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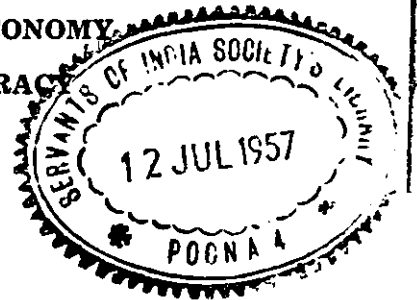
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Editorial

NEW PARTY IN PAKISTAN

EX-MAJOR GENERAL AKBAR KHAN has announced the formation of a new national party in Pakistan under his leadership. It will be remembered that it was this officer who led Pakistani armed forces in the invasion of Kashmir in 1947-48 after the collapse of the tribesmen's offensive. He called himself General Tariq, the famous Arab general who led conquering armies into North Africa in the time of the Caliph Omar. It shows the imaginative climate of the inner world of Pakistani leading men. Later, Akbar Khan was involved in what is known as the Lahore Conspiracy Case, in which he was the chief accused. He was charged with engaging in a conspiracy to seize power, and subordinate the country to a foreign power, and since communists were also involved as his companions in this conspiracy, it was obviously Russia that is meant by "the foreign power". Now the ex-general is at liberty, and is looking for ways to rehabilitate himself in the eyes of the public. And so he thinks of forming a new party whose chief aim is to conquer Kashmir for Pakistan, and put an end to the procrastination of the present ruling groups in the matter.

It is not known what happened to Allama Mashriqui's camp near Lahore, set up to prepare hordes of marchers into India. It is to be seen whether Akbar Khan's move will prove more formidable than the Allama's has been so far. But Akbar Khan is more experienced in military matters, and had war experience behind him, and if backed by the Government officially or unofficially, he is likely to prove more of a nuisance than his predecessors in baiting India through Kashmir. But these are straws that show which way the wind blows in Pakistan.

They show that the cry of *jihad* is symptomatic of a permanent malaise and mood in Pakistanis, rulers as well as rank and file. It is not to be dismissed with indifference as mere hysteria. India was always known to be indifferent to the danger of foreign conquerors. Professor Venkatswara, author of *India through the Ages*, has noted that Indian rulers, except in the time of the Mauryas, were inward looking and rarely showed a more than passing interest in events taking place beyond the borders of the country. The result was that time and again they were taken by surprise and defeated before they could organise resistance on a scale commensurate with the needs of the situation. It is to be hoped that this defect will not occur this time.

It is to be hoped that Nehru's sense for international events will not over-look the danger from our immediate neighbourhood. But the vital defect of our present foreign policy is precisely to ignore the danger from immediate neighbours whose borders march with our own in West, North and North-east and to concentrate attention on the doings of the Great Powers and the rivals of the global cold war.

The result is likely to be that once again we might be caught napping, unprepared to meet the attack from across the border, the attack which is being loudly proclaimed by the accredited leaders there.

This is not said to arouse hysteria in our country. We do not want hysteria nor are we interested in a campaign of hatred against our neighbours to return the compliment paid to us in the same coin. We are more intent on genuine defence for which purpose both people and Government should be aware of the danger. We are confident that Indian leaders have spiritual resources, sufficient to fight without flinching, if fight is thrust on them without orgies of emotional hysteria, quietly and with determination in the spirit of the *Bhagavadgita*. The *Gita* teaches the technique and attitude of fighting without pettiness and vulgarity, fever of spirit and despondency but with calm confidence and self-mastery. Such a fight for freedom and right is a *dharma yuddha*, for which the rulers should always be prepared. Preaching non-violence is not their primary job. Preparation for instant war is their specific job. If Akbar Khan poses as General Tariq, Indians will recall the spirit of Arjun and Krishna.

But if better counsels prevail, and the attack does not come off, so much the better and we shall have opportunities to rebuild the country peacefully and without disturbed conditions.

Expansion of the Militia

In the circumstances of today, it is necessary for preparing the entire population for duties in connection with war. Quietly and without chauvinism, the Government should start giving training in military affairs to the entire civil population of military age *i.e.* 18-45 years.

In addition to the territorial forces and national cadet corps of the universities, industrial labour, rural workers, shop keepers and office workers should all be given training in the use of arms. Rifle clubs, use of anti-aircraft guns, air-raid shelter preparation and use, coast guard work and watch and ward over railway track and property, civic guard and so on should all be organised as a matter of routine. Today the Government thinks that to mention the very idea of preparation is to show fear and demoralise the people. This is a regrettable attitude. What is demoralising is lack of preparation and being taken by surprise by enemy attack and not taking the people into confidence and taking their co-operation in the inevitable tasks of defence. The military alone will not be able to do the job. The fullest co-operation of the civilian population, intelligent and organised, is essential.

Guided Democracy in Indonesia

Democracy is visibly cracking in the Islamic State of Indonesia. Dr. Soekarno's National Council set

up to advise the Government and Cabinet, and presumably to over-rule it when it deems it necessary, is not delivering the goods. Leaders of the Masjumi Party are suggesting that it is time for Dr. Soekarno to retire and leave the presidency for others.

The Army is split into factions, some supporting and some insisting on setting up rival authorities in Sumatra and West Java and elsewhere. Dar-ul-Islam, an orthodox Islamic party, is having its own area of influence with its own army and governmental set-up. Though the communist revolt in the beginning of the new era (1948) was suppressed by Dr. Soekarno's secular forces, he later admitted the communist party to elections and to government. *The defence minister was a communist.* The outcome turned out as expected. Infiltration into the army followed, and irreconcilable conflicts between communist and anti-communist factions became the order of the day. The Masjumi and other Muslim elements were unwilling to allow communist influence to grow with the consequence that the Army split inevitably:

The same conflict between secular and religious or theocratic elements that is at the bottom of the unsettlement in Pakistan is to be seen repeated in Indonesia. Has this similarity anything to do with Islam which is common to the two States? Is there anything inherently contradictory between secular democracy and Islam?

It remains to be seen whether Indonesia can recover normality and set up a modern State with sufficient social unity in terms of nationalism and democratic freedom. Neither democracy nor Islam, it would appear, is adequate for forming the foundation of a modern State. They are universal in creed and need modification in terms of particular social unities if they are to be made to work in the present jungle of free and independent nations. National democracy needs in addition to social unity a sense of the equality value and dignity of the individual citizen before the law. Somehow this seems to be neglected in social and legal systems based on particular religions, however universal they might appear to be in inspiration and theology.

Sir Feroz Khan Noon in Britain

Pakistan's Foreign Minister is already in London to prepare the minds of British statesmen to raise the question of Kashmir in the forthcoming Commonwealth Conference. British statesmen seem now not to be anxious to support an early discussion of the Jarring Report but they cannot prevent Pakistan raising the question before the Security Council.

It would be interesting to speculate what the reaction of the Security Council would be to the Jarring Report. It is thought by some that the Council would acquiesce in the present division of Kashmir, if India could accept it as the final solution. Pakistan would then gain legal rights to the part she is now occupying, and will have to accept the cease-fire line as the final international border. It is doubtful if she will be content with this solution, though this might be satisfactory to Britain and America for they would then have the Gilgit bases in case of war with Russia. The idea of a plebiscite seems to be given up by the

Big Powers because of Jarring's endorsement that it would restart communal carnage and unsettlement throughout the sub-continent.

Baghdad Pact Council at Karachi

We have noted last time the entry of America on the economic and military committees of the Baghdad Council and the additional sums of money granted by Britain and America for the improvement of communications and other economic and military projects in the Council area, benefiting primarily Pakistan. A road and telecommunications system would connect the capitals of the Baghdad countries—Ankara, Tehran, Baghdad and Karachi. Karachi will have sea communications with Basra and the Persian Gulf generally greatly improved.

As a member of the Baghdad Pact Council, Pakistan will have the benefit of sharing in the West Asia expenditures and consequent power potential of the Middle East. As a member of the SEATO Council she will share in the South East Asia expenditures and power set-up of the Western Powers in South East Asia. Thus will Pakistan realise her main ambition of outrivalling India in the military field, and in fact she will encircle her pet enemy—India. What is our defence against this threat? *Panchsheela*—may be the official answer. And what is the meaning of *Panchsheela* in the vocabulary of Russia and China? Russia's tank attack on poor Hungary is one answer. Bulganin in his letter to Nehru affirmed that Russian action was within the limits of *Panchsheela*! And China does not consider her theory that all Chinese nationals abroad are citizens of Red China, to whom she has allotted seats pro rata according to their numbers in Burma, Indonesia, Philippines and Siam in her Parliament. Pakistan is at least more honest. She has refused to sign a non-aggression treaty with India for she honestly intends to attack India some day and she wishes to keep her hands free.

There was a new centre of controversy in Karachi in the recent Council. Pakistan wanted "aggression from any quarter" and "subversion from any country" to be included in the Pact for mutual support. Mr. Suhrawardy had already declared that India's use of the waters of her portion of the Punjab rivers running in her own territory was as much of an "aggression against Pakistan" as her occupation of Kashmir! Of course, this is Pakistani logic which needs a special commentary to render it intelligible for the outsider, for local autonomy is also supposed to be the result of subversion by Indian agents! The Muslims of East Bengal have drunk deep of Bengali-Hindu culture and have retained Bengali as their mother tongue, and are moreover the more numerous. Hence they chafe under the rule of West Pakistan Punjabis who look more to Arabic Persian culture for their mental pabulum and wish strongly to be taken as the successors of the Arabian imperial tradition of the days of Saracen ascendancy in the world.

Where Stand U. S. and Britain?

Hence Pakistan's leaders have got their theory of Indian aggression ready made and want their patrons

in the Pact—the British and the Americans to agree to their logic. They do not seem to have done so—yet. But everything is permissible in an ally that is able to furnish man-power and fodder for cannon to the tune of millions. Today the combined land forces of Turkey and Pakistan amount to half a million men. At need, the figure could be raised to two million fighting men from all the four Muslim members of the Pact—not a small number. Hence we should not be surprised if Dulles one of these days makes an unassuming statement, in an aside as it were, that Pakistan is entitled to use her Aid Equipment in her own self-defence, as he has just disturbed the world by his casual-seeming remark that America will take no notice of the French-Algerian nationalist quarrel. Allies do no wrong—seems to be the policy of America, though the British attack on Egypt was ruthlessly opposed by her, an aberration since she herself was forced to take Britain's place in West Asia through the Eisenhower Doctrine!

What is India's answer to all this network of military danger enveloping her? Do we see responsive moves in the visit of Marshal Zhukov of Russia to India a few months ago and in the present visit of India's General Thimmayya and his colleagues to Russia? We should not forget in this connection Mr. Krishna Menon's remark in America recently in a press conference that Indian public opinion was averse to buying arms in America because of her military Aid to Pakistan against India's wishes and protests.

The Exodus from East Pakistan

India has greater and more grievances from Pakistan to complain about with infinitely more justification

than Pakistan has against India on any score. The only fault of India in regard to Pakistan is to give her more than her due and to excuse her hostility and unfair and scandalous propaganda ever since the foundation of the Islamic State. The number of people that have come over to India since Partition is nearly a crore. The figure accepted by the Indian Government recently was forty lakhs and today more than ten lakhs are still in camps awaiting rehabilitation. Perhaps the Government of India has so far spent about Rs. 100 crores in the rehabilitation of the refugees from Pakistan. The second Five Year Plan has set apart Rs. 65 crores for the next five years. Now no one seems interested in raising the question as to why India should not demand all this money for rehabilitation from Pakistan whose cruel action is responsible for the flight of her nationals to India. The Indian Government does not accept the two nation theory but why then does it admit Pakistani refugees into India? Why not close the border and ask Pakistan to deal with them as her own internal affair? Why should India make a gift of the property of the Hindu Pakistanis to Muslim Pakistanis, official and unofficial? Why does not our Government take this matter to the UNO as the Arabs expect the Arab refugees from Israel to be rehabilitated by the UNO? The numbers of the refugees in India is ten times greater than those from Israel.

India should ask for land from East Pakistan for the rehabilitation of these refugees or demand adequate funds for the purpose. This is strict justice. But India does not seem to believe in justice when she is confronted with Pakistani actions and seems to pin her faith in silence and appeasement. Such silence and appeasement has not paid in the past.

THOUGHTS ON BUDGET

By M. A. Venkata Rao

THE Finance Minister's budget proposals take the country a long step forward in the direction of a communist economy and *ipso facto* a corresponding step backward from free economy and limited Government. For it is primarily a Plan budget designed to prepare the country to shoulder ever-increasing burdens of taxation to meet the colossal expenditures scheduled in the Second Five Year Plan which is to be followed by further Five Year Plans. The era of full control of the economy by the State with the practical disappearance of the private sector is clearly envisaged by these Plans, an era of socialist society.

It was the considered opinion of competent students of the Plan, (even from its first adumbration as the Plan-frame by Dr. Mahalanobis) of economists, industrialists, journalists, financial officials, bankers and writers generally that the proposed investment of Rs. 4800 crores in the public sector during the five year period of the second Plan was much too ambitious and unmistakably beyond the total resources of the country from all sides. It was pointed out that any

attempt to ignore this warning and go in for deficit financing on the ruinous scale proposed by the planners would add materially to the inflationary forces already showing themselves in the economy with the result among others of necessitating an enhancement in the money to be invested for projects of the size already determined. The rise in food prices from the beginning of the Plan year by about 20% forced the Finance Minister as anticipated to announce an addition of Rs. 400 crores to the total investment of the Plan and of Rs. 200 to the railway budget bringing the total investment contemplated to Rs. 5400! This connotes a fanatical obstinacy in the part of government in defiance of arithmetic characteristic of communist ideology. The result is that the original gap in resources of Rs. 800 after taking into account all practical means of raising funds through additional taxation, (public loans, deficit financing and foreign aid) will be increased to stand at Rs. 1400! The Finance Minister also announced that though he used to be against deficit finance as a matter of principle,

he will now provide for it to the tune of Rs. 800 or Rs. 900 crores during the Plan period! This will mean a rate of Rs. 180 crores per year. The potentiality of this figure for mischief can be realised when we set against it the size of the annual Central Budget of Rs. 600. That is to say, more than a fourth of the Central Budget figure will be added to paper money not backed by economic values (goods and services)!

