

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

## N INDEPENDENT JOURNAL OF ECONOMIC AND PUBLIC AFFAIR

## WE STAND FOR FREE ECONOMY AND LIBERTARIAN DEMOCRACY

MAKE ENGLISH THE LINGUA FRANCA OF INDIA

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## DITORIAL

## CONGRESS PARTY REVITALISATION: AICC SESSIONS AT POONA

A T the time of writing, the Congress has concluded its AICC sessions at Poona. Mr. Nehru attended the sessions after his return from his foreign tours. He visited Egypt, Syria and Turkey on his return journey from London where he had gone for the Commonwealth Conference. He was absent from India for nearly a month.

The Poona sessions left matters very much as they were as regards "revitalisation," a word that has become shop-soiled through futile and insincere use for so many years past.

The suppressed dissatisfaction with the High Command that has been simmering for years came to the surface with a jolt in the speeches of many rank and file members, some among whom were Ministers at one time or other.

Mr. Hanumanthaiya had reported in his committee deliberations that it would be advisable to have a half or one-third of the members of the Working Committee elected by the AICC instead of (as at, present) being nominated by the President of the Congress in accordance with tradition.

He wanted scope for the emergence of new leadership based on democratic support from below. It is a sound idea. Mr. Hanumanthaiya had proposed this measure even at the Assam Congress and has been pressing for similar new departures in procedure to bring new blood into the Congress leadership. But the old guard including Nehru has been torpedoing the move year after year. Mr. Sanjiva Reddy tried to dismiss the proposal with the cavalier remark that the times are not ripe for such measures. This was all—No reason at all was adduced to scotch the idea: just the ex cathedra statement that the times were not ripe!

Mr. Tyagi also sounded a critical note. One Mr. Azad adduced the instance of a Congressman who was dismissed being re-instated by a Minister. He criticised Mr. Nehru by name for not appointing a committee for inquiring into corruption in Congress leadership. Altogether, the Poona sessions marked a stage further in articulate criticism (by Congress rank and file) of the High Command not excluding Nehru as heretofore.

It is noteworthy that Nehru was alone on the dais to hold up his hand in support of the Hanumanthaiya proposition for a one-third elective of the Working Committee. Nehru knows how to seem

more progressive than he is at the expense of Johns in unwelcome ways unless the Swatantra go too far, so as to keep himself at the head of in strength in the coming elections in 1962. the winning group! والمراجع يعترون

Sri Nehru's one suggestion was that the most important thing to do was to eleminate bogus membership. Once this is done, he felt, that everything would be perfect in the Congress Mansion.

The plain fact is that the Congress leadership has become corrupt in their intoxication of or pursuit of official power. Democracy has brought power to classes of people unaccustomed for it in their wildest imagination. The procedure to adopt is to apply the conventions evolved in older democracies to effect a chek on the exercise of Power. The Press, the judiciary independent audit, division of functions between bureaucracy and popular representatives should all be used in their several ways to check the exercise of power.

The source of the trouble is that the highest leaders of the Party are not free from the taint of undue use of official power and influence for extraadministrative purposes.

The way in which Mr. Menon has been introduced into the cabinet and retained as Defence Minister in the teeth of popular responsible criticism is an apt illustration of the deep-rooted malaise. There is no remedy for this all-pervasive taint in the Congress leadership in any mere reorganisation of the machinery of the Party.

And so the deterioration will continue, it seems, in its seemingly inexorable course until, like the unfortunate Chiang Kai-Shek's regime, the end will

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his own supporters! He lets them down when things arty is supported in full measure and is returned

By the bye, it is to be hoped that a news item appearing in The Hindu from its special correspondent some time ago to the effect that the 1962 elections would be jettisonned, has no basis. The reason adduced by the unnamed spokesman was the developing situation of Chinese aggression.

## MR. RAJA HUTTHESINGH'S RESIGNATION FROM THE SWATANTRA PARTY

Mr. Huttheesingh's resignation from the Swatantra Party has been something of a damper to the movement of freedom of Mr. C. Rajagopalachari and Messrs. Ranga and Masani. But it need not mean a serious set-back. The movement should derive strength from new elements of the population whose adherence depends on their own experience of the independent Government of India. Old timers like the Madras dissident Congressman Mr. Venkata Krishna Reddiar who had accepted the chairmanship of the Madras Branch but who nevertheless resigned a few days back on the issue of land ceilings do not bring any strength to the new party.

Mr. Huttheesingh has urged a number of criticisms to the ideology of the Swatantra Party such as its involvement in the old fashioned and outmoded theory of laissez faire and unrestricted capitalism. He has also objected to the new idea of leaving individual members free to have their own viewpoints beyond the basic principles mentioned in the Foundation Manifesto and in particular to the foreign policy statements of Rajaji and Masani. These objections are not formidable but need fair tackling from the stand-point of a rational free economy. Libertarianism should be drawn upon for relevant material for the formulation of a satisfactory economy based on freedom.

The party needs an intellectual general staff to keep an eye on legitimate criticisms and to answer them on a rational basis from time to time through publicity agencies like the daily press, platform, bulletins and so on. There is no use deprecating criticism on the ground that it splits the opposition and confuses the possible adherents of the new party. Intelligence should not be discouraged but made use of to strengthen the movement. It is only sentimental parties like the Fascist and Nazi movements that build up their ideology after or in the course of achieving power on the strength of a general sentiment in tune with the popular feeling of a large section of the nation. But nationalism and democracy, free economy and free society are ideals that do not depend on vague sentiment for their power over the minds of men. They are rooted in experience and are capable of being deployed in ways to appeal to the minds and hearts of ordinary citizens. Also, large parties are not built in a day even where their case is sound and necessary for the betterment of society at a particular stage, particularly to displace a vast successful party like the Congress that is drunk with unexpected power.

