1860.

The treaties followed bitter rivalry to develop the area, which is still thinly populated except for the Amur Valley itself, along which the Trans-Siberian railway runs. Imperial Russia came out on top and forced the treaties on China.

This is a close parallel to the Chinese version of the event that led up to the drawing of the McMahon Line.

A communist work "A Brief History of Modern China," published at Peking in 1954 marks vast areas north of the Amur river as Chinese, adding that they were "given" to Russia under the treaties.

FRENCH IDEA OF 'THIRD FORCE' WRONG HOME

WASHINGTON:

Lord Home, British Foreign Secretary, said today France's idea of a "third force in Europe was wrong."

In an interview published in the "U.S. News and World Report," Lord Home said: "If President de Gaulle is for dissociating America with NATO, we must differ from him profoundly.

"If he thinks Europe can carry on either way without partnership with America, the President, in our view, would be profoundly mistaken.

"Just in other words the conception of a "third force" is wrong."

RED CHALLENGE

"If we are to meet the Communist challenge, if we are to negotiate with the Communists a modus vivendi and if, above all, we are to fertilize the less-developed world with well-directed wealth, then it is Europe and America and the Commonwealth that should co-ordinate their policies together. "We should not be separated."

Lord Home, who was interviewed by the magazine in London, was asked: "Was there a good deal of disappointment in Britain as a result of the Nassau agreement to drop the Skybolt missile and to give Britain the Polaris missile system instead?"

"I think," he replied, "that the whole prehistory of the Nassau meeting—that is, the Skybolt episode—rather threw me off balance for a bit. But there is no doubt in my mind or in the minds of any of my colleagues that, from our own point of view in Great Britain, we got the best second-strike weapon that there is in existence and, if need be, we've got independent control of it."

C.P.I GIVES GREEN LIGHT TO VIOLENCE

RAIPUR:

The Communist Party of India has directed all its units in the country to use violence against those who demonstrate against its Fifth Column activities.

The C.P.I. directive was worked out for the first time at Raipur when three Communist workers at a public meeting assaulted a leading Advocate of the town who is an office-bearer of the Bharat Raksha Dal. They used lathis, kicks and fists on him because he raised a protest against the C.P.I.'s Chinese policies.

The C.P.I. had organised a public meeting to welcome Mr. Homi Daji, a Communist M.P. from Madhya Pradesh, who had gone in the Three Member delegation of the Afro-Asian Solidarity Committee to the Colombo Conference.

The Commies, it was apparent, had made full preparations under instructions from Headquarters. Among those engaged to assault the demonstrators were a number of professional goondas.

WAR EFFORT SHOULD NOT SUPPRESS DEMOCRACY: SORENSEN

NEW DELHI:

Mr. Reginald Sorensen, British M.P., said here Opposition parties should not do anything which went against the legitimate defence of the country.

They should at the same time try to preserve faith in free discussion, he added.

Addressing a meeting of the Citizen's Council on "the role of Opposition parties during national crisis," Mr. Sorensen said the greatest virtue of India was that it stood for the democratic principle of right of free discussion.

"That is why it should outlive the world behind the Himalayas and the bamboo curtain," he said.

Comparing conditions here with the conditions that existed in Britain during world war II, Mr. Sorensen said although the situation was much more serious in Britain, the House of Commons continued to meet even during the worst air raids.

Opposition parties used to raise all sorts of questions on war effort, but the Government did not use the war effort to suppress democracy, he said.

Mr. Sorensen said that in times of crisis what brought the people together was "the spirit of democracy, with its spirit of toleration and respect."

But while criticising the Government's war efforts, Opposition parties should observe a certain caution and not say things which would help the enemy, he said.

RAJAJI SPEAKS OUT ON COLOMBO PROPOSALS

MADRAS: Mr. C. Rajagopalachari called upon the leaders of the nation to do some self-introspection before they accepted the Colombo proposals.

"If, said Rajaji, "we are to stand by what we have been shouting all these days, these Proposals must be rejected."

He, however, added: "consistency is not the only guiding principle in the affairs of nations."

Considering the position as it has developed, "the Chinese military strength, . . . is obviously bigger at present than ours". "If we are clear and decided in our minds to seek and secure the full co-operation of anti-Communist powers abroad, we can give fight and save our honour and reoccupy our territories."

"If we seek and we are able to secure whole-hearted allied support from the West—not merely weapons, on a commercial or gift basis, but full co-operation as from allies bound by treaty—not only the fighting but any negotiation thereafter can be conducted with confidence on our side".

"If we are unwilling to do this and believe that there are risks involved in seeking any military alliance, we may accept the Colombo Proposals."

"We shall not gain anything thereby, but we shall be saved from the immediate problems of an active military campaign."

"We shall definitely be a defeated nation and China will continue to be a menace and her hegemony in Asia will be an accomplished fact", Rajaji added.

He held it was the logical conclusion of the recent developments that India should seek and secure an "unambiguous alliance with the Western powers to safeguard the integrity of our territory and our freedom; no loss of prestige or risk was involved in it."

IMMEDIATE END OF EMERGENCY URGED

AMRITSAR:

An all-party public meeting, held here under

the presidentship of Mr. Amirchand Gupta, Ex-MLA and a prominent Congress leader, adopted two resolutions demanding the immediate end of the State of emergency in the country, as there was no war going on and the curb on public liberty was unnecessary.

The other resolution said that any negotiations with China should be on the basis of the boundary line as it existed on August 15, 1947, and not September 8, 1962.

The resolution said any talks on the basis of the Colombo resolutions would perpetuate the danger of Chinese aggression and also pose a threat to the country's unity.

Mr. Abdul Gani, Opposition MP, was the main speaker. He bitterly criticized Congress policies.

He anticipated a danger arising from the Congress-Communist alliance in the country, leading to a virtual dictatorship.

ENSURE THAT CHINA LIVES NORTH OF HIMALAYAS: CHAVAN

JAIPUR:

Defence Minister Y. B. Chavan said here that irrespective of whether there are negotiations with China or not "we have to recognize once for all that we have a neighbour whose hands are strong and in whose heart there is war."

Mr. Chavan said while Russia and America were trying to learn to live together, he was not sure whether China would also do so.

He said "we will have to live with this question as long as we wish to remain. We will have to ensure that China lives north of Himalayas and India to the south of it."

TIBET LIBERATION FRONT FORMED

PATNA.

A Tibet Liberation Front has been formed here to "help the Tibetans to regain their sovereignty and their right of self-government."

Mr. Mahamaya Prasad Sinha, MLC (Congress), has been elected its chairman.

"A PERMANENT EMERGENCY?"—'C. R.' NEHRU'S DIPLOMATIC FAILURE

Shri C. Rajagopalchari asked the Government to tell the people how long the present emergency would last.

Addressing a public meeting here, he assailed the Government for making the emergency permanent to keep the people live in fear on the ground of continuing Chinese menace.

He said Mr. Nehru had failed in diplomacy. The Prime Minister considered China as a brother without knowing that it was a wolf.

Shri Rajagopalchari said he did not like the "indirect compulsion let loose in the country," in the matter of collecting money for the defence fund.

"Let there be a tax if necessary so that money can be collected in the usual way and receipts obtained", he said. It was wrong to collect money in the way it was being done now.

He described the Government as a 14-carat Government and said the Government's gold policy was bound to fail like co-operative farming.

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