The estimate of competent students regarding the funds that can be raised and used for the Plan without catastrophic effects in the Plan period is around Rs. 3000 crores. Thus the present Plan proposals (already started in their mad career of expenditure) are nearly double those of what is considered reasonable. The unsettling effects of such a bloated schedule of expenditure are obvious.

Ruin Writ Large

This background is necessary to realise the inwardness and the full potentiality for mischief by way of ruining the economy inherent in the Budget Proposals introduced in the Union Parliament in the May session. The chief characteristic of the Budget is a drastic widening of the basis of taxation to include further proportions of the population and new kinds of imposts like the wealth and expenditure taxes for the first time in the history of taxation in the country. Both direct and indirect taxes are extended to net about a Rs. 100 crores per year (Rs. 93 crores). In the field of direct taxation, we have a lowering of the exemption limit for income-tax from Rs. 4200 per year to Rs. 3000 bringing incomes of Rs. 250 per month under the net. This will hit people of the lower middle classes hard who are already suffering from high prices of foodstuffs and other consumer goods. The plea urged in extenuation of this is that all classes of people at all levels in income should bear the burden of the Plan. If so, there is no reason why the working classes, especially industrial labour who are rapidly becoming a new privileged class, (a sort of industrial aristocracy of labour), who have the power of achieving rates of wages above the free market level through trade union action should not also be brought within the income tax net. This class is certainly better off than the lower echelon of office workers. The honour of contributing to national reconstruction through the Plan should not be denied to industrial workers.

Blowing up Economic Structure

The most radical and unsettling of the new direct taxes are the wealth and expenditure taxes, following the suggestions of Professor Kaldor. Wealth tax will be levied at the rate of $\frac{1}{2}$ per cent on Rs. 10 lakhs of total wealth above a limit of Rs. 2 lakhs on individuals and Rs. 3 lakhs on undivided Hindu families, one per cent for the second Rs. 10 lakhs and $1\frac{1}{2}$ per cent for wealth above the second ten lakhs. Agricultural wealth is exempt. Wealth tax applies to the capital of companies as well. The tax on expenditure of Rs. 60,000 per annum will be levied from the next year (1958-59) to facilitate administrative preparations.

These are revolutionary proposals. That proposals are revolutionary are not bad in themselves. But these are measures characteristic of a *malignant revolution* sure to destroy the foundations of free economy and free society in due course. We have to view these developments in the public finance of the country from the standpoint of statesmanship that takes generations into account and the long term consequences of current fads and ideologies on the stability and progress of economic and social institutions.

The wealth tax is a *capital levy* of which statesmen were always afraid even in times of war. Britain and America did not levy it even in the two world wars of the present generation. The Finance Minister had mentioned recourse to war measures for the fulfilment of the Plan and these wealth and expenditure taxes seem to be the first applications of the war economy he envisaged. People have to pay a tax on their total wealth in use even if they do not invest a part of it in productive enterprises or public loans. This is a tax on *conspicuous consumption*. It is a *sumptuary* tax taking us back to the old days when rich people had to pay taxes on costly clothes, vehicles, large houses and other items of luxury and display. It is also a *double tax* for wealth is what remains after paying all forms of tax, direct and indirect.

That companies have also to pay a wealth or capital tax is discouraging to capital formation, a needless addition to the imposts and restrictions on private enterprise that are already stifling and confiscatory in character. Indeed both wealth and expenditure taxes are *confiscatory* in character. After all other taxes are paid, the government exercises its prerogative of military and police power to mulct a further portion of what remains.

On Road to Communism

These taxes are the thin end of the wedge of communism. They take the country across the thin dividing line between socialism and communism. For these taxes can be paid only most unwillingly out of fear of government power. And such use of fear is characteristic of communism of the variety now prevailing in Soviet Russia and China and the East European satellite states.

Joint stock companies have further to bear additional increases in income tax from four annas to 30 per cent, corporation taxes from two annas nine pies to 20 per cent and tax on bonus shares from 12.5 to 30 per cent. These are certainly further discouragements to free enterprise and savings and productive investments, which it should rather be the prime aim of public finance to promote and encourage. In the last resort, the decisive factor in stimulating the rate of economic progress is an enhancement in the rate of capital savings and productive investments bringing about an increase in productivity. Present proposals on the contrary penalise such savings and investment on the part of the public. The shrinkage in the area of the private sector and free enterprise consequent on those proposals will carry the country into the era of totalitarianism in unmistakable manner.

As if these were not enough, taxes have been levied on railway travelling and rates on postal envelopes

and parcels have been enhanced. The taxation of railway travelling was proposed by Mr. Galbraith, an American professor who was invited to advise the Government on financing the Plan. As things are and have been for a long time in India, railway travel has been a trial and an ordeal what with its unpunctuality, uncomfortable seating, inadequate water and sanitary conveniences and above all with its perpetual and immitigable over-crowding beyond human endurance. To add to the discomfort, additional levies by way of tax have now been made, instead of diminishing them by drastic action as becomes a free democratic government with a decent regard for the "sovereign" public. But far from any attempts in this direction, our legislators wish to avoid this spectacle and bring forward Bills to ensure air travelling for themselves at the expense of the public!

Indirect taxes have been imposed on articles of consumption, necessaries like sugar, paper, matches, vegetable oils, cement and steel, motor spirit and tobacco.

What is the principle guiding the Government and what is the dividing line or rate that is permissible on such indirect and direct taxes? The only principle seems to be to *raise funds for the Plan* which is pitched unconscionably high defying all canons of economics and prudence and even arithmetic itself! What is to prevent the Government from adding to these levies in the coming years? For even after the present Plan, the people in authority have projected further Plans *ad infinitum!* If Planned Development is the principle, there is no prospect of a diminution of the intolerable burdens of taxation in any foreseeable future. Additional lists of articles of consumption can always be found for further taxation if the suffering of the people and deterioration in the economy are to be totally disregarded.

There is no use attacking the levies item by item; for they are confessedly sought to be justified by the necessities of the Plan. Critics of the budget should therefore concentrate on the Plan itself and seek a radical alteration in its structure and targets. In addition to the evil of the impossibly high targets of the Plan, we have to notice the evil, of its pattern with undue stress on heavy industries, its freeze on factory production of consumer goods and its wasteful anti-scientific encouragement of cottage industries. There is also the further danger of *collectivisation* of farms to which the Plan is committed in spite of its dreadful failure in communist countries.

The central flaw in the Plan stems from its socialist inspiration which is committed to the destruction of private property. These taxes of the present budget go a long way in attacking private property at its roots. Private property is the foundation of free economy. It may be regulated by way of taxation of unearned income and so on. But its core of exclusive enjoyment and power of free investment is the absolutely indispensable condition of free economy and free society.

A consequence of socialism is that Government saving, Government investment, Government management of all productive enterprises will be substituted for individual saving, individual investment and individual management of enterprise. The coercive

apparatus of the Government will be substituted for the free, voluntary action of citizens based on their own planning and judgment. Central planning will cover the whole field of the economy and will eliminate the individual and his free groups in partnership and company. This is the ultimate evil in economy. For man not only wants a living but also wants to control his own way of life. Industry and commerce are ways of life as well as sources of livelihood. Paternalism will render the individuals helpless beneficiaries and victims of Government.

Democracy to be meaningful and efficacious requires that the actions of the elected rulers should be checked and controlled by the citizens, which will be impossible under socialism.

SOCIALISM ON RETREAT

IN the lack of necessary revenue, the Mexican Government prints new money to balance its loss in "business". This explains the constant inflation in Mexico.

Such forms of socialist failure of industries were also in France after World War II, and in England, under the Labour Government. Instead of sailing their country into waters of utopian paradise, they experienced a most natural setback. **THEY LEARNED THE HARD WAY.** It disappointed the socialist expectations.

NOW THERE IS AN ALL ROUND RETREAT FROM SOCIALISM. Hugh Gaitskell who is likely to be the Prime Minister, if and when the English Labour Party wins an election, made the statement at a recent party meeting: "that equality of opportunity—with regard for merit and worth and work—is the foundation of his faith."

A Complete Reversal

Any socialist who revealed such sentiment only five years ago might have been read out of the party. But Mr. Gaitskell has spoken without jeopardising his leadership of the party majority. If his words become the new line, the party may have to rewrite or redefine an article of its platform which states that public ownership is the ideal.

Mr. Gaitskell's remarks about the equality of opportunity, with regard for merit and work, is the foundation of economic justice, but from a socialist, even a Fabian socialist, it is heresy. Utopia was supposed to take from each one that which he produced according to his ability and to give to each one according to his needs. By the Gaitskell rubric the worker's return would be measured by his ability—a Libertarian arrangement—which socialists always insisted as unworkable, even when they were watching it at work.

The West German Socialist (Marxist) Party is also revising its programme, according to the report from the last party convention. The German socialists not only accepted a platform of "equality of opportunity", they also backed up "private enterprise". Yes, **MARX IS IN THE DOG HOUSE.** It is time they learned.

—Answer (California, USA)

PAKISTANI POLITICS IN A FLUX

By "Vigilant"

THE recent victory of the Pakistani Prime Minister Mr. Suhrawardy is the defeat of the Awami League Party in Pakistan. To those who have watched the trend of different parties in Pakistan this victory of Mr. Suhrawardy has not come as a surprise. If he had been defeated it would have been a wonder. The different political parties in Pakistan—whether they are in West Pakistan or in East Pakistan—have one thing in common. That is their hatred towards Hindu India, and once again this hatred of Hindu India has won for Mr. Suhrawardy the victory at the meeting of the Awami League and the defeat of the his rival, Maulana Bhashani. In that sense there is nothing for Indians to be either happy or sorry at the result of this victory of Mr. Suhrawardy. That the differences between Maulana Bhashani and Mr. Suhrawardy, centred round the foreign policy of the Pakistani Government, and from superficial observations, it was plain that the Awami League was working for the reversal of that policy.

But the recent victory of Mr. Suhrawardy seems to indicate that the rank and file of the Awami League seem to have changed their views overnight, mainly due to the propaganda carried on by Mr. Suhrawardy, that the foreign policy followed by the Government was correct, that military alliances were necessary since India was their ONLY enemy, that India was heavily spending for her Defence Services, has made a secret treaty with Soviet Russia for jet planes and war equipments, that she has already ordered 100 jet planes, and was not going to quit from Kashmir which she has "forcibly annexed". All this campaign against India had had its effect and Mr. Suhrawardy got their vote of confidence. Poor Maulana Bhashani was left "high and dry", and as a man with some convictions, had to resign from the Awami League. Thus once once again Pakistan has shown that she believes in personal rule and the government of the strong man.

Quick-Change Policies

This form of "quick-change" politics does not worry the common man in Pakistan along with the common man in any of the so-called Islamic States of the world. Islam and democracy seem alien to each other. Personal rule and dictators are in favour in most of the Islamic States.

His Trump Card

In Pakistan this tendency to favour the rule of the strong man is more evident, since the very foundation of Pakistan has been based on no historical, ethnological or racial grounds BUT on the congenital hatred of the Indian Muslims against the Hindus of the country. This very hatred of the Hindus has been the strongest point in favour of the rulers of Pakistan for all these 10 years and it is again this hatred of Hindus that has sustained the government of Karachi

in the saddle, despite the economic, political and social stalemate in the country. And it is again this hatred of the Hindus that was the trump card of Mr. Suhrawardy in his recent victory. That this "confidence" in Mr. Suhrawardy by the rank and file of the Awami League is the very negation of the policies, so far followed by it, and that it forfeits the confidence of those who voted it into power in East Pakistan, is a matter of little or no consequence to the average member of the Awami League. That shows the very low depths of political education and political knowledge of the average Pakistani.

Last year it was Mr. Suhrawardy and a minority that had decided, and successfully defied, the mandate of the Awami League. Now it is the turn of the majority of the Awami League Council to defy the mandate of the people, who elected it to power in Pakistan. At Kagmari session of the Awami League it was Mr. Suhrawardy's policy of foreign alliances and military pacts that came in for severe condemnation of the League. In fact Mr. Suhrawardy was practically isolated and stood alone; but somehow or other the League did not expel Mr. Suhrawardy, and he has survived to get the verdict of the League revised. That is the state of flux in the politics of Pakistan. Today it is Maulana Bhashani, who has been thrown overboard and there is none to repent at his discomfiture. And he has done the right thing by resigning from the Awami League, as the voting clearly showed that only 40 voted for him as against 750 and odd who favoured Mr. Suhrawardy.

Ignoring Realities

This round-about-turn by the Awami League shows how scant regard the different political parties in Pakistan pay to the actual realities of the situation. In the face of the stark realities of the food situation, the large-scale problem of unemployment and the raw deal that the people of East Pakistan have got from the Karachi Government, it is surprising that the Council of the Awami League should go back on their demands all these days and vote confidence in Mr. Suhrawardy, who as the Prime Minister of the Central Government, is solely responsible for their plight. Whatever the spokesmen of the Pakistani Government might say or not, it stands to reason that situated as she is, Pakistan can ill afford the luxury of military pacts and military alliances and the strategy of cold war, even against India, when Karachi has to look to USA not only for her military equipments and military personnel BUT even for her civil budget to the extent of 40 per cent. That the only thing, which has so far sustained the people and the Government of Pakistan is their enmity and hatred of Hindu India but it is a matter of real concern to any statesmen, who has the good of the country in his heart, how long can this artificial stimulant serve them.