#### **PUNJABI SUBAH**

Master Tara Singh has started his long-awaited, long-feared morcha or movement for his Punjabi Subah. He insists that his subah does not import any status of full sovereignty outside the Indian Union. It aims only at a provincial State like the other States—Madras, West Bengal etc.—as an integral part of the nation and within the Constitution. To think otherwise and to compare it to Pakistan in intention and inspiration is to do injustice to him and his Sikh aspirations, (if he is to be believed). He declares that it is only the undue suspicion of the authorities and the Hindus that gives his objective a bad name in order to hang it.

Apart from suspicions of the ultimate goal of the Punjabi Subah, people question the wisdom of further division of the Punjab already weakened as it is by the Partition. Punjab Hindus and many sections of Sikhs, nationalist Sikhs as they are called, are strongly against Tara Singh's movement. His argument based on the Punjabi language in its Gurumukhi dress is seen to be only a cloak to hide the communal and sectional nature of the demand. The claim is really for a State for Sikhs for themselves to dominate and enjoy, like the Tamils in Madras, Maharashtrians in Maharashtra, Mysoreans in Mysore etc. It is to be remembered that the British had given a political status to the Sikhs after the war of 1914 in recognition of their splendid war The Montague Chelmsford Report recounted all the decisive arguments against separate electorates as making against democracy and national homogeneity but as a special case from the pragmatic point of view, they reluctantly conceded separate electorates to the Sikhs along with the Muslims, who had won it earlier!

To concede separate electorates is to concede separate nationalism and political destiny! With the dawn of freedom, Sikhs and Muslims (left in India) gave up their privilege of separate electorates. Muslims got their Pakistan, Hindus got their Hindustan but what did the Sikhs get? This question mischievously put to them by Pakistani Muslims aroused the communal ambitions of the Sikhs. Master Tara Singh found himself left out in the cold by the new Congress leadership who found themselves in the seats of power. This exclusion rankled in him as in the minds of the Dravida leaders like E. V. Ramaswami Naicker in the South.

The Sikh morch intended by Tara Singh to start on 12 June to Delhi was forestalled by the Punjab Chief Minister Kairon. He arrested Master Tara Singh under the Preventive Detention Regulations and several groups who tried to form morchasthereafter. The number in jails now exceed 500. It is doubtful if the arrest was wise. The Swa-

tantra party leaders Messrs, C. R. and Masani have condemned the arrest of the Sikh leader under the Prevention Regulations as contrary to the Fundamental Rights of free expression of opinion and free association. Mr. C. R. has asked Messrs. Munshi and the recent recruit to the party from the Hindu Mahasabha Mr. N. C. Chatterji to defend Master Tara Singh in the law courts. This argues the support of the party to the cause of the Punjabi Suba and has antagonised the opponents of the Sikh separatist movement. But the Punjab Subah-wallas will support the Swatantra Party en bloc. Whether the loss is counter-balanced by the gain is a matter that can be verified only later on.

Even if the cause is conceded to be just, the repercussions are likely to be grave and disturbing and cumulative.

If the Punjabi Subah is conceded, as it is expected to be on account of the upsetting nature of the disturbances that are sure to ensue, the demand of the Konkanis, Jharkhand-wallas, Nagaland agitators, Moplastan-wallas etc., will all be encouraged. The series of fissiparous, disintegrating demands and movements that will mar the immedaic future of politics is daunting and must give a pause to all lovers of the country.

It is difficult to guess the outcome. But the example of the formation of the two states of Maharashtra and Gujerat out of old Bombay has inspired Master Tara Singh and has given him the hope that he would succeed in his aim, if only he can make himself and his group a nuisance greater than the Maharashtrians and Gujeratis became in their struggle for separate States!

To what a level have politics descended after Swaraj!

#### MANIPUR AND TRIPURA

There has been much agitation and salyagraha in Manipur for achieving an independent Statehood and responsible government within the Union, as before. Manipur is isolated from Assam and demandr a separate administration in spite of its small size. There is no use sticking fanatically to a formula. There is every probability of Manipur succeeding in her objective if she keeps up her demand and agitation. They should also do some public relations job. They should inform the rest of the country of conditions in their area and win the sympathy of the people of other parts of the country.

Members of Parliament are paid travelling allowances and given free travel facilities on the railways for the purpose of visiting the different parts of the national territory and sprending first hand information about conditions in different States.

Sympathetic imagination should be aroused to understand the inner feelings of people from distant

areas. Intercommunication is essential to the making of a nation and to its smooth functioning.

## THE CHINESE AGGRESSORS IN TIBET

It is reported in confirmation as it were of the news given by Dr. Raghu Vira, M.P., that the Chinese are massing more and more troops in Tibet and are deploying rocket equipment and advancing to the Nepalese border.

The Chinese had sent a Himalayan climbing team from the North without informing Nepal. Bharat Shamsher the opposition leader has demanded that Frime Minister Koirala should protest to China against this incursion without permission.