Chaos in West Pakistan

If the picture in East Pakistan is far from rosy, the picture in West Pakistan is neither very bright. President's rule has been clamped on the Province for all these months. There are protest meetings and demands for the rehabilitation of the democratic rule there. But both Prime Minister Suhrawardy and President Mirza are counselling patience to the people. Even if the President and the Prime Minister were eager or ready to reimpose democratic government, the real difficulty is to determine which political party is in majority in the legislature. Since it has been the common practice in Pakistan to change one's political alliances as often as one changes one's clothes, it is difficult whether the Republican Party or the Muslim League command the majority of votes in that body. It is a patent fact that a number of Leaguers walked into the Republican Party at one time, and once again they deserted that party. In fact the Republican Party was the creation of the President Mirza, who of all others found Dr. Khan Saheb to be nominated the head of that party, a man, who had all along been the bitterest opponent of the President as well as the Muslim League. Today Dr. Khan Saheb

is daily conferring with the President, most probably to be returned as the head of a so-called democratic Government, with the blessings of the President! Such are the palace cliques and palace politics of the "greatest Islamic state in the world", which one day hopes to head the Pan-Islamic movement and revive the past "glories" of Islam.

Whatever happens in Pakistan, whether Mr. Suhrawardy gets the vote of confidence or whether Maulana Bhashani is sent into wilderness, the fact remains that today Pakistan constitutes the only enemy of our country. The vote of confidence only underlines the unity in the leadership of Pakistan, however much they may differ from each other, and this unity amongst the leadership of Pakistan is based on one and only one ground, namely the Islamic hatred of Hindu India. The happenings in Pakistan should only make the authorities of New Delhi to be ever vigilant and alert, and see to it that India is prepared to meet the menace of Pakistan, if and when it comes. Our policy of good neighbourliness and appeasement has completely failed. To be forewarned is to be forearmed. Mere chanting the hymns of *Panchasheela* and co-existence will be of no avail against the menace of Pakistan.

PAWKY PAKISTAN

By K. D. Valicha

THE utter inadequacy and inane expediency of the policy which the Indian Government is pursuing with regard to Pakistan is exemplified by the fact of the continual and now expanding influx of refugees from East Pakistan. The lack of a realistic response to this extremely disturbing situation characterises the indifference that the Congress has come to develop towards most national matters. It makes proof also of the tendency to over-simplify an inclination which the Congress has been guilty of on several occasions.

East Pakistan today presents a picture, of as far as the Hindus are concerned, of pawky and virulent oppression. The Hindus are ill-treated, molested and their rights openly abused. They live in fenced houses and all normal privileges are denied them. Most of their children do not attend schools and the women have to be guarded.

Every week sees a number of families who have decided to quit. They waive their farewell and, like a shadow, fade away. The families that remain, saddened by these habitual departures, feel their strength trickling away and their numbers dwindling. Already the Hindu population is greatly reducing in number and those who had any means whatever have forsaken. The rest know that their day will soon arrive but, till then, they live in fear and unrest.

Over a Million Refugees from E. Bengal

This is the situation there. Even the facts and figures of the enormous exodus of refugees are over-

whelming. The situation in its agonizing quality is demoniacal. Just before the second Plan went into action, it was estimated that the number of families from East Pakistan requiring rehabilitation on April, 1, 1956 would be 171,000. It was assumed then that the influx would be about 30,000 families from June 1955 to March 1956. But the actual influx was 50,000 families. Similarly, during 1956 the actual migration topped the expected figure of 64,000 families.

Today, 1,100,000 displaced persons from East Pakistan have to be rehabilitated. Indeed, the problem has assumed such gigantic proportions that it has come within a short time to occupy a position as one of the major problems of the West Bengal Government.

Most of the refugees (nearly 70%) are agriculturists. They had been holding land in East Pakistan and earning their livelihood by cultivation. Only about 30 per cent. are traders and producers.

Actual expenditure that the Government had to incur in the first year of the plan in order to rehabilitate the refugees exceeded by rupees three crores the allocation which was only Rs. 10,90,75,000. With the present allocations made available, it is understood, it will be possible to rehabilitate about 75,000 families during the first two years of the Plan period. But over the last nine months alone of 1956, nearly 44,000 families have migrated to India.

Apart from the fact that the Government of India is going to find it extremely difficult to rehabilitate the refugees, what has the most paradoxical import is the remarkable contrast that the treatment of Muslims

in India presents. To contrast the plight of the Hindu in Pakistan with that of the Muslim in India is certainly not communalism but the most human and natural reaction a person is capable of anywhere and at any time. The problem is multi-dimensional and demands a wider perspective. While Pakistan is declaredly an Islamic state, India remains secular. This creates the basic ineptitude of the Indian reaction to Pakistan's dastardly and foxy disgorgement of her Hindu population. Any national government would have taken steps to safeguard her interests long ago.

But the Government has shown herself inexpensively inept in handling the situation. She has shown a remarkable and supine insouciance. The reaction which she has given expression to is feeble and apathetic. The problem is not going to be solved by moving speeches and strong words in Parliament; the problem demands quick action and keen statesmanship. We cannot let Pakistan do this and get clean away, should be the refrain.

For we must realize that it is not the least bit anti-secular for India to feel for her Hindu citizens. The disdain with which the Indian Government has treated the problems of Indians in Burma, Ceylon, Africa and, now, Pakistan is suicidal and dangerous in the extreme. It shows an anti-Hindu bias and expresses a bid for that false secularism and welfarism which is most unhealthy and self-defeating.

Perverted Secularism

Our secularism has taken a definite turn to bouleversement. We must purge ourselves of his misplaced neutrality and come down to brass tacks. The pressing needs of the refugee problem calls for such a re-assessment of policy. It demands a more effective and efficient form of *modus operandi*.

The solution to the problem can be found in two alternatives. Either that a mutual agreement to exchange population be arrived at or that India be given territory adequate to the additional burden she has to bear on account of the exodus.

The first solution is a genuine answer. It will close the issue once and for all. But it may not be quite practicable for, besides being somewhat anti-secular, it may not find Pakistan fully acquiescent.

The other alternative becomes, in the circumstances, the better open to us. It is morally the most justifiable. What is iniquitous is Pakistan's aggression and the Indian lack of adequate response. For India has a duty towards her citizens and it is difficult to see how far she has carried it out.

A demand for land from Pakistan is not only morally justifiable but it is the only course open to us at the present moment. For the refugee problem is not just a temporal issue which Time, the great healer, will set right but is a problem well capable of continuing and worsening unto a long time. Any far-sighted move must be along the lines suggested. Pakistan is responsible for foul play and to demand compensation for the harm done to India is only fair and square.

Our whole policy with regard to Pakistan must be radically altered. The appeasement with which we react to Pakistan has worn thin in face of the fanatic

and single-tracked mind of our neighbour. We have been scoffed aside and, on several occasions, openly insulted. Pakistan owes us already about rupees five hundred crores. And the Kashmir question is an instance of Pakistani aggression and open hatred towards India.

It is to be hoped that our national leaders realize the sheepish and weak-kneed policy they are pursuing and change their attitude before it is too late. For India, secular in constitution though it is the only living geographical unit of the Indian population.

AMERICAN HELP TO INDIA DURING THE LAST YEAR

WHILE the crypto-communists and Russian "patriots" in the country are, day in and day out, carrying on a campaign of blackguarding and smearing the American people and the American Government, it would be worthwhile to ponder over the enormous help India has received from America and her Government. Both the official spokesmen as well as the ill-informed public is quite oblivious of this fact; ordinary decency and gratitude on the part of the intelligent public, deserve a more correct appreciation of this help.

Tell-tale Figures

Here are some of the official facts and figures of the American help to India:—

For the Five Years ending December 1956, American assistance to India, public and private, totalled almost Nine Billion Dollars or in Indian currency Rs. 455 crores.

Some of this was in the form of loans, BUT MUCH OF IT WAS IN THE FORM OF GRANTS, for technical assistance and for all kinds of supplies and equipments, stated Mr. John V. Lund, Public Affairs Officer, USIS, at the Kurla Rotary Club recently when he addressed members on "Indo-American Co-operation".

The biggest single item represented in this sizeable sum was the 360,000,000 dollars Agricultural Commodities Agreement signed by the Governments of India and the United States in August 1956.

It would help assure India of an adequate supply of basic agricultural commodities and aid the Government of India's efforts to keep the prices stable during the second Five Year Plan.

All commodities are to be sold in Indian currency thus yielding foreign exchange of nearly Rs. 170 crores. Eighty per cent of the rupee proceeds were to be used for economic development under India's second Five Year Plan. This agreement was the largest ever signed by the USA with any other country. The agreement also included 54,000,000 dollars (Rs. 28 crores) for payment of half the shipping cost.

US Government assistance to India was channelled through the Indo-US Technical Co-operation Programme, which has been shaped to support the objectives of India's Second Five Year Plan and was now in its sixth year. There were 174 men and women from America working as technicians in various fields and the number was growing.

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Edited by B. S. Sanyal

No. 2

THE SOCIALIST REGRESSION

By M. V. Balakrishna Rao

SOcialism has an ethical motive, an economic programme, a political structure and a human consequence. When Karl Marx saw the subhuman conditions of work in the factories of England in the wake of the Industrial Revolution, where children could die working at the machine with parents looking on helplessly, it was a genuine moral indignation at the barbarous human cost of unscrupulous industrialisation. It is the same ethical motive that impels the world towards socialism today. The Marxian indignation is evoked even today by factory owners, by and large, whenever they do not pay due attention to the demands for conditions of work which do not sap the health and vitality of the worker in the factory. The economic programme of socialism suggests confiscation of private property in the means of production and management by the State of all industries. This will remove the profit motive and is assumed to make room for humaner treatment of the workers at the factories. The entire economy will be run by the State, that is, the agents of the government. This is the political structure envisaged by socialism in which the government agents own, manage and direct production and the entire civilian population is allotted its economic function as workers by the State.

HISTORY HAS RUN THE WRONG COURSE

But this has a human consequence diametrically opposed to the ethical impulse of Socialism. By the time Marx arrived in England, the sentiments of the people were already developed in favour of the workers by writers like Carlyle, Ruskin and Charles Dickens and by the abortive Chartist movement. The contribution of Marx lies in the practical integration of the working class for a militant struggle for 'freedom'. Whatever the philosophical, economic and social value of the theories of Marx to the disciplined thinker, the power of the movement is the psychological appeal to the masses of workers. They found at last a spokesman, who understood the pathos of the worker's life and offered a helping hand to overthrow the oppressors. But history ran the wrong course, not having been introduced to the prophet of the workers. The culmination of the Russian Revolution of 1917 in Stalin's regime and the present happenings in Red China, with our government taking steps towards a socialistic structure of society, should make one think of socialism in all its consequences, ethically, politically, and economically, on the common man for whom

politicians and philanthropists all over the world claim to be making sacrifices.

TWO FORMS OF SOCIALISM

There are two different forms of realizing socialism—the public ownership of the means of production. One form is the Marxian, or rather the Russian pattern, which is purely bureaucratic. All economic enterprises are departments of the government just as the administration of the post office or the defence department. Every single shop, farm, or plant stands in the same relation to the central organisation as the post office to the Postmaster General. The whole nation forms a single labour army, work being allotted by the Chief of the State to the citizens according to the central plan.

Germany developed a different form of socialism called the *Zwangswirtschaft* system,—'compulsory economy'. This system apparently retains private ownership of industries. Nominally, private ownership of the means of production, entrepreneurship, and market exchange continue to be operative. The government tells the seeming entrepreneurs what and how to produce, at what prices and from whom to buy, at what prices and to whom to sell. Wage rates, investment of capital, and other economic decisions are strictly according to government decrees. Market exchange is a mere pretence. Prices, wages, and interest rates in this system are merely quantitative terms in the authoritarian orders determining each citizen's income, consumption, and standard of living.

THE MIDDLE-OF-THE-ROAD POLICY

There is the so called middle-of-the-road policy called interventionism in France, which claims to be a third system, being neither market economy nor the socialist economy exclusively. The interventionists insist that they intend retaining private ownership of the means of production, entrepreneurship and market exchange. But it is the duty of the governments, they say, to restrain by orders and prohibitions, the greed of the propertied classes lest their acquisitiveness harm the poorer classes. They aim to improve capitalism by government interference with the actions of the capitalists and entrepreneurs. They believe this is the only method to keep off to totalitarian socialism and to salvage those features of capitalism which are worth preserving.

DEFEATING ITS OWN PURPOSE

But this 'system' is bound to fail. It can only defeat its own purpose. Let us take for instance 'price control' for milk. The government wants to make it possible for the poor to give their children more milk. Therefore, the price of milk is fixed lower than that of the market. This will only drive out the marginal suppliers of milk to produce other things like butter, cheese or meat, whereby they can avoid losses. There will be less milk available for the consumers, not more. If the government wants to avoid this short supply, it should pass further decrees prohibiting the use of the factors of production of milk for any other purpose. This again will induce the producers of milk and its factors of production to employ themselves in some other more profitable way. Complete success of interventionism can only obtain when all economic activities are decided by the government and any violation dealt with by the police. This is nothing but the Zwangswirtschaft form of socialism.

BRITAIN'S EXPERIENCE

This was the experience of Britain during the second World War. Price ceilings for a few vital commodities was the starting point. But the government had to run the whole gamut proceeding further and further until it had substituted all-round planning of the country's whole economy. "It is noteworthy to remember that British socialism was not an achievement of Mr. Attlee's Labour Government, but of the war cabinet of Mr. Winston Churchill. What the Labour Party did was not the establishment of socialism in a free country, but retaining socialism as it had developed during the war in the post-war period."¹

The nationalisation of the Bank of England, the coal mines and other industries has created a great sensation which has obscured this fact. Great Britain is to be called a socialist country, not because a few industries have been nationalised, but because the whole economy is under the government and its agencies.

The focal point of the free economy is the market which is the process of the formation of commodity prices, wage rates and interest rates and their derivatives profits and losses. It makes all men in their capacity as producers responsible to the consumers. This dependence is direct with entrepreneurs, capitalists, farmers and professional men and indirect with people working for salaries and wages. The market adjusts the efforts of all those engaged in supplying the needs of the consumers to the wishes of those for whom they produce—the consumers. It is the consumers who make the poor people rich and the rich people poor. It is they who fix the wages of a movie star and an opera singer higher than those of a welder or an accountant.

THE FUNDAMENTAL OBJECTION TO SOCIALISM

The fundamental objection to socialism has been the impossibility of economic calculation in the absence of a market exchange. Where there are no market prices for the factors of production because they are

neither bought nor sold, it is impossible to resort to calculation in planning future action and in determining the results of past action. A socialist management of production would simply not know whether or not what it plans and executes is the most appropriate means to attain the ends sought. It will operate in the dark and squander the scarce factors of production both material and human (labour). Chaos and poverty for all will inevitably result. Socialism is uneconomical! To quote the Russian experiment is of no avail. The Soviets are operating within a world the greater part of which still clings to market economy. They make their calculations on the basis of prices established abroad. Trotsky for instance, freely admitted that economic accounting is unthinkable without market relations.²

When we talk of 'welfare measures' ultimately we mean the police should force consumers to behave otherwise than they would spontaneously. When we say—let us raise farm prices; let us increase wage rates; let us lower profits;—the us refers to the police. Whatever people do in the market economy is the execution of their own plans. What those calling themselves planners advocate is not the substitution of planned action for letting things go. It is the substitution of the planner's own plan for the plans of his fellowmen. "The Planner is a potential dictator who wants to deprive all other people of the power to plan and act according to their own plans. . . ."

SHRINKING OF FREEDOM

Planning is inextricably wedded to a non-democratic political structure. Professor Harold Laski declared that the attainment of power by the British Labour Party in the normal parliamentary fashion must result in a radical transformation of parliamentary government. A socialist administration needs "guarantees" that its work of transformation would not be "disrupted" by repeal in event of its defeat at the polls. Therefore, the suspension of the constitution is "inevitable".³ Sidney and Beatrice Webb go so far as to say, "in any corporate action a loyal unity of thought is so important that, if anything is to be achieved, public discussion must be suspended between the promulgation of the decision and the accomplishment of the task." Whilst "the work is in progress" any expression of doubt, or even of fear that the plan will not be successful, is "an act of disloyalty, or even treachery."

Nowhere in the world today can we find a pure specimen of either a free market economy or socialism. Governments in the 'free' countries are supporting tariffs and patents, and Russia and China are still in 'transition'. The central point of attention between the

(Continued on Page D)

¹ Ludwig von Mises, *Planning for Freedom*, p. 26, Libertarian Press, 99 West 163rd Street, South Holland, Illinois.

² Cf. Hayek, *The Use of Knowledge in Society*, The American Economic Review, 1945. Vol. XXXV, pp. 528-530.

³ Ludwig von Mises, *Planned Chaos*, p. 29. The Foundation for Economic Education, Inc., Irvington-on-Hudson, New York, 1947.

⁴ Cf. Laski, *Democracy in Crisis*, Chapel Hill 1933 pp. 87-88. & *Soviet Communism: A New Civilization?* New York 1936. Vol II, pp. 1038-1039.

Money And Socialist Chicanery

By K. D. Valicha

THE historical development of economies shows a gradual and progressive prominence of the factor of money in commerce. The feudal economy was more emphatic on the factor of land than that of money. It is in the capitalist stage that money has come to occupy a most exerting and governing influence.

There is present in the economy today a most treacherous monopoly over money which is the cause of nearly all of the economic injustices known to man. It is this monopoly over money that is the concern of the present paper.

In order to fully understand this monopoly over money, we must be sufficiently clear about the nature of money. Money, of course, is the medium of exchange. But in commerce it constitutes something more than a medium of exchange. Money, in the world of industry, is the expression of the means of production. This too is ultimately purchasing-power; the point however is that the importance of money is enhanced greatly by its capital nature. "Money is the basic capital. And therefore, everything which is created or produced is financed with money. Thus through the capital nature of money, factories, machines and houses, in short all means of production and transportation, automatically become capital. It also draws interest. It is self-evident, that no one will invest his money in houses or industries if he can not expect the same interest, which his money will yield in commerce." (Karl Marx in *Error, Condensation of a Gesell Lecture* by B. H. Schubert).

It is an obvious fact that money as a capital goods is not available to all bona fide producers. The monopoly over money is present in so far as money is available only to a few producers and not to all. Money today is available only to a certain kind of producer, a producer who can offer security. In other words, the criterion of credit issue is mortgage and not genuine entrepreneurial ability. This is an evil and a source of injustice since it discriminates between producers. The size of the injustice is greatly emphasised in view of the present conditions which, to say the least, are critical. This injustice finds expression in various evils which are focussed in reactions like that of socialism.

THE COMPLEX PROBLEM

It is an interesting fact that, genetically speaking, monopoly in various forms has been the persistent kind in the economic system. Vested interest, political interference and various other factors have joined together to produce monopolies. Unwin, when considering the point, found fault with the method of commodity-exchange. Jeffrey Mark analysed the evil to the charge of interest. While Silvio Gesell put it down to the hoardability aspect of money.

However that may be, the problem makes itself felt

also in most business depressions. As Prof. Meyers has put it, changes in the quantity of money cause changes in the relative prices of different goods because we do not all have the quantity of money with us changed at the same time and in the same proportion. When a firm makes more profit than its investment, the firm is inclined to expand its business. It then borrows money from the bank and this money now helps to increase prices. Now if resources are fully exhausted, costs will tend to catch up with selling prices whereas if resources are not fully exhausted, prices will tend to be higher than investment costs. At the same time, due to the firm's desire to expand, more demand for capital goods will have been created. The capital goods industries will have expanded output, not because there is an increased demand for capital goods due to increased savings but rather because of the fact that other firms are trying to take advantage of an increased monetary demand for their goods. As soon as the money increase stops, demand for capital goods will fall off immediately. As workers are discharged from capital goods industries, demand for consumers' goods will decrease. As bank loans are repaid and not renewed, demand in terms of money for other goods will decrease.

This is so because the amount of money which can be used for making payments (the quantity of total cash and bank credit multiplied by its average velocity of circulation) and the money work to be done (the total amount of payments which must be made) are never equal. This is the same as saying that the total quantity of money is inadequate to meet all the requirements of commerce. In fact, the whole system of banking that we have evolved is based on conditions which can never make these two equal.

THE MAIN EVIL

When money, as a capital good, is placed at the disposal of only a select few, the result is the diverse conditions we are familiar with. As Henry Meulen has voiced it in an illustration, in the case of A, B. and C, "C requires A's goods, but neither C nor B have produced goods desired by A, who alone possesses exchange medium. The latter accordingly purchases elsewhere or retains the exchange medium until he has found other producers with desirable objects of purchase; meanwhile A, B and C's goods remain unsold and deteriorate. Orthodox economists will here record over-production." (Henry Meulen, *Free Banking*).

This is the main evil in the economy of today. It is the solution of this that can alone pave the way to genuine prosperity.

And it is here precisely that the failure of socialism lies.

Marxian socialism sprang up in the 19th century as a reaction to capitalist oppression. It promised to

Activities of the R. L. Foundation In Bombay

THE Foundation came into existence with a purpose. And the purpose is something unique in the cultural life of India. It is to do researches and publish the results of the researches in libertarianism—as an integral response, economic, political and cultural, to the challenge of all forms of collectivist views and ways of life.

It was founded on the fourteenth of August, 1954. The Founder is the veteran social thinker, Mr. R. B. Lotvala, who has had direct experience of several world movements of social thought and action, including the communist movement. His munificence and charity sustains the Foundation.

The Research Department takes great pleasure in announcing that it is in a position to publish its studies in the form of tracts and monograms. With the printing of these, the Quarterly, which was after all ensysted in its scope, can easily be discontinued. The tracts and monograms will make for more permanent interest and will be an acquisition of a higher order.

Reports of other activities of the Foundation will be published from time to time, in the "Indian Libertarian" from the next issue.

College students and persons interested in public affairs and in economic matters are always welcome to the R. L. Foundation and the Indian Libertarian Social Institute. Arya Bhuvan, Sandhurst Road, Bombay 4 and our branches at Bangalore (Mill Corner) Baroda (Shante King, Raopura) and Madras 9 Broadway)

MONEY AND SOCIALIST CHICANERY—(from page C)

usher in human prosperity and the usual El Dorado. But, far from achieving prosperity, it has already crushed the hopes of a thousand millions.

Marxian socialism is based on an error. Instead of recognising monopoly as the essential evil in the capitalist structure, it branded private ownership of the means of production as the whip of oppression. It argued that private ownership of the means of production leads inevitably to monopoly; that monopoly is an essential feature of capitalism; that, indeed, there is a necessary connection between private ownership of the means of production and monopoly. It is like saying that, instead of removing the causes of head-ache, the structure of the head must be so altered that it may never promote any head-aches. This trend is a feature of all Utopian thinkers.

Capitalism does not necessarily promote monopolies. They are either state-created or caused by the banking structure. The former are the patents, tariffs, leases and copyrights type and these are justified only in rare cases. The latter are the most dangerous and, as has been pointed out, the most important source of evil.

Monopolies are certainly not a necessary result of private ownership of the means of production or of competition, as some Marxists would like to assert. Marxists usually hurl abuses against profits and make the most fantastic statements. Profits, according to their impassioned execrations, signify the competitive

age wherein every man seems to be at the throat of another, where there is only hatred, vilification and personal greed. But this is clearly not the case. Morally, profits symbolise man's legitimate desire for physical comforts and his ability to win them. Economically, profits alone form a nation's wealth. A Philanthropic State cannot exist without crippling the people's economy beyond repair.

There is absolutely no harm in competition while there is every harm in the lack of it. Indeed monopoly, by definition, is lack of competition. And the outdated Marxist talks of "this competitive age" in tones of aspersion.

Thus an erroneous analysis has led socialism to suggest an erroneous solution. This is probably the greatest contradiction of Marxism. It suggests as solution the very evil it has set itself against. It suggests a monolithic, capricious, all-comprehensive and supreme monopoly to wipe out the small, widely-spread and comparatively harmless monopolies.

Marx was a half-baked idealist, Lenin a sincere mug while Stalin was a conscientious tyrant and together they produced a nightmare that threatens individual liberty as it was probably never threatened before. It only serves to illustrate what we all really are—economic dupes.

SOCIALIST REGRESSION—(from page B)

alternatives is not whether there should be planning or no planning, but whether a centralised planning should be substituted for the comparatively decentralised planning of the industrialists. Should what is to be produced be ultimately influenced by what the citizens as consumers prefer as expressed through buying and abstention from buying, or should it be decided by a political bureaucracy according to its own 'plan' and convenience? "In a country where the sole employer is the State, opposition means death by slow starvation. The old principle: who does not work shall not eat, has been replaced by a new one: who does not obey shall not eat"—said Trotsky.¹

A GHOST WITH REVERSED FEET

In short, Socialism is anti-social because of its economic failure, eventual outcome in political slavery, and therefore, ethical bankruptcy. And all these primitive barbarian features of society are created by exploiting an enlightened social conscience, the pride of a highly civilized people. Starting with a genuine humanitarian motive, it leads us seductively to a way of life where ethical life is impossible. For freedom of choice for the individual is the very heart of ethical action. "Those fighting socialism do not reject socialism because they envy the workers' benefits they could allegedly derive from the socialist mode of production. They fight socialism precisely because they are convinced that it would harm the masses in reducing them to the status of poor serfs entirely at the mercy of irresponsible dictators."² Socialism is like a ghost with reversed feet; it can only "progress" backwards!

¹ Quoted by Hayek in *Road to Serfdom*, 1944. Ch. IX.

² Ludwig von Mises, *Planned Chaos*. p. 33.

THE WELFARE SENTIMENTS

By B. S. Sanyal

IT is high time that the intelligentsia test their faith in Nehru and Nehru's welfare principle in action. If they do not do it, future historians will give the verdict of their having been sentimental fools.

In India, a group of economic thinkers have been, for some time past, trying to make us aware of the growing dangers of State interventionism and propaganda by the believers in "welfare" principle and socialist pattern. The "welfare" propagandists are mostly politicians and social workers, i.e. a body of 'do-gooders' who have taken upon themselves the sacred task of redeeming the suffering humanity of India. Among their opponents may be named eminent persons, from different ranks of public life, representing different interests and movements: the Libertarians, the Radical Humanists, the Forum of Free Enterprise, the Democratic Research Service, the Jan Sangh, some independent journals, economic and cultural, etc.

NOT ALL ARE CAPITALISTS

Not all of them are capitalists. This shows that one need not be a capitalist to defend the institution of free market economy which is called capitalism, that capitalism must not be blamed for the bad ways of some capitalists and politicians, even as Christianity or Islam should not be denounced for the misdeeds of Christians and Muslims. The main inspiration of these defenders of the unhampered market principle may be traced to the great economic thinker of the age, Dr. Ludwig von Mises. Dr. Mises has blasted the case of the welfare propagandists in his magnum opus, HUMAN ACTION.

All those who find themselves in a fixated state of admiration for Nehru and his grandiose experiment in welfarist interventionism must read a few pages of Dr. von Mises' book. They will then be convinced that the market economy operates according to certain laws of nature, human and non-human, and that there is nothing wrong with these laws. On the contrary, if these laws are respected, prosperity and justice are bound to follow; if violated, poverty and slavery. Whether the violation is done by greedy capitalists or corrupt politicians or sentimental statesmen makes no difference in the result which is poverty and injustice, tyranny and chaos. They will then see that none of the alleged evils of capitalism arise from capitalism but from the violation of the laws of Free Market. The politicians, either misguided by their sentiments for the invalids or influenced by some capitalists or by their own greed for money and power, obtrude upon the natural operation of the market economy and create the evils.

The remedy is not to be sought by allowing the State to do away with the market economy altogether. That will be literally the proverbial killing of the goose that

lays golden eggs. The remedy is to be sought in abolishing the existing interventionist laws and in making a new set of legislation. The latter laws will make it a crime to violate the laws of market economy. The present-day capitalists can afford to violate the natural laws of Free Market, because the existing interventionist laws allow them the benefit of monopolies in land, money, patents and tariffs.