The Nepalese are nonplussed and do not know what to do. The advancement of the Military Presence of China in the trans-border areas of Nepal and Bhutan has created further uneasiness in the hill states. The Bhutanese too have asked India whether its Maps regarding the Bhutanese borders are correct. The Bhutanese seem to desire to exploit the situation to extract economic assistance further from India. "Let us grab as much as possible while the going is good, whatever the ultimate outcome of it all might turn out!" This seems to be the mood in Nepal and Bhutan.

It is clear that they behave in this ambiguous way because they have lost confidence that India could and would defend them against the Chinese.

It is high time that India changed her policy and strengthened herself with alliances with the West, particularly America. The American Secretary of State stated his conviction that the Chinese would in the near future create tension in the East with further aggressions. He said this at a SEATO meeting at which Vice-President Nixon was present.

In strong contrast to this reading of the situation, we have Prime Minister Nehru saying that India was strong enough to defend herself against China and that she need not depend on America or other outsiders to defend herself. This is a palpable falsehood and is calculated to deceive the Indian public. The M.P.'s should insist on a secret meeting of Parliament at which he should be called on to substantiate his public statement as to the

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COAL MERCHANTS 16—APOLLO STREET, FORT, BOMBAY. adequacy of Indian forces and equipment to meet the Chinese aggressors

## ACHARYA VINOBA BHAVE AND THE DACOITS

The disciples of Acharya Vinoba Bhave found a new field for their guru's redemption activities. They have contacted notorious dacoit leaders in the U.P. and Madhya Pradesh and have persuaded many of them to surrender to Vinoba, the Gandhian saint. India has a long tradition of saints converting the most hardened sinners, robbers and murderers and law breakers of all kinds, to decent ways of life. Angulimala converted by the Buddha has become a classical example.

Now Vinoba Bhave is emulating the Buddha's example. Scores of dacoits, some of whom have had a prize set on their heads have surrendered to Vinoba in the U.P. and Madhya Pradesh. They have been handed over to the police after their spectacular participation in the "New Mahatma's" prayer meetings at which they ostentatiously (some of them with genuine repentance perhaps) touched the saint's feet in obesiance!

The Chief Minister Sampurnanand of the U.P. and Chief Minister Katju of Madhya Pradesh were put in an embarrassing position. The Acharya has high Gandhian prestige and enjoys a unique privileged status with the Government of Nehru, especially after the spectacular padayatras relating to Bhoodan and Gramdan. Nehru has welcomed these movements concerning land gifts as they soften the hold of owners on their lands and create an atmosphere favourable to land ceilings and land redistribution—in a word favourable to communism in agriculture. Immense sums of money have been placed at the disposal of the Land Wizard from the Gandhian Smarak Nidhi. The entire administrative personnel and influence of the Governments of States have been mobilised to serve the cause of Vinoba Bhave as he walks from place to place. Cine cameras and jeeps and mikes have been abundant in the camp equipment. Hundreds of "followers," sarvodaya "workers," shrewd "careerists" who wish to acquire the valuable qualification of having been a member of Vinoba's entourage, (for it has now acquired an international reputation), accompany the leader and eat up the resources of local notables under the pressure of Congressmen.

What will be the effect of the Acharya's latest stunt, (as it may legitimately be called, a dangerous stunt) on the morale of the police and the mentality of the robbers? Inspector General Rustomji has already issued a clear and bold statement that crime is increasing in the area and policemen are demoralised by the Acharya's intervention Chief Minister Katju has endorsed the officer's view and has pointed to the danger of making heroes of law-breakers to the law and order position!

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## Aftermath of the Summit

## By M. A. Venkata Rao

THE whole world is speculating anxiously after the shattering performance of Khrushchev at Paris wrecking the Summit so recklessly: where do we go from here?

For nearly two years now, the world was taught to expect much from a Summit meeting of the Big Four, the leaders in whose hands lie today the destinies of mankind, at least in so far as catastrophic destruction is concerned. Khrushchev made it the centre of his new policy to arrange a grand Summit conference at which the final issues of war and peace were to be definitively (in principle) solved and an era of perpetual peace in augurated on this troubled planet.

After the failure of the last Summit at Geneva in 1955, President Eisenhower was not disposed to risk another debacle or at least a slow petering out of the agreements that might be arrived at the conference table again. There was also the possibility that the Russians might think of the Summit as merely a propaganda device to put their own views across to the whole world. The publicity arrangements of a Summit would be incomparably vaster and more effective than anything that can be managed by Kremlin statements and Pravda and Izwestia trumpetings.

President Eisenhower resisted the idea of the Summit for quite a long time. He said again and again that the success of such a conference of heads of Big States would depend on much preparatory exploring at lower levels. Issues have to be clarified and final decisions should be formulated agreeable to both sides before there could be any chance of resolution of the great deadlock and stalemate between the blocs. Otherwise the Summit might do more harm than good. Heads of States cannot take decisions on such colossal issues on their own individual responsibility. They can give the decisive word only if complex data are reduced to crucial "yes or no" forms embodying the national interests of their States.

But public opinion was played upon by Khrush-chev so continuously and dexterously throughout the world that in virtue of sheer iteration and the yielding of liberal elements in democratic countries, the idea came to be accepted even by Eisenhower and the Americans. Demagogy had much to do with it. In Britain, MacMillan worked persistently to persuade President Eisenhower to accept the idea of the Summit. He visited Moscow. He flew to Washington several times and did much to overcome the resistance of the American President and public.