The new set of legislation must make this merry game a thing of the past. This cannot be done by way of creating a new ruling class, who will abolish private monopolies, and create and manage state monopolies: that will be a merrier game. The aim is not to abolish the Free Market but the mischievous tampering with it by capitalists and politicians. This can be done by way of democratic legislation which will make the functioning of the market economy really free.

FALLACY OF SOCIALISM

The main fallacy of the socialist patternwallas lies in an untested belief of theirs. They believe that the market economy is to blame for the very evils which are the results of interventionist policies, the policies which they themselves prescribe as necessary and beneficial. While admitting that free economy does produce prosperity, these propagandists hold that market economy is bad from the social point of view. It has failed, they say, to do away with poverty and destitution, and to do justice to the majority of the people, who do not enjoy the privileges of monopoly in land and money. Hence they recommend the "welfare" principle of politics as against the profit principle of economics. They have yet to learn that "welfare" economics is neither economic nor productive of welfare.

ONLY SENTIMENTAL CHARLATANS

The choice of this principle and this label shows that they are sentimental charlatans. For, the term 'welfare' may be given such a wide interpretation that the principle can be invoked for the justification of any and every pattern of economy. A principle which is broad enough to cover all conflicting theories is useless. Secondly, by arrogating to themselves the label of welfare, they believe that their programme is really a programme of welfare, and that all opponents of their programme are an assortment of 'scoundrels', who do not want the welfare of the people.

If this piece of logical trickery is not deliberately used, they are fools. Some of them, however, seem to use the term deliberately: these are knaves. In both cases, their choice of the label 'welfare' condemns them: in the first case, as intellectual charlatans;

in the second, as both intellectually and morally dishonest.

"They have chosen this mode of arguing purposely in order to find shelter for their fallacies behind a word which is intended beforehand to disarm all opponents." (von Mises, *HUMAN ACTION*, p. 830).

The contents of their voluminous literature, talks and speechifying do not show any arguments against the market principle. It is all frothy sentimentalising about the existing poverty, inequality and insecurity, which they trace romantically to the bad ways of capitalism and which, of course, can be dissolved, according to them, by themselves.

DUTY OF THE INTELLEGENSIA

Our intelligentsia must take the trouble of testing their faith in socialist pattern and in its initiator, Nehru. If they do it with an open mind, they will certainly lose the faith and be rid of the fixation. But then it seems they have already pawned their brains to the supreme one man Brains Trust, who talks in season and out of season (whom he calls the masses) for sacrifice in fulfilment of a similarly obsolescent political economy. Individually, each aspires for the prosperity of an American; nationally, he desires for the British type of economic security; and in practice, he thinks a communist political economy will give us both. Self-delusion cannot go farther than this.

TWO DANGERS INHERENT IN SOCIALISM

The danger of the increasing state interventionism in the economic life of the people must be bracketted with two other dangers: the pseudo-neutralist pro-

Soviet foreign policy; and the absence of adequate national defence. The first is economic; the second, political; the third, military. The three have got a common source. They are united in a single and supreme problem of the Indian national situation; and that is the personality of our Prime Minister. The predilections and idiosyncracies of the Man of our Destiny have created these problems; and the magic charm of his personality have made the people unaware of the dangers.

The charm has got almost a religious quality about it: the people's attitude to Nehru is comparable to the religious attitude which J. B. Pratt defines in terms of 'practical relations with the Determiner of Destiny'. In the secular state, that is the sovereign democratic republican state of India, Nehru the prince of secularists, has become the *Bharata Bhagya Vidhata*.

It is not the people, as a whole, who are to blame for this genuflexion to one man. The educated minority, who make up the elite, and the educationists and the personnel of the Parliament and legislatures, the Press and the Parties — are to blame for this cult of personality. And this supreme individual in the body politic is going to bring down the kingdom of heaven on the earth in the form of the Absolute State.

Ask any member of the minority about his opinion on the danger of interventionism. Nine out of ten will turn out to be admirers of Nehru and stout defenders of his suicidal policies. Very few of them seem aware that socialist-patternwallas have no monopoly over social values and their realisation. And very few of them have tested the claims of the socialists that their political method as against the operation of the ordinary method of market economy alone can deliver the goods.

Joseph A. Schumpeter's Contribution To The Science Of Economics

By Alexander Brody

EPOCHEN der Dogmah and Methodengeschichte was originally written for the first volume of the collaborative *Grundriss der Sozialökonomik* (1914) under the direction of Max Weber. Joseph A. Schumpeter undertook to furnish a sketch of the history of doctrine and methods. The "sketch" was the *Epochen der Dogman and Methodengeschichte*, which has been made available to English readers. *The History of Economic Analysis*, a posthumous publication, is an outgrowth and expansion of the older essays.

Economic Doctrine and Method deals with the progress of economics as a science and particularly with the historical sequence in which economic theories have developed. Successive doctrines viewed as progressive expansions, clarifications and refinements of one another in an evolution toward a 'pure' science of economics. But the main theme of the book is that the succession of economic doctrines is to be understood wholly in terms of the 'internal' logical requirements of

the theories themselves and without reference to 'external' influences of contemporary thought and problems of the economic world. Economics has a history in the sense of an immament intellectual development, and this development is independent of the social situation and the pressure of public needs.

PURE & AUTONOMOUS

It is because Schumpeter separates the form and content of economic theory from the political and social process that his approach may be characterized as unhistorical. The development of economics as a science and the historical sequence of doctrines is little influenced by group interests and class conflict. It is not with the social origins of economic theories that Schumpeter is concerned, or with their functional adequacy, but with their internal structure and logical continuity.

Schumpeter's methodological formalism leads to a separation of theory and practice, science and art, economics and politics. Economics is confined to 'pure' theory, or the "logic of economic facts", in contrast to 'descriptive' economics and practical precepts of political economy. The latter is fleeting and unstable, and lacks formal continuity. On the other hand, 'theory' is firm and stable and is capable of development in the scientific sense.

Schumpeter concedes that practical and political conclusions have often originated in the "neutral territory of economic analysis". The unfortunate alliance of economics and politics finds a classic example in the "pernicious relation to utilitarianism which in the opinion of the public harmed economics more than anything else". But the connection, according to Schumpeter, was historical and not logical. Ricardo, for example, was free from the influence of hedonism and utilitarianism, and his propositions "can be explained purely economically and from the needs of an economic thought process" (p.88). Similarly in the case of Jevons, it is possible to "replace his utilitarian creed by a protest against utilitarianism without having to abandon one single economic conclusion of his" (p. 19).

TRUTH, NOT UTILITY

In keeping with Schumpeter's purist attitude is the complaint that progress in economic analysis has been retarded because of sociological and ideological bias. Purely logical propositions have been distorted by illegitimate influences of conflicting ideologies and these examples of sociological and ideological bias; socialists who speak of 'bourgeois' economics; critics who regard the physiocratic system as a glorification of agriculture; those who make the familiar charge that classical economics is "nothing but weapons for practical purposes" and that "political tendencies were in fact the premises which determined scientific thought"; those who attempt to characterize Adam Smith as the father of "industrialism", and Ricardo as the stock trader who mistook the exchange for the world; popular writers who denounce the wage-fund doctrine as a 'bourgeois' weapon to thwart the hopes of labor; reformers who represent the marginal utility theory as nothing more than a form of "Manchester liberalism", and as a "mere description of the mentality of the employer class". In all of these examples, the logical implications of the doctrines have been subordinated to extraneous sociological considerations.

Schumpeter insists that political and ethical norms are irrelevant to the content of economics proper. Economic propositions are in themselves neutral in the sense that they are applicable to any particular social order—capitalistic or socialistic. To Schumpeter, science means a disinterested search for truth, not utility. It is, therefore, outside the sphere of an economist to choose between competing political and social ends. The task of the historian of economics is to separate the logical content of economics from normative and ethical implications, and thus preserve the objectivity of economic science.

Also characteristic of Schumpeter's anti-historicism is the tendency to separate the truth-content of econo-

mic propositions from the historical and social setting. It follows that the social origin and functional adequacy of economic theories are irrelevant to their ultimate validity. The propositions of economics would be true even if the conditions to which they apply were nonexistent. In determining the truth or falsity of economics, the test of logic is decisive.

The attempt of Schumpeter to reduce the variety of conflicting theories to their logical adequacy represents a reaction against the older positivism and relativism. Protagonists of the historical (and institutional) method deny to economics a logical content of its own. Economic theories are said to be mere reflections of historical circumstance or interests and rise and fall with these conditions. To German historians, the diversity of economic doctrines is a product of a particular nationality and national 'spirit'. Nationalists like Friedrich List deny the claim of economics to super-political and universal validity. Marxist historians interpret the succession of economic doctrines as a rationalism of the interests of the dominant class, and the conflict of doctrines is taken to reflect the conflict of classes. To Schumpeter, on the other hand, doctrinal cleavages and differences are purely theoretical in nature and are to be resolved logically. Far from regarding conflicts of rival theories as manifestations of hopeless confusion, he looks upon them as an integral part of the self-corrective process so characteristic of many theories in other fields of science.

MARGINALISM, THE PURIFIER

The keystone of the Schumpeter argument is his insistence on the relative autonomy of economics from the social sciences and the independence of its theories from philosophical presuppositions, value-preferences and functional needs. An example of 'organic developments' in 'pure' analysis was the change from 'classicism' to 'marginalism'—a transition which Schumpeter insists is to be explained by purely logical considerations and without resort to extra theoretical factors such as the interests and motives of the proponents. With the aid of the 'new' principle of marginal utility there emerged a scientific theory of value and price which had been lacking in classical economics. The utility analysis overcomes the logical contradictions in the labor theory—is more in conformity with observable facts and avoids the artificial distinction between the value-in-use and value-in-exchange. "A different and much 'purer' economics originated which contains much less concrete and factual material, and accordingly, offers fewer summarized practical conclusions but is immeasurably more firmly founded" (p.188). It would seem as if the historic role of marginal analysis was to liberate economics from historicism and empiricism. To Schumpeter, marginalism represents the final triumph of logic over error.

The Senior-Mill-Cairnes school of 'pure' theorists sought to create an independent and self-contained "Science of Wealth" as impervious to bias as mathematics. To Schumpeter an objective and an impersonal economics is not only possible but inevitable. He sees in the history of economics a progression towards a 'pure' and positive science whose propositions are theoretical and universal—not historical or normative.

You, Too Can Be An Economist

AS an average person you probably miss many of life's most interesting moments by failing to realize that you are capable of understanding and forming intelligent opinions on the so-called economic events that control your present and your future.

In the first place, economics is only a word to describe how people get along with each other as they exchange the things they produce for things other people produce and how they dispose of their incomes.

In the second place, everything people (and governments) do in their economic lives follows a simple pattern that almost anyone can understand.

When you know that pattern (and keep a picture of it in your mind) you have most of the clues you need to do your economic detective work.

To demonstrate what we mean, we are reprinting the following "Ten Pillars of Economic Wisdom," which can be your pattern of economic behaviour:

Just for the fun of it, read these carefully; pick out some "economic" problems, such as job security and inflation; think about them for a few minutes and see for yourself how much you really *do know* about economics.

I. Nothing in our material world can *come from nowhere* or *go nowhere*: everything in our economic life has a *source* and a *destination*.

II. Government is never a *source of goods*. Everything produced is *produced by the people*, and everything that government *gives* the people it must first *take from the people*.

III. In our modern exchange economy, *all payroll and employment come from customers*, and the only worthwhile *job security is customer security*: if there are no customers, there can be no payroll and no jobs.

IV. Customer security can be achieved by the worker only when the "boss" is allowed by the *worker* to do the things that *win and hold customers*. Job security, therefore, is a *partnership problem*.

V. Money, when administered without the spending restrictions placed on government by the gold standard, is *no measure of the worker's true welfare*.

VI. *Because wages are the principal cost of everything*, wage increases (without corresponding increases in production) simply increase the cost of the goods and *do not improve the welfare of the worker*.

VII. *The greatest good for the greatest number* means, in its material sense, the *greatest goods for the greatest number*, which in turn, means the *greatest productivity per worker*.

VIII. All productivity is based on three factors: (1) *natural resources*, whose form, place, and condition are changed by the expenditure of (2) *human energy* (both muscular and mental), with the aid of (3) *tools*.

IX. Tools are the only one of these three factors that man can increase, and tools come into being in a free society only when there is a reward for the temporary self-denial that people must practice in order

to channel part of the earnings away from purchases that produce immediate comfort and pleasure, and into new tools of production.

X. The productivity of the tools—that is, the *efficiency of the human energy applied in connection with their use*—is highest in a competitive society in which the economic decisions are made by millions of progress-seeking individuals, rather than in a state-planned society in which those decisions are made by a handful of all-powerful people, *regardless of how well-meaning, unselfish, sincere, and intelligent those people may be*.

WORKING OF R. B. LOTVALA FOUNDATION LIBRARY, MADRAS

This library is situated at 9, Broadway, Madras. Space of 15 ft. is made available to the library in the business premises of Messers. Screen Prints. Besides the books and magazines belonging to the Indian Rationalist Association and to Sri. S. Ramanathan are also made available for the readers. A seating accommodation for 12 readers is provided. But when group meetings are held for discussions accommodation is provided for more. We have at present in the library 723 books. A card index of the books in the library is provided. A list of journals available for the reader is appended. The working hours of the library are between 9 a.m. and 6 p.m. except on Sundays and other holidays. The library is kept free for anyone and no fees are charged. Books are lent only to known parties and to members of the Indian Rationalist Association. Consultation and reading at the premises is free to anyone.

Periodic meetings are held under the auspices of the Libertarian Social Institute for discussion of subjects relating to Rationalism and Libertarian politics. Notices of the meetings are published in all the local Dailies and intimation cards are posted for regular attendance.

Papers were read and discussed on the following subjects:

"The possibility of organising an Opposition party in India." By Siauddin.

"Right Use of Words" By T. K. Sethuraman.

"Meaning of Semantics" By Dr. J. T. Cornelius.

"Origin of Life" Dr. J. T. Cornelius.

"Tiruvalluvar & Humanism" Mr. Somasundaram Pillai.

"Arabian Medicine", Dr. Tajuddin.

"Democracy in India" T. K. Sethuraman.

"Lessons of the General Election" by K. N. V. Sarma.

Discussions are from time to time held in the library with persons who are interested in our ideas on Free Economy and Libertarian Philosophy.

The Making Of Modern India*

By A. Ranganathan

THE spirit of self-conscious nationalism, as it is understood, never existed at any period in Indian history. During the eighteenth century, India was a mere geographical expression, a sub-continent of fighting classes and unruly chieftains, each trying to carve out a territory at another's expense, a process which was facilitated by the disintegration of the Moghul empire. The administrative unification of British India, the common outlook of generations of Indian students who were trained in the universities, the adoption of English as the *Lingua Franca* of the educated classes in India, the efforts of British historians in recovering the lost pages of Indian history which instilled a sense of pride in India's past and an emotional awareness of the revolutionary movements of nineteenth century led by Cavour, Gavibaldi, Mazzini, Kossuth and others contributed to the growth and development of Indian nationalism.

The revival of Sanskrit studies, the study of Indian Art and the rediscovery of Indian history are mainly due to the efforts of the scholars and orientalist patronized by the British Government and a few Indian scholars. In 1900, that brilliant Viceroy Lord Curzon (who had not yet become unpopular by his partition of Bengal in 1905) took the necessary steps to preserve Indian Art and Archaeology. Dr. Abanandranath Tagore was able to revive the traditional art of our country with the help of Havell. Very few know that Warren Hastings had arranged for the translations of many Indian classics. Sir William Jones's translation of *Sakuntala* marked the beginning of a new era of cultural relations between the East and West—the enthusiasm of Goethe and Schiller in Oriental writings, the interest shown by Emerson, Whiteman and Thoreau, the great work of Max Muller, H. H. Wilson, Colebrooke, Monier Williams, Whitney and many others helped the Europeans to rid themselves of that narrow provincialism (exhibited by men like Macaulay and Maine) which tacitly assumed that the history of European civilization was also the history of civilization. It is because of this great interest in Eastern philosophy, that Oxford offered the chair of Eastern Religions and Ethics to Dr. S. Radhakrishnan. Until the beginning of the twentieth century, Indian Art was essentially the preserve of a few oriental scholars. When Dr. Coomaraswamy entered the scene, the interest in Indian Art became so widespread that his services were acquired by the Boston museum. Dr. Coomaraswamy's interpretation of Indian Art illuminated several dark corners in Indian History and provided an aesthetic insight into the wider realms of Gandhara Art, Jainism, Indian culture and its expansion. Moghul culture and Indian sociology.

Today, there is a lot of talk about the rewriting of Indian history.

British Contribution

But it is all too easily forgotten that British scholars have made some of the finest contributions to Indian history. It was Sir William Jones who identified the Indian king Chandragupta with the "Sandracottos" of Greek historians. It was again a band of British historians who deciphered the inscriptions of Asoka. Buddha's place in Indian history was established only by British historians. The next generation of British scholars continued the study of Indian history. Captain Grant Duc's history of the Marathas, Wilk's Historical sketches of Mysore, "James Todd's" *Annals and Antiquities of Rajasthan*, Monstuart Elphinstone's "History of Hindu and Mohomedan India" are some of our most valuable books. The Six volume Cambridge History of India is a monument of scholarship. I am certainly aware of the contributions of Indian historians of the first magnitude like Jadhunath Sarkar, Krishna Swamy Iyengar and Romesh Dutt, but they belong to a later generation. Our "pioneers" were British historians, who began the tradition of "historical writing unmixed with fable". The Royal Asiatic society founded by British orientalist is a remarkable example of Indo-British Cultural Co-operation in the field of Asian studies, especially Indian culture.

British rule has conferred many benefits on India—the administrative unification of the country, an efficient civil service (although not new to India with its traditions of Mauryan administration and the Mughal mansabadari), Law Courts and Legislators, ball games like Cricket and Hockey (India has achieved great distinction in Hockey), railways and industries, the scientific spirit and ideas like rationalism and nationalism. It must be frankly admitted, however, that although the British administrators raised great expectations, they never tried to fulfil them. Curiously enough while teaching us the principles of democracy, our British masters made efforts to perpetuate "Native India" based on a feudal system. British political treatises stated that the policies laid down by the ministers could only be executed by the Civil servants. But India was ruled by a college of administrators (mostly the British members of the Indian Civil Service.) Indian nationalism was an aspect of the "Indian Renaissance" movement. The Reformation of Hindu society, the modernization of Islam, the literary revival, the progress of science, the artistic movement stimulated by Jamini Roy and Amrita Shergil, the Industrial development led by Tata and the Swadeshi movement are the other aspects of "Indian Renaissance". Economic nationalism (incidental to political nationalism) was based on Gandhi's swadeshi (Buy Indian goods movement). The great

* This is the second and concluding part of the article. The first part having appeared in our issue of June 15.

Indian poet Tagore was the leader of the cultural Renaissance movement in India. Owing to his efforts, Indian culture was a living force and not the chimera of the defeated people. But the most remarkable achievement of the age was the Indian contribution to science. The epoch-making discoveries of Sir C. V. Raman N.L. in Optics, the fundamental contributions to pure mathematics by S. Ramanujam F.R.S., the brilliant investigations of the great Astrophysicist Dr. S. Chandrasekar F.R.S, Dr. Bhabha's valuable work on cosmic Rays, the researches of M. N. Saha and S. N. Bose in physics and Birbal Sahni in paleobotany, apart from the contributions of many others have definitely placed Modern India on the scientific map of Europe.

Unfortunate Twist

With the advent of Independence, increasing attention is being paid to our languages. It is a most healthy sign, but I cannot help feeling that this state of affairs creates a new situation, which is clearly exploited for propaganda purposes. To cite an instance, I was surprised to find that "scholarly" attempts are being made by one of the "progressive writers to look upon Subramanya Bharathi, as an admirer of Russia in general and particularly communism. This great Tamil poet Subramanya Bharathi, inspired by Aurobindo, Mazzini and Garibaldi wrote some soul-stirring poems (or rather songs) dealing with freedom, during the twenties. Although these poems are not among his most important contributions to Tamil literature, they have captivated the minds of the Tamil people. He did write on "New Russia" and also on the equality of man, in vague terms. But to twist what he wrote to suit their purposes in an attempt to focus the attention of the people, is a most deplorable tendency. He was certainly not a communist, not even a good Congressman although his poems moulded the freedom movement in Tamilnad.

In this connection, it is relevant to quote Stephen Spender's reflections on poets—"poets can inspire political parties, but they are bad party men. It is always a bad time for poets when the social or religious cause they have inspired and propagated comes to power. In our century the Russian poets certainly discovered this and in socialist England the poets who discerned the real glory in the equality of man are discouraged by the drudgery of socialism, which while really fulfilling many of the ideals of a juster society, tends to reduce all values to a common multiple". Bharathi's ideal was the absolutely free individual, without shackles of any sort. In the final analysis, his philosophy was anarchism, pure and simple. Bharathi's conception of liberty was akin to that of Shelley's (as we gather in some of those exquisitely beautiful lines of "Prometheus Unbound").

To take another example, a "world-famous progressive" intellectual claimed that Lenin believed in anarchism, like Gandhi. Lenin did dream of that state of ultimate liberty, when the state, even in its proletarian form should have "withered away". In the ultimate analysis, Gandhi's way of life can also be described as anarchism. But there is a fundamental difference. Gandhi believed in human dignity and laid stress on decentralization, so as to develop the

personality of the individual. Lenin believed in centralization and created a monolithic state, which meant the denial of ordinary civil liberties, leave alone anarchism. Of course, there is the ready answer that the state based on the dictatorship of the proletariat will remain so long as there is "capitalist encirclement". To the communists, liberty constitutes the Marxian way of life, and anarchism, nearly being an extension of the same principle.

Many Western critics are unable to reconcile Pandit Nehru's Gandhian heritage with his emphasis on a "socialistic Pattern of Society". (or Socialist co-operative Commonwealth) Actually, it is his western outlook that has made him a socialist. He has followed the usual Western pattern of adopting liberalism as a stepping stone to socialism. It may be recalled that the depression of the thirties, the diminishing importance of the Fabian society due to the decline in intellectual calibre of its members, the lack of an economic programme like the "New Deal" of Roosevelt and the belief that even an underdeveloped country like Russia had made rapid strides towards industrialization, led some intellectuals like Laski to formulate a new "economic" democracy by incorporating the "Economic" ("as distinguished from political") features of soviet Russia. This trend is discernible in Mr. Nehru's thinking. These aims, aspirations and ideas, slowly maturing in Mr. Nehru's mind from the time of the great depression onwards, and voiced at the Avadi Session have begun to tell on the social and economic life of Free India. The Avadi resolution has revealed a change in the temper of India which is influencing the thinking of the planning Commission.

State of Confusion

India is in a state of confusion at present, due to the mixing up of the ideal of voluntary poverty, a peculiar kill-joy mentality which never sees good in anything foreign and the so-called Indian variant of socialism. Some of our congressmen wax eloquent on the advantages of industrialization, a few of them state industrialization breeds "western evils" like industrial disputes and that they do not fit in with the Gandhian ideology. The most important thing is to distinguish what may be termed the Gandhian approach. Mahatma Gandhi infused a new-spirit in labour, conferred a new trusteeship status on employers and created a revolution in industrial relations. Economic surveys of labour disputes conducted by economists show that the Gandhian method of solving industrial disputes is superior to the Marxian method based on class struggle. Acharya Vinoba Bhave's Bhoodhan is an extension of the Gandhian principle of trusteeship, but the attempts made by certain congressmen to confuse it with the ideal of voluntary poverty lead us nowhere.

"Socialism", said Nehru sometime ago, "does not mean a dead level of poverty". He also cautioned us against a doctrinaire approach in solving economic problems. And yet, our economic policy is based on the rigid and doctrinaire second five year plan. The original outlay was 4,800 crores of Rupees and our leaders are threatening to raise it to 5300 crores of rupees. Prospects of foreign aid are not bright, our

sterling balances are almost depleted, the limits of direct and indirect taxation have been reached and the cost of living has gone up due to large-scale deficit financing. But in spite of this situation, the government are determined to push through the plan.

The point at issue is not the acceptance of the plan as such, but the method of its implementation. It would be possible to implement the plan, in a period of seven years. The agrarian measures of the Congress have created untold distress and perhaps to make the situation worse the planning commission proclaim that all agricultural lands, in another ten years will be cultivated on "co-operative lines". If this trend is unchecked, it will result in a collective system, reminiscent of the Russian pattern. (To borrow a Malthusian phrase) As the five year plans increase in arithmetical progression, taxes and deficit financing will spiral up in geometrical progression, creating unnecessary strain on the middle classes.

A National Disaster

The need for a "healthy opposition" is stressed by everyone who is not a member of the Congress Party. The important problem for us is to determine our position. What do we stand for? It is a set of values, not merely an ideology followed by this party or that group. The fading away of the Indian Liberal party is a national disaster. The Liberals failed because they were isolated from the currents of nationalism which were sweeping over Asia. Today, the state is fast encroaching on the rights of the individual, under the guise of Five Year Plans and various other measures. So the problem is not merely to protect the particular interests of the landowners or of the businessmen, but to reconsider the relationship between the State and the individual in a democratic set-up.

From Raja Ram Mohan Roy to Mahatma Gandhi, the leaders of the "Indian Renaissance", conscious of the values of Indian civilization and receptive to western ideals evolved a new humanism, which is a distinguishing trait of the Indian mind. Throughout the ages, Indian Culture has been fertilized, but never submerged by the streams of other cultures. But at the present juncture, there is possibility of our losing sight of this tradition. At the inauguration ceremony of the Trombay Atomic reactor, which had become "critical" a little while ago Mr. Nehru remarked "Man cannot live by reactors alone nor indeed by tradition such as is enshrined on the caves of Elephanta. Both have their places. Any person who ignores either of them misses an element of life." Fine words and spoken with feeling! But our Government are busy constructing the Nagargunasagar Dam. When the Dam is completed in 1960, the swirling waters of the river Krishna will submerge the grand Nagarjuna-konda valley, whose hidden art treasures have not yet been unearthed fully. If only the British government had taken up this work, what a spate of protests there would have been! One can always have a Dam constructed anywhere, but not always do we sight upon a valley of rare archaeological value. This vandalic process of converting our cultural traditions to mere technocratic standards, being engineered by our planners who prefer the engineer's blueprint to the

PROHIBITION SHOULD GO

By S. B.

Rajkumari Amrit Kaur's plea for the reimposition of salt tax and her attack against Prohibition will be welcomed by all realists. As Rajkumari says, Prohibition has failed wherever it has been tried and the result everywhere has been that money that should go to the exchequer goes into the coffers of bootleggers. It only results in loss of revenue without due observance of the Prohibition Law. Will our fadists kindly steer clear of all their fads and fetish atleast now and face realities or still stand on prestige even after the utter failure of their policy?

The presupposition of the prohibition of alcoholic drinks and of gambling such as "Crossword puzzles" for prizes is that the public are children and the rulers alone know what is good for them, which is a totalitarian conception. Drink and gambling should be discouraged not by prohibition, which notoriously encourages evasion and crime and illicit distillation, and costs the State vast sums for enforcement measures, but by permitting them and taxing them heavily. The revenue obtainable from drinks, if prohibition were repealed, would be very substantial contribution to the fund for the plans. Today our masses are paying the taxes which formerly came from persons given to drink.