In England there were protests and demonstrations against the harbouring of nuclear bases under the control of the Americana. There are 15 bases and 130,000 American airforce men in Britaint England might serve as an unsinkable aircraft carrier but in a nuclear war, the whole island would be rendered unfit for human habitation by radio active releases and fallout! No wonder that there is a strong section of opinion in England urging a policy of unilateral nuclear disarmament: Moreover there was an election and in a democracy election time demands close attentions to public opinion MacMillan played up to and popular feelings. public sentiment in so far as the idea of a Summit was concerned. He refused to yield to the clamour for the disbandment of American bases in England but thought that a Summit might do something to feed the people's hopes. At any rate, it might do no harm while there was some hope of an understanding with the Russians making for a detente.

Further, pro-communist opinion and regular propaganda by communist parties in most countries of the world and the influence of uncommitted countries like India and this UAR strengthened the popular demand for a Summit and Khrushchev clinched it in his parleys with Eisenhower himself during his visit to the States in September.

He raised hopes sky-high by the spectacular proposals for a complete disarmament in four stages that he made before the American Congress. Harassed and confused humanity blind with fear clutched at the surprisingly pacific proposals of the Russian communist Chief! It sounded incredible coming from him but it had a stampeding effect on the public everywhere. In any case, there was no harm in discussing it—it was felt everywhere and diplomats and statesmen had to yield.

But as soon as the Summit meeting was accepted by the Big Four, fears arose in Germany and elsowhere that the Big Two might settle the world's problems between them to the detriment of the smaller nations. Dr. Adenhauer got nervous that Eisenhower and MacMillan might agree to the eventual abandonment of West Berlin.

After the Camp David talks with the resolute. Soviet Chief, Eisenhower talked of the abnormality in the position of West Berlin, a fragment of a city surrounded by a sea of Soviet-controlled Germany! Dr. Adenhauer flew to Washington and got the American President to reassure him that he would stand by the present status of West Berlin at the Summit and would not surrender it to the Soviet Bear.

He met General De Gaulle and got his view endorsed by him. In fact there was a distinct rapprochement between De Gaulle and Adenhauer in spite of the bitter past. De Gaulle seemed to have forgotton the traditional French hostility to the Ger-

mans. Rather he realised that as against the new enemy-Communist Russia, a cordial agreement with Germany was a necessity. And as part of Nato arrangements and controls, he felt that Germany could not do harm. Western statesmen in all these manoeuvres are showing the wisdom of Chanakya or Machiavelli that in times of changing adversity, it is wise to change to new alliances in spite of ancient enmities. It is to be wished that Indian rulers too would learn to adapt their national policies to suit changing circumstances. If France and Germany—the enemies of generations (or even centuries) could forge an entente cordiale in the face of new perils, India should be ready to change her panchsheel policy and forge new and more helpful bonds to secure her defence from the threatening Dragon in the North. Like the rat that took shelter in the bosom of the cat at sight of the eagle hovering overhead but ran to her hole in the tree-root as soon as it disappeared from the sky, India should make up with her traditional enemy-Pakistan and confront China with her entire force and resources. It is possible to take precautions against a possible treachery from Pakistan. This by the way.

Why did Khrushchev wreck the Summit that he had worked so much to bring about, rallying the whole world through such a feat of psychological generalship (and warfare?).

The ostensible reason he gave, namely the provocation of invasion of Soviet skies by the American spy-plane U-2 on May I, does not convince people in the know of international events and trends in the recent past. His pretence that he was horrified and that Soviet Russia had never done such a wrong to international morality can only be greeted with laughter. All nations do some spying and intelligence collection from foreign possible enemies. There is a convention among nations not to make propaganda about such spy activities but to deal with individual spies quietly and surrender them to the countries from which they come.

And today it is Soviet Russia that has surpassed all records in history for intelligence in other countries. Mr. Lodge the American delegate to the UNO listed eleven Russian spies that were caught and their neferious activities proved by due process in the USA in the last three years. Canada and Australia have had Royal Commissions to enquire into Russian infiltration, subversion and intelligence and spying in their countries and a vast mass of authentic information has been laid bare. This informantion has not been contradicted by Soviet Russia in any convincing manner. Last year a Russian from the Russian embassy in Rangoon sought refuge in the American embassy and escaped to the free world. He has since written to the press in the free world revealing how the Russian authorities try to influence the public of the countries in which they have diplomatic offices. They employ spies and try to suborn the citizens and use them

for espionage and subversion. They get newspapers to publish articles written in Moscow.

At the very time that Khrushchev was making much of the American U-2 incident, two members of the Russian embassy in Switzerland were caught in spy-activity and expelled by the Swiss authorities. The Greeks complained of spying by a Russian ship at about the same time in Greek territorial waters. The Americans became aware at about the same time of the presence of a Russian submarine near American Naval installation watching from close quarters just off the territorial limits. The British have complained of similar intelligence by Russian vessels near their naval exercise grounds in the Northern Orkeney islands. It is not necessary to quote more instances of Russian spying activities.