The wisdom in the continuation of prohibition even after its utter failure is understandable. Not only there has not been even the slightest reduction of the drink evil, but secret drinking, blackmarketing, profiteering and bootlegging are flourishing on an enormous scale in the paradise conjured up by prohibition for the pleasure and profit of nefarious gangs of illicit distillers and their agents, thus shattering the fond hope of the Government that the large revenue that it surrendered for the lofty ideal of prohibition, would go to fill starving bellies and clothe naked bodies. Corruption among the Police and the Excise staff has increased. Prohibition has brought in its wake a trail of new evils. Illicit distillation is going on in such a large measure that it has become a cottage industry. Some unemployed people have taken to illicit distillation as a prosperous profession. While the Government has lost crores of rupees by way of revenue, the drinkers are paying more money for bad and harmful drinks, to the ruin of their health. Illicit distillation is draining the people of morals, money and health.

Let our rulers not stand on prestige. Let them face realities and let them scrap prohibition.

archaeologist's spade does not augur well for the future. I do not decry the idea of building river valley projects. But when the engineer works out a national river project policy for India, he would be building a new India — a confluence of ancient rivers and new ideas, humanistic traditions and modern concepts of industrial development. Any attempt to develop the one at the expense of the other will lead to a lop-sided development. The survival of Indian democracy, depends on the course of action which is adopted.

Communism--Not an Ideology but a Conspiracy*

By Sumant S. Bankeshwar

AS the Prime Minister Pandit Nehru said once, the very flag of the C.P.I. is a symbol of its ex-territorial loyalty (*Times of India* dated February 10, 1954).

That the C.P.I. is a limb of Communist International led by Russia is quite clear from its statute No. 3 which says: "All parties comprising the Communist International bear the name of the communist party of the given country. The C.P.I. is a party definitely affiliated to the Communist International. One of the conditions for the admission of a communist party to the Communist International is as follows: "Each party desirous of affiliating itself to the Communist International should be obliged to render every possible assistance to the Soviet Russia, the fatherland of all communists, in their struggle against counter-revolutionary forces. It should carry on by legal and illegal means a propaganda amongst troops fighting against the Soviet Republic".

Can a party affiliated to the Communist International, led by Russia, and a party which is nothing but a criminal conspiracy, planted into the heart of India by Russia, to overthrow our government (constitutionally elected by our electorate) through armed insurrections, contest the elections under our Constitution?

Russia spends billions of roubles to maintain in all non-communist countries an army of communist whole-timers, a vast network of newspapers, publishing houses and front organisations for advancing her puppet regimes in their place.

The Finances of C.P.I.

The greater part of the finances of the C.P.I. is provided by the State budgets of the communist States headed by Russia and the funds are transmitted through the embassies and legations of Russia and her satellite nations and also through a number of organisations having no connection with diplomacy but enjoying a pseudo-diplomatic status. Further, a part of the money realised in Indian currency by communist countries through commerce goes to the coffers of the C.P.I. Our Minister for Commerce had declared once in our Parliament that Soviet exhibition in Bombay had sold goods worth 27 lakhs of rupees and that the money had never been transmitted to Russia! There are some special organisations, which trade with a deficit, in order to accommodate foreign currencies for the activities of the Cominform. Most of the money thus obtained is given to the communist parties of different countries. Monopoly of exports and imports with countries situated behind the Iron Curtain is given to communist firms in non-communist countries. Russia negotiates part of her gold production in the International market so as to obtain local

currencies for financing the communist parties. The clandestine circulation of Soviet gold generally goes through Hongkong, Bombay, Syria, Lebanon, Israel, and Alexandria. Can a party receiving financial aid from a foreign power contest elections under our Constitution?

Meerut Conspiracy Case

It was in the Meerut Conspiracy case that a good deal of the inner working of the C.P.I., its plan, secret codes, letters written in cryptic terms and invisible ink and secret documents were exposed.

Among the findings of the court were:

1. The Communist International was formed in 1919 with its headquarters at Moscow as a supreme head of all communist organisations in the world.

2. Its chief aim is to establish Workers' Republics in every country.

3. For this purpose, it has its fixed policy—the exciting of violent revolution in all countries.

4. With this object, it has formed a conspiracy with persons and bodies in Europe and India and elsewhere to excite Indian workers and peasants to revolution.

5. These persons and bodies who may be called conspirators have laid down a general plan of campaign under the direction of Communist International.

6. This plan includes the formation of such bodies as C.P.I. and Workers' and Peasants' party.

7. These bodies were given financial aid from Moscow and their policy was dictated from Moscow, directly and via England through communications conducted in a secret and conspiratorial manner.

Our Central Intelligence Department is in possession of enough evidence regarding the conspiratorial activities of the C.P.I., its illegal apparatus and its conspiracy to overthrow the Government through armed insurrection etc.

Communist Violence in India

When Ranadive initiated a programme of armed insurrection, which aimed at the violent overthrow of Indian Government, a number of leading communists were arrested under the Public Safety Act in all States. Mr. Kiran Shankar Roy, the then Home Minister in the Government of West Bengal giving the reasons for the detention of the leaders said: "The C.P.I.'s long term plan is to wage a ceaseless campaign, open and underground, for the next six months, in preparation for a projected armed uprising and a violent seizure of power. They were trying to collect arms at different places, some of which have been recovered in the recent searches. Secret bulletins of the party seized by the government show that the C.P.I. in its bid for power is trying to organise country-wide strikes with the hope of paralysing the present government. They further show that armed mass uprisings all over India are the ultimate aim of

* This is the third article on the subject, the previous two having appeared in our issues of June 1 and 15.

the party. Can criminal conspirators in the service of a foreign power whose sole aim is to overthrow a democratically constitutionally elected government through armed insurrections with the help of a foreign power contest elections under our Constitution?

A pamphlet called "Communist Violence in India" issued by the Government of India detailed the communist guerilla organs and quoted extensively from party letters, circulars, and secret instructions to show how the party had declared virtual war against the State. According to this pamphlet, the weapons used by the communists were rifles, revolvers, bombs and tommy-guns etc. The activities of the "guerilla" meant the raiding of police stations, zamindars' houses, sabotaging Railway stations, derailing trains, sabotaging even communication lines and cutting of telephone and telegraphic lines. The Hyderabad Government also issued a pamphlet about the communist atrocities and loot in Telangana.

Is a party whose basic doctrine is to seize power through armed insurrection and violence (Whatever may be its immediate programme) eligible to contest the elections under our Constitution?

According to the communist doctrine, proletarian revolution can never be achieved through legal and constitutional means and the only way to overthrow the bourgeoisie government is through violent armed insurrections with the support of Russia—the first "socialist" State and the fatherland of all communists.

Preachings of High Priests of Communism

Lenin has said that the whole world should be communised by all possible means with the support of the first Socialist State—Russia.

Mao-Tse-Tung, the Chinese Communist leader, commemorating the 28th anniversary of the Chinese Communist Party on July 1, 1949, wrote: "It is impossible for a genuine Peoples' revolution in any country to win its own victory without the help from International revolutionary forces". Here the International revolutionary forces" mean—Russian armed forces. Thus the only way through which the communists hope to come to power is through Russian help. Can a party which wants to overthrow violently our government with the help of a foreign power contest the elections under our constitution?

Continuing further, Mao writes:

"Even should such a victory be won, it could not be consolidated without International help". So the communists cannot consolidate their victory in Kerala without international help!!! A party which depends upon a foreign power to keep itself in power and which has no confidence in its own people cannot be called national or democratic. Can a party which is anti-national and opposed to democracy and which depends upon a foreign power for bringing about a revolution in India contest elections under our Constitution?
(To be Continued)

Our Bangalore Letter

RED "PEACE OFFENSIVE" IS A FRAUD

SPEAKING at a public meeting held under the auspices of the Libertarian Social Institute, Mr. Philip Spratt, former Comintern agent in India, and one of the leading ex-communists of the world, said that the peace offensive organised by the Peace Councils was a gigantic swindle perpetrated on the ignorant and innocent masses.

"Every student of the public affairs knows that the Peace Council is a communist decoy and it is a pity that Rajaji should have associated himself with a body whose history is a continuous record of deception. The peace campaign of the communist must be appraised in the light of its historic record. Any impartial person who has closely followed the course of events after the conclusion of the Second World War will find that Russia has been guilty of aggression, at least in a dozen incidents, while Russia cannot quote even a single incident of America having

annexed even an inch of foreign country. Philippines was the only colony of America, and even that country was given freedom immediately after the conclusion of the last war.

THIS PICTURE AND THAT

The first thing that the "Anglo-American Imperialists" did after the war was to give freedom to India, Burma, Ceylon, Philippines etc., and then disarmed to the point of military vulnerability. On the other hand, Russia, the Angel of Peace, not only increased its fighting forces but also conquered country after country by force and fraud. In the last 12 years, Russia has swallowed nearly 15 countries. Yet for the Peace Council, Russia is the Angel of Peace and America is the warmonger and imperialist.

"It is possible that Russia now wants peace but she certainly did not when she began organising these peace councils. The Russian

Peace Propaganda began in 1947. In 1948. Russia blackaded West Berlin. America had then hundreds of Atom bombs whereas Russia had none.

WHERE AMERICA HAS FAILED

Even under the gravest provocation, America did not fight and did not allow her Allies to fight. America would certainly have won, had she been provoked into war. Within three months after the promulgation of the Stockholm Peace Appeal in March 1950, Russia ordered the invasion of South Korea. Russia had a few atom bombs by this time but America had many and had better bombers and means of delivering them. But America resisted the temptation, sacked MacArthur and confined her weapons to conventional weapons. America has proved by its actions right down to November, 1956 (when the Britain and France, America's only dependable Allies, committed aggression on Egypt) that even under the gravest provocation, she will not fight and will not allow her Allies to fight. Only idiots and fools who have

never cared to study the course of events after the end of last war and the history of communist aggression since then, will believe the false propaganda of the Peace Council that Russia is the Angel of Peace and America is the imperialist and warmonger.

"The whole of western Europe is depending on the Middle East countries for oil supplies and Russia has succeeded in neutralising Western Europe which is the only Ally of America, by penetrating into the Middle East successfully. Truman allowed Eastern Europe to go and Eisenhower is allowing the Western Europe to go. This is a tribute to the diplomacy of the communists and a tribute to the political ideology of America.

SATAN POSING AS THE SAINT

Prof. M. A. Venkata Rao, speaking next, said that communists whose past record had been a history of continuous aggression, subversion and violence were the least competent persons to preach peace to Indians in whose history not a single incident of aggression could be quoted.

It was America which first took initiative in discussing Atomic Energy Control and offered to renounce a great military advantage at a time when Russia had no atom bombs. It was America again which offered to put its material under international control while Russia rejected the Baruch Plan for international control on the ground of inviolability of national sovereignty. Russia had not only never objected to the use of atom bombs in Japan but even condemned the "petit bourgeois mentality" of the people when they protested against the use of atom bombs in Japan. When hundreds of T.N.T. bombs were dropped in Germany, Russia never objected to this on humanitarian grounds. The destruction caused by the dropping of hundreds of T.N.T. bombs will not be less than the one that may be caused by the dropping of a H' bomb. The communists are now only exploiting the "petit bourgeois sentimentality" which they have been deriding since Marx onwards" said Mr. Rao.

Mr. Sumant Bankeshwar, speaking next, asked why the Peace

Council was silent over the Russian experiments with atomic explosives in Siberia, Caucasia etc., and why Russia, if she was really the harbinger of peace, herself was manufacturing H' bombs. The continued silence observed by the Peace Council over Russian experiments only showed that for the Peace Council, there was nothing wrong in making H' bombs but what mattered was only who made H' bombs. No country which had armed itself with H' bombs had any right to preach peace, added Mr. Bankeshwar.

HIS EMBARRASSMENT

Mr Biligeri Ramachandra Rao, a prominent member of the All India Peace Council, presiding over the meeting, said that it was embarrassing for him to preside over a meeting that was addressed by persons prejudiced against the Peace Council and with whom he did not quite

agree regarding the peace movement organised by the Peace Council. Mr Ramachandra Rao said that America was not as innocent and peace loving as pictured by Mr. Spratt and that America was no less guilty or aggression and warmongering than Russia. Though peace movement might have been originally sponsored by the communists, it had now received broad support from all sections of the people world over and many impartial and important noncommunist leaders like C. R. and Bevan were supporting the peace movement organised by the Peace Council. A movement for a good cause need not be condemned merely because it was organised by bad people, added Mr. Ramachandra Rao.

The meeting which lasted for nearly three hours came to an end with a vote of thanks proposed by the secretary, Mr. Bankeshwar.

Indian News Parade

"COMMISSARS" IN "RED" KERALA

Trivandrum: Kerala's Communist rulers are progressively adopting a "do-it-with-committee" technique in the branches of administration.

The Government's accent is on "people's co-operation" to speed up the Administration's job. But others suspect that it may end in creating "commissars" all over the State.

These committees are rapidly becoming the instrument of the Communist Party for injecting the influence of the Party into the Executive.

—Times of India

RELIGIOUS CONFERENCE IN "SECULARIST" INDIA!

New Delhi: Representatives of various religions at a meeting held at Rashtrapati Bhavan decided to convene a conference of world religions in Delhi in November.

A religious renaissance was necessary to save humanity from the growing immorality, mutual ill-will

and the tragedies of war, the resolution said.

PAKISTAN WANTS TO RE-OPEN THE KASHMIR ISSUE IN U.N.

Washington: The Foreign Minister of Pakistan said that his country wanted the Kashmir case to be reopened within the United Nations.

Mr. Malik Khan Noon visited the Secretary of State, Mr. Dulles, accompanied by the Pakistani Ambassador. The two spent about an hour together.

"We discussed a number of points of mutual interest including the Kashmir case that keeps agitating the minds of the people of Pakistan and Kashmir."

Mr. Noon praised Mr. Dulles for "being very objective and wise as always."

—Reuter

AUTOMATIC VOTING TOMFOOLERY

The Lok Sabha's automatic voting system, described as "fool proof" broke down when it was officially put to use for the first time on May 17.

WORLD NEWS

After the Members had gleefully pressed the buttons to record their votes in the third division, the electric scoreboard announced the result as follows: Ayes 75, Noes 230, abstentions TOTAL 405!