In fact, the Russians go far beyond mere intelligence collection. They organise political parties working both legally and underground in free countries and imbue them with loyalty to Russia traversing and contravening their natural national sentiment and national loyalty! They have succeeded remarkably in this systematic effort of theirs. The chiefs of the satellite countries below the iron curtain are all appointed by the Kremlin and hold office during the pleasure of the Soviet Chiefs in Russia. Kadar. Gomulka, Grotewohl and others are subordinates of Khrushchev! They would be dismissed from office if they were to be subjected to free elections. Even Khrushchev and his circle would not survive free elections.

For Khrushchev to pretend moral indignation and a superiority in moral conduct to Eisenhower is ridiculous and unconvincing. The real reasons therefore for his conduct at Paris are to be sought elsewhere.

He had in fact said before he came to Paris that the Summit meeting should not be affected by the spy-plane incident!

One reason for his change of mind has a high degree of plausibility. He had hoped to get the Summit to agree to withdrawal from West Berlin and to get a peace treaty recognising East Germany as an independent State. But in effect it would remain a satellite of Soviet Russia like Hungary, Poland and the other East European States. His suggestion of a confederation between East and West Germany, the one bound and the other free is unworkable and he knows that it is impossible. What the Germans in both halves want is an Anscluss, a reabsorption, a reunion, a restoration of the pre-war historic unity of the German Reich, its government being formed by free elections by both parts of the country. But Khrushchev is not agreeable for such a natural consummation. He draws a red herring across the trail by accusing Eisenhower of a lack of desire to unify the two Germanies! He wants the world to think that he is for union while the West is not for it but to keep the two States separate, which is just the reverse of the truth. The West wants a natural union based on free elections in both areas while Khrush-chev wants an apology of a Union keeping the Government of East Germany intact under his control, while a nominal association with West Germany in a loose confederation is conceded to pacify the German national sentiment. He hopes that in such a dispensation he could spread communism to the West Germans as well through methods the Soviets have employed in East Europe—namely force, fraud and subversion behind a facade of democratic elections!

But his hopes were dashed by the efforts of Dr. Adenhauer and the French President, De Gaulle, who made the Americans declare firmly that they would not agree to any change in the status quo in West Berlin except as part of a full settlement by the reunion of the two halves of Germany on the basis of free elections. He was disappointed and so made up his mind to wreck the summit since it could not afford any advantage to him. Russia is flushed with space victories and rocket achievements of astounding speed and reach. She thinks that she is entitled to expand a little on their strength. West Berlin is a standing source of irritation to the Kremlin. It is a window on the free West and is a standing shame to the unfree system of the Russians. It is necessary to get rid of it and remove the temptation from the harassed populations of the East to escape! They are escaping to the West in thousands every day and week!

The major aim of Khrushchev was to equal Stalin in the estimation of his compatriots. Stalin had summit conferences with the leaders of the West—Roosevelt, Churchill, and the French during the war on equal terms. Khrushchev could consolidate his position as supreme leader of Russia and the communist world only if he could achieve his prestige with the West by figuring in Summit meetings on equal terms.

For this purpose he did not send his ultimalum to Eisenhower to apologise, from Moscow. He wanted to meet the Big Three and to score over them by a charge of perfidy and breach of international morality in the U-2 incident. This would meet his desire for superiority in Summit, let alone equality. He made use of the opportunity to tar America and her president with the brush of war-mongering and perfidy.

If he could not have his way about Berlin, he could at least secure his status of superiority and bring off a superb piece of world shattering propaganda! He used his opportunity to superb purpose, from his point of view!

He was encouraged to take this course by another factor. The spy incident alarmed the rulers of Russia. If a U-2 plane could penetrate so deep into Soviet territory (1200 miles) at a height of 12 miles, the homelands are not safe. The planes may carry hydrogen bombs. The people were whipped up into a fury of condemnation. Patriotic

sentiments were aroused and played up. Khrush-chev had to placate this storm and to ride it if possible.

He used the opportunity to turn the anger of the world against America and to satisfy Russian feelings by painting the Americans as war-mongers.

There was anoher trend in domestic politics that added to Khrushchev's impulse to change his mind about the Summit. Between May I and the Summit date May 16, there were many changes in the positions of leading men in the Kremlin. It is difficult to say whether all the changes spell a Pro-Khrushchev meaning. The president and defence minister and others changed. The demand for a diminution of austerity and somewhat more comfort is becoming increasingly vocal. To retain popularity. Khrushchev has to promise greater production of consumer goods. But the policy of giving the lion's share to heavy and military industries cannot be slowed down in accordance with the basic policy of Soviet Russia which is genred to world conquest. To off-set domestic disaffection, dictators usually resort to external adventures. Satisfying national sentiment through an orgy of "Hate American campaign" and by declarations of rocket superiority, Khrushchev has succeeded in rallying domestic feeling on his side.

The military personnel in Russia were also somewhat perturbed by Khrushchev's reduction of armed forces and reliance on rockets and nuclear weapons. To step up consumer goods production, further reduction in the armed forces may be necessary. The generals therefore put pressure on Khrushchev that no further reductions in numbers and investment on weapons should be made. They pointed to the U-2 incident as reinforcing their own moral! So we find the Defence Minister attending the Paris meeting and never leaving Khrushchev's side all the time!

But Khrushchev has a lively sense of the danger of war. He had threatened before the Summit meeting that he would enter into a peace treaty with East Germany unilaterally without his Western war time allies. And if the Western forces disregarded East German controls and directions, there would be war! Force would be repelled by force!