This automatic toy has cost the Exchequer Rs. 6 lakhs to instal.
—Organiser

CRORES OF GANDHI FUND LOST IN SPECULATION

NEW DELHI : A serious allegation is going round the Capital that nearly a crore of rupees is reported to have been gambled away out of the Gandhi Memorial Fund, which has been raised by the entire Indian people in token of their gratitude for Gandhiji.

This colossal loss, according to knowledgeable circles, has been sustained on account of reckless investment of a portion of the Gandhi Fund in speculative shares of unsteady enterprises.

—Blitz

CANAL WATER ISSUE: PAK ATTITUDE HAS BOGGED THE TALKS

New Delhi: The World Bank's mediatory efforts on the Indo-Pakistani canal waters question have got bogged on account of Pakistan's continued refusal to accept the compromise formula put forward by the Bank as far back as 1954.

Mr. S. K. Patil, Union Minister for Irrigation, is understood to have told Mr. Hiff, Vice-President of Bank, here that further discussions of details would be meaningless unless Pakistan's acceptance of the principles underlying the Bank's plan was first secured.

—Times of India

SEARCH TO FIND A PARTY TO HEAD "ORDERED DEMOCRACY" IN W. PAK

Karachi: Mian Mumtaz Daultana, Muslim League leader, said that there was no chance of a Republican Ministry being installed back in power in West Pakistan, unless they showed "their physical majority" in the House.

Mr. Daultana made this statement with a "complete assurance" after a three-hour meeting with Mr. Suhrawardy.

—PTI

SOVIET ARMS OFFER TO INDIA

LONDON : The Indian Defence Minister Mr. Krishna Menon refused to be drawn into discussion of a report in today's "Observer" that Russia had offered arms to India on long term credit on his arrival here.

The "Observer" correspondent in New Delhi reported that the arms would include the latest aircraft. The report said that India was giving serious consideration to the offer because of delays in British deliveries and the fear that Pakistan might receive preferential treatment in the matter of deliveries from British and the United States, because of her membership of the SEATO and the Baghdad Pacts. Mr. Menon was in a predicament that an outright denial of the report might be construed as a limitation of the principle of India's freedom to buy arms from whatever quarters she chose to do.

—Times of India

U.S.A. OFFERS TO REDUCE ITS ARMED FORCES

London: Mr. Harold Strassen told the Disarmament conference that the United States was ready to reduce its armed forces to 2,50,000 as part of the East-West limited disarmament treaty, if Russia did the same.

The U.S. delegate's statement at a session of the United Nations Disarmament Sub-committee made it clear that the United States was attaching no "political preconditions" to the proposal.

—Times of India

SOVIET ARMS AID TO EGYPT

London: Britain has taken the initiative in starting consultations with its allies about the report that Egypt has obtained delivery of three Russian submarines, Foreign Office spokesman said.

The spokesman said that if the report issued by the Middle East News Agency was correct it was "much to be regretted because this

delivery cannot but increase tension in that area."

—Reuter

MAO ADMITS CONTRADICTIONS IN COMMUNIST SOCIETY

London: Mr. Mao Tse Tung, Chairman of China's People's Government Council, has conceded that contradictions exist in a communist society and said that "it would be naive" to believe otherwise Peking Radio reported.

This admission that the leaders and the masses often find themselves at odds in a communist State runs counter to the oft-voiced claim of Mr. Nikita Khrushchev, the Soviet communist party secretary, that no such contradictions exist.

Mao said that in presentday China contradictions among the people included the following:— "Contradictions within the working class, contradictions within the peasantry, contradictions within the intelligentsia, contradictions between the working class and the peasantry on one hand and the intelligentsia on the other, contradictions between the working class on one hand and the national bourgeoisie on the other and so forth.

—Times of India

To The Readers Of The "Indian Libertarian"

Owing to the high cost of production and the rise in the cost of paper the Management of the *Indian Libertarian* are forced to increase the price of the journal from the next issue, that is from 15th July 1957. The price of a single copy of the journal has been increased to 20 Naye Paise in place of the present 15 Naye Paise while the annual subscription has been increased to Rs. 4.50 plus postage, instead of Rs. 3.

Book Reviews

SIBNARAYAN RAY AND HIS ANGUISH OF RATIONALITY

ONE of the essays in Explorations by Prof. Sibnarayan Ray is 'Jean-Paul Sartre and His Anguish of Freedom'. In it, Prof. Ray has treated of the anguish of Sartre in the light of his own.

The all-important "Why" of the universe has intrigued men from ages downward. And the answers that most thinkers have come up with are an intriguing lot in themselves.

Thus, for instance, the existentialist like Jean-Paul Sartre confesses frankly that there is no answer behind the universe, no peg to which to hang on the totality. The world is meaningless, says the existentialist, and he gives himself up to anguish.

The naturalist philosopher, on the other hand, like Prof. Sibnarayan Ray manages to unearth an explanation. It is in Nature that he finds his *coup de grace*. One suffers from the anguish of an unlimited freedom (since the universe is denied an order), of isolation (since all particulars are independent entities) and of involvement (which comes from a narrow humanistic morality) while the other suffers from the anguish of rationality (man-in-nature).

A PARADOX

But Prof. Ray is clearly at an advantage. For the naturalist has accepted human categories but subordinated them to nature while the existentialist, paradoxically enough, is a humanist by rejecting naturalist categories.

Sartre finds, as Sibnarayan Ray points out, human history as made, not given. The individual is an individual only in his engagements and decisions. The individual exists only in his acts, events.

And this individual is an isolated entity, unaffected and uninfluenced by the people around him. Thus a universal human nature is denied and is indeed shown to be non-existent. What exists is just existence is individualistic, isolated and

realizes itself in individual acts, decisions and involvements. For it is action alone that is existence. And existence is freedom—freedom to act. Existence is the sum of conditions for an act.

And this freedom to act is also a responsibility, an imperative necessity. For the individual cannot escape by refraining from action. The individual has a moral duty to others, to the total sum of existence. "The individual must make decisions and thereby involve mankind, and yet he is ever uncertain of the moral validity of his decision— Considered in this way, man's freedom an inescapable burden, a source of perpetual anguish."

Sibnarayan Ray finds fault with the unlimited and absolute freedom that Sartre claims. For the individual is certainly influenced by external factors. Here Prof. Ray is perfectly right for the individual is not a mere obstruction but a concrete social being, interacting among other individuals and being influenced by them.

A neo-radical empiricist cannot accept the existentialist postulate of the individual as an abstract absolute. Existentialist humanism expressed this way is mere verbalism so far as Prof. Ray is concerned.

Again, Prof. Ray is unable to accept the isolated individual who is morally responsible for the whole of humanity. These extreme form of individualism coupled with an almost Kantian morality is easily rejected by the naturalist.

Prof. Ray's main objection is perfectly justified. He finds the peculiar psychology of man as postulated by the existentialist indigestible. It is strange neurosis on the part of the individual who aspires to be God whom he believes non-existent. This exaggerated sense of futility is a psychological freak.

Of the two, Prof. Ray's naturalism is preferable. Prof. Ray's insight is marvellous in so far as he

shows consciousness of the dangers implied in a philosophy that places the highest value on existence, which indeed loses in the vast morals of existence its basic moorings. K. D. VALICHA

IMPORTANT READING FOR LIBERTARIANS

SAVING AND SPENDING by Jeffrey Mark. pp. 70 price Re. 1/-

The connection between monetary policy and prices is sketched out. Fluctuations and all depressions known to the world of commerce have been related to the control of credit. The seven theories of crisis that constitute the book are worth consideration. The preface by the publishers makes interesting reading.

*
**THE PHILOSOPHY OF RUDOLF
ROCKER** pp. 23 price 6 As.

This is a brief resume of the bigger book, "Nationalism and Its Relation to Culture". "Fascism is the last struggle of world power against liberal ideas." The sociological considerations of race and caste are dismissed by the author as in no way revealing human development. The State, ultimately, is inimical to individual interest—is capable of only leading society into "The blind crevasse of inimical interests." This is a fine exemplar of the libertarian viewpoint.

*
**NEW WORLD ORDER THROUGH
CO-OPERATIVE DEMOCRACY**
by James Peter Warbasse. pp. 15
price 4 As.

This is a summary of the bigger book of the same name by the author. It gives in short the principles of a co-operative society. A co-operative society finds its urge in the attempt to do away with political interference and also to limit over-production and other mal-factors. Stimulating.

*
**ANARCHISM AND OTHER ES-
SAYS** by Emma Goldman. pp. 229
price 2/8.

The ideal that the anarchists stress is worthy: the individual is the end in himself. But the book is somewhat outdated and not very applicable today. There is, however, that sense of revolution that so characterises the anarchist. Written in a smooth style, the essays make pleasant reading.

K. D. VALICHA

Letters

To The Editor

C.P.I. AND ITS LEGALITY

Dear Madame:

My young friend, Sumant Bankeshwar, has written a strong indictment of the Communist Party of India, (which has been published in the *Indian Libertarian*) and furnished grounds for it as well. You may not agree with all his views, or the conclusions he has drawn, but there is no denying the vigour of his convictions, and his devotion to the ideals of liberty and democracy.

Even if all his charges against the Indian Communist Party are valid and true, I doubt whether that party, can, by a judicial writ, be banned entry into the electoral arena.

The Constitution and the Electoral laws do not permit such a course. The only qualifications needed at present for candidates to the legislatures are, if I remember aright, the citizenship of India, a sound mind, no contract for goods or services with "appropriate" Government, no recent convictions for specified offences etc. Even literacy, however desirable, is not a necessary qualification.

I wonder if Sumant Bankeshwar would advise an amendment of the Constitution, so as to mould it nearer to his heart's desire.

The brochure is worth an attentive perusal. H. V. KAMATH
*Constitution House
New Delhi*

TOWARDS SOCIALIST SERFDOM

Dear Madame: The present industrial policy of the Government of India is based on the wholesale adoption of Marxism. It is boosting the public sector at the cost of the industries run by the free will of the people. The powers of the Government will go on growing day by day until the sway of the bureaucrat embraces the entire economic life of the people.

Under socialism, labour is supposed to become the owner of all industries. But in reality they are the first victims of serfdom under socialism, as their precious privilege of having Trade Unions and the right to strike is abolished. At the conference of the I.N.T.U.C. some time back, the Labour Minister declared that under a socialist State, the right should not be claimed by the workers, who should only claim the right to work. The right to strike is one of the sacred rights that a democracy guarantees to workers and is the only weapon that the workers of the world have wielded to secure prosperity, power and justice. Wherever the workers have surrendered this sacred fundamental right, they have been reduced to the level of slaves, struck down to a subhuman level of existence and consigned to forced labour camps. The fate of workers in Communist Russia, Nazi Germany, Fascist Italy, Franco's Spain and Salazar's Portugal tells us that the deprivation of the right to strike is a totalitarian prelude to the forced labour camps and should warn our workers against surrendering their fundamental right to strike. Let not our workers take shelter under the banner of socialism, because by the time they discover that they have taken shelter under a wrong banner.

SUMANT BANKESHWAR

THE LANGUAGE MUDDLE

Dear Madame: The standard of education is deteriorating day by day; the steps that are being taken by some States in pursuance of their language policy will inevitably lead to further deterioration in the educational standard. If the country has to progress, the Government has to get rid of its fads and adopt a realistic policy after full deliberation and consideration of all its aspects.

There should be no haste to spread Hindi. Let it win its position on merits and not by administrative pressure. It is essential to avoid offence to the susceptibilities of non-Hindi States.

As language is only instrument for the communication of ideas, its value depends on its utility for such purposes. So far as modern knowledge is concerned, English has

READERS PLEASE NOTE

The Editor of the *Indian Libertarian* invites letters from readers on topical subjects and matters of public importance. All letters meant for publication should be brief and to the point, preferably typewritten and on one side of the paper.

Letters that are adjudged as good and interesting will be awarded prizes. The writers of such letters will be sent the *Indian Libertarian* free for one Year.

Here is an opportunity for the intelligent readers to try their hand at journalism and also win a prize.

Letters should be addressed to the Editor, the *Indian Libertarian*, Arya Bhuvan, Sandhurst Road, Bombay 4.

many advantages over all other Indian languages for a long time to come. No regional language can compete with English for higher education, particularly of science and technology, and administrative purposes, for at least another fifty years. Let not our false sense of patriotism shut the light of modern knowledge from us by abolishing English. If English is retained for another fifty years for administrative purposes and higher education of science and technology and if Hindi is made compulsory for all, in fifty years Hindi will be able to replace English successfully without coming in the way of our progress and our acquiring of modern knowledges. Let not the Government in their haste to spread Hindi deny our people in the name of patriotism access to modern knowledge.

Bangalore

S. S. B.

The only way to solve the language muddle is to make English a national language and allow it as the language of inter-State administration as well as the language for secondary and higher education. Let us do away with the fad of Hindi.
—Editor

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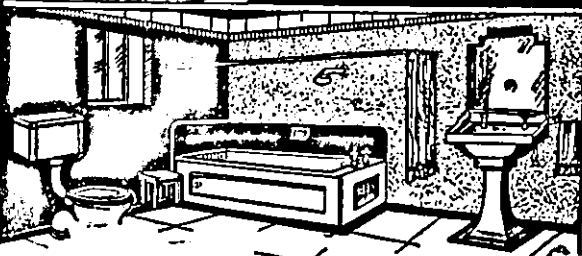
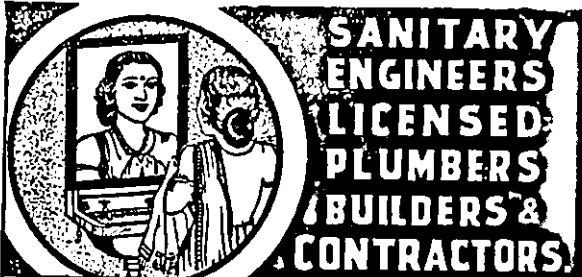
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