But the behaviour of Khrushchev after the Summit fiasco shows that he has not changed his policy. He had declared that he would favour a Summit in six or eight months presumably to allow for a new President after the November elections in the USA. And on his return journey, he halted in East Berlin and said that his proposed peace treaty with East Germany would not be precipitated. He would wait for a proper time.

He retains his policy of easing tensions and using Summit meetings and negotiations for particular concessions. This is reinforced by his fresh pro-

(Continued on page 8)

# Swatantra's Bright Chances

By M. N. Tholal

DDRESSING a Press Conference at Hydera-A bad, the General Secretary of the Swatantra Party, Mr. M. R. Masani, said that he expected his party to form the biggest bloc sitting in opposition at the Centre and in the states after the 1962 general elections. He hoped his Party would be in a position to offer formation of an alternative government by 1967. This is a conservative estimate which Congressmen themselves subscribe to. Indeed, in almost identical words a Congressman gave expression to the same opinion when I discussed the subject with him a few days ago, which was a couple of days earlier than the day on which Mr. Masani gave his estimate at Hyderabad. The present forecasts are naturally based on present trends and it is always difficult to foresee what the state of things will be a year hence. Yet a straw shows which way the wind is blowing and a discerning mind can always find out the why of it and, I he is in favour of the direction the wind is taking, an add to the strength of the wind by exploiting he situation for all he is worth. By situation I ere mean the weakness in the situation of the lowers-that-be, which they would naturally like the public to forget altogether.

The Swatantra Party has got a leader, a first-rate leader by all standards, who caught the imagination of the people four decades ago. What

### (Continued from page 7)

posals for a disarmament Plan. Taking a cue from De Gaulle, he now asks that a ban on carriers of nuclear weapons—rockets and bombers as well as on bases in foreign States should be abandoned. This means a continuation of his pre-summit policies.

His defence minister has replied to the U-2 menace and to the American defence "alert Order" by ordering Soviet rocket troops to attack the bases from which invading planes may enter Soviet skies.

This underscores the military stalemate persisting since the Russian manufacture of nuclear weapons. Any solution or detente by war is unthinkable.

Hence other means of relaxation should be thought of.

One solution may come through the gradual liberalisation of Russian public opinion and its winning of greater freedom. If Russia becomes more responsive to public opinion, the power of the dictators to wage war may grow less. While maintaining the "balance of terror," the world is relying only on this avenue to fulfil its hopes of peace.

is more, he built for himself a reputation which all other leaders, after the death of C. R. Das and Motilal Nehru, lacked and envied. He was no hanger-on of Gandhi, determined to support him regardless of his own convictions, like Jawaharlal Nehru, in order not to jeopardise his political future. Indeed the Mahatma himself referred to Rajaji as his "conscience-keeper"—a rare tribute from the country's great leader which was in fact never paid to any one else.

## **REMINISCENT OF 1923**

The President of the Party, Mr. N. G. Ranga, is a well-known Congress leader, who made his mark as such not only in his province when the country was fighting for freedom under the banner of the Congress, but also after the Congress came to power, as Chairman of the Public Accounts Committee. It was during his chairmanship of that body that the Jeep Scandal, in which Mr. Krishna Menon was involved, became notorious, and it was Mr. Ranga's handling of that affair which brought to the surface the integrity and patriotism of that great southerner, for every one knew that in refusing to bury it he was going against the wishes of the "Supreme Leader" of the Congress Party, Mr. Nehru. His replacement by Mr. T. N. Singh as chairman of the Public Accounts Committee was in itself a corrupt act, for every one at least in U.P. knows that Mr. Singh is a "yes-man" who has risen to prominence because he proved, in the service of the National Heraid when Jawaharlal Nehru was the chairman of its board of directors, that he could be depended upon for zeal in the service of the master. which more than made up for ability.

Mr. M. R. Masani, the General Secretary, is an able and energetic general who can sum up the situation briefly. By his utterances during his tour on behalf of the Swatantra Party he has impressed the public and his name promises soon to become a household word in the country. Owing to the advanced age of the leader of the Party, Rajaji, much will depend on how the President and the General Secretary shape themselves.

The situation is reminiscent of the rise of the Swaraj Party in 1923 as a result of the suspension of the non-cooperation movement when it was at its height and marching from strength to strength. What can Mctilal Nehru and C. R. Das do against Mahatma Gandhi, even admitting the latter has committed a great blunder? That was the question uppermost in the minds of intelligent observers. Yet by sheer integrity they carried the day and Gandhi saw that they were a force to be reckoned with, defying which will rend the country in two

and cost him his unquestioned supremacy. So he made his peace with them by surrendering to them.

## MOTILAL NEHRU'S EXAMPLE

How does integrity operate in a situation like this to make a success of an endeavour? As a leaderwriter of Motilal Nehru's Allahabad daily. Independent, I came in intimate contact with the great Nehru. (I was only an apprentice then but the fact that the Editor, D. G. Upson, preferred my stuff to that of Ranga Iyer, the Senior Assistant Editor, gave rise to a quarrel which went up to Motilal Nehru for decision. His decision was entirely in my favour as a result of a scathing attack by me-in the absence of the Editor-on Mrs. Annie Besant in the course of a leading article. which was followed by two notes by Ranga lyer supporting Mrs. Besant on the same subject. Motilal Nehru wanted to know if we had gone mad and the writers were summoned to Anand Bhawan for explanation).

Thus sprang an intimacy between him and me which enabled me to observe him at close quarters. I found that he was a talent scout. It was not for talented men to flatter him to be in his good books. Motilal Nehru courted them. And what a galaxy of talent he gathered round him, including that famous trio of orators in the Central Assembly-Dewan Chamanlal, Tulsi Charan Goswami and Shanmukham Chetty! Their oratory made Sir Alexander Muddiman, the Home Member, tell Motilal Nehru one day: "Panditji, give me one at least of your fiery orators, so that the battle may have some semblance of fairness!" Govind Ballabh Pant was also his discovery—to say nothing of Khaliquzzaman, the fiery Muslim orator of U.P., in losing whom his son, Jawaharlal, laid the foundation of Pakistan. On the other hand, who has not heard of the great lieutenant of C. R. Das, Subhas Chandra Bose?

Yes, it was regular courting that Motilal Nehru indulged in, in his own inimitable fashion, that laid the foundation for the success of his Party. That was only an offshoot of the man's integrity, for he was doing nothing else but giving every one his due. Just imagine a "damned apprentice"—that is what lyer called me and that is how I was known in the editorial office—being declared much the better writer and given the privilege of writing the daily's leading articles! That courting was for a cause which he held dear above everything else, the cause of the Swaraj Party.

His great son, on the other hand, holds himself dear above everything else, and that is why the cause has always taken a distant second place in his heart. You flatter him and everything else is forgotten. Flattery for him has become the criterion of a man's ability as well as of his integrity—and what more can a man want! This is a great weakness in the Congress leader which goes to the

advantage of the Swatantra Party and which the Farty can further turn to its advantage. This failing does not count much when a great organisation, already built up, is handed over lock, stock and barrel for dictatorship, particularly when there is no opposition worth the name to that organisation. But in a crisis it does and it can make for the success of the opposing force.

## FIELD FOR EXPLOITATION

There is no denying the fact that a majority of Congressmen do not subscribe to Mr. Nehru's socialism. Those who did left the Congress in a body years ago and formed a party outside the Congress. Where it is not their loyalty to and affection for the Congress that is being exploited by Mr. Nehru, it is their cupidity and love of office. Since those who are in the Congress for the Inter reasons cannot be tempted to leave it so long as Mr. Nehru is in power, it is the sentimental majority that has to be weaned from the Congress. That should not be a difficult process, for their loyalty to and affection for the Congress are based on patriotic considerations, howsoever misguided they may be, and indeed are in fact. It is a queer phenomenon which one will not come across in any other country among politicians who are supposed to be hard-boiled people: an organisation consisting of non-socialists being made to serve socialist purposes openly. This again is possible only through the personality cult which Mr. Nehru has been nourishing ever since the death of his great father.

Mr. T. N. Singh has the advantage of knowing Mr. Nehru better than most other Congressmen and he took the fullest advantage of it when he found himself in charge of the publicity section of the Congress during the last election. The Congress poster had little elso on it except a large handsome reproduction of Mr. Nehru. Imagine the pleasure he must have derived when this poster went to him for approval with its author, intended as the poster was for lavish pasting all over the country. No wonder Mr. Singh, who made an indifferent member of the reporting staff of the National Herald in the late thirties, found himself promoted soon after to the Planning Commission. The perernality cult has been in full swing and if the organi ers of the Swatantra Party are serious about replacing the Congress in the near future, and as soon as possible, it is the personality cult which they should attempt to destroy for all they are worth. If they do, it will pay them the highest dividends.

There is no generosity in politics. There should be none. And those who have a soft corner for Mr. Nehru in their heart of hearts like Mr. Hutheesingh, are better out of the Party and that sooner rather than later. What on earth made Mr. Hutheesingh think that the Swatantra Party was going to be another Socialist party under a different

name? Just as building a party involved the pulling up of certain individuals who stand for it prominently, its destruction involves the pulling down of those conspicuously connected with it. This of course needs publicity, if not also slogans and songs. In politics as in trade you cannot have enough of publicity and that is something which the leaders of the Swatantra Party will do well to remember. If they find a Goebbels, their battle is as good as won, and they will find themselves in office not after the 1967 but after the 1962 elections. The one thing to remember is that there is no limit to publicity. Even workers will come of their own accord after the right type of publicity reaches them.

### CHINA A GODSEND

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In the recent municipal elections in the five most important towns of U.P. the Jan Sangh scored over other parties with its slogan "Jo hamse takraega woh chur chur ho jaega". (He who comes into clash with us will be blown to smithereens). The reference was to China and people who had never thought of voting for Jan Sangh voted for it. It is of course the Congress game to play down China, because it is the party's weakest point, and the extent to which the Swatantra Party plays it up will be the extent of its success against the Congress. No Government has ever been so weakened against an invader and aggressor as the Congress Government

has been towards China. That is as a consequence of its policy of non-alignment. The Nehru Government has to behave towards China as it has been behaving, if it is to stick to its policy of non-alignment. Similarly other parties, who are also wedded to non-alignment, cannot take full advantage of the Nehru Government's submission to aggression, which is a direct result of their common allegiance to non-alignment. The Swatantra Party alone can expose the treachery to the country involved in the policy of non-alignment, because it has had the good sense to veer round to the sensible alternative of allying the country with the USA in order to save the country from further aggression.

That being the case, in order to defend the country against aggression as well as to justify the hitherto unpopular policy of alignment, a raging and tearing campaign against the folly of nonalignment is urgently called for. Mr. Nehru has himself told us again and again, in language which can hardly be excelled, the dire straits in which the country finds itself and what friendly China has done to us. It is the fear of exploitation of what Mr. Nehru himself has allowed himself to say that is the cause of the Swatantra Party being feared by the Congress. That is the reason why, to use the words of Rajaji, the Swatantra Party has given a fright to the Congress Government even before it is one year old. The Swatantra Party can make that fright develop into terror.

## Krishna Menon's Achievements

MR. E. H. POTTER, who frequented India House in London some years ago, was an exceptionally talented individual; a real jack of all trades, and at least in Mr. Krishna Menon's view, a master of them all. Whenever there was a contract in the offing, Mr. Potter was prompt to call at India House for an interview with Mr. Krishna Menon, then our High Commissioner.

whisky (for the Indian Army), the acquisition of the Gaiety Theatre for the expansion of India House—it did not matter what the quest was: Mr. Potter was ready and willing to take on the job.

The jeeps contract was only one of several transactions. In 1948, the Government of India was in urgent need of jeeps and arms and ammunition. Both Hyderabad and Kashmir were causing worry to the Government, and the Defence Ministry in New Delhi was frantic in its efforts to secure from anywhere in the world such equipment on a large scale.

Mr. Krishna Menon offered to come to the Ministry's receue and worked, not through the usual channel of the Indian Stores Department attached to his office in London, but through Mr. Potter. 2000 jeeps, he was told, were urgently needed for the police action in Hyderabad.

Mr. Potter was, of course, prepared to supply them, but dictated his own terms. He had no money and was not going to be bothered by the normal formalities of a penalty clause, etc.; these had to be waived to his advantage. "Antimistantes" (his firm) had practically next to no capital. Mr. Krishna Menon advanced to him £81,000 in August 1948 to facilitate purchase of the jeeps. They would only be reconditioned jeeps, said Mr. Potter-but, really, he assured the High Commissioner, as good as new. The Defence Ministry, being completely in the dark as to the details of the contract, asked if with the jeeps would be made available three years' spares. Mr. Potter was, as usual, prepared to undertake their supply as part of the contract.

The dates of the different evolutionary processes of the contract are very interesting. It was signed in London in July 1948. Usually, the Ministry, on whose behalf the High Commissioner in London acts, is supplied with a copy of the contract as soon as it has been finalised. But in this case, despite

# The Indian Libertarian

# Economic Supplement

## Marx and His Errors

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

T HOUGH Marxism is regarded as dead as dodo, yet there are staunch Marxists who still believe in their Koran, namely. Das Kapital without realizing the errors that their master had committed in elaborating his theories. The influence of Marx is not confined to nations under communistic rule but the appeal of Marxist ideas on half-baked leaders like ours is considerable. Our economic policy is mostly based on the ideas of Karl Marx and Cooperative farming, State Trading in Food Grains and Ceiling on lands are mostly based on the idea of socialising the means of production, to establish welfare State.

Examination of the works of Marx reveals number of mistakes and this is mainly due to the fact that the whole superstructure of Marx is based on the Hegelian metaphysics. Marx's errors were originated by a wrong philosophy. Marx was a pupil of Hegel, the German philosopher. Hegel's philosophy was his ethics, his theory of the State and his philosophy of history. According to Hegel, State is everything and individual has only secondary importance. This was taken by Marx as his final objective. From this he shaped an economic theory contrary to the nature of man. In his book, Das Kapital he was not in fact discussing the market places of the world and the employers and the employed who elbow each other there, but an abstract world of his own thought and his own creation. This fact has been beautifully described by Croce. Here is what he says "The capitalist society studied by Marx is not this or that society, historically existing in France or in England or the modern society of the most civilized nations, that of Western Europe and America. It is an ideal and formal society deduced from certain hypothesis which could indeed never have occurred as actual facts in the course of history".

According to Marx, the doom of capitalism is assured because under it the rich will become richer

and fewer, the poor will become poorer and numerous. That is what he says in Communist Manifesto. "While there is a progressive diminution in the number of the capitalist magnates, there occurs a corresponding increase in the mass poverty, oppression, enslavement, degeneration and exploitation. But at the same time there is a stendy intensification of the wrath of the working class—n class which grows even more numerous and is disciplined, unified and organized by the very mechanism of the capitalist method of production. Capitalist monopoly becomes a fetter upon the method of production which has flourished with it and under it. The centralisation of the means of production and socialization of labour reach a point where they prove incompatible with their capitilist has This bursts as under. The knell of capitalist polvate property sounds. The expropriators are exproppriated." But we find that the capitalist countries developed along lines completely different from those foreseen by Marx in Manifesto, The capitalist system has brought to the working class a number of comforts and inventions which did not exist a century ago. The "appression, enslavement and degeneration" which Mark has mentioned are found on a larger scale in countries under communism than under capitalism. "What was a social pyramid at the time of Marx has actually become a cube with the top enlarged and the bottom contracted and the difference between the top and the bottom has been considerably diminished".

Marx claims "Labour is goods and" the value of labour power is the value of the means of subsistence necessary for the maintenance of the labourer". But according to Silvio Gessel this is an error because Marx does not count the will of labour to work. What would labour power be without the will to work? Will and action combined create the product and that is what the manufacturer is interested in. Therefore the employer does not buy labour power but the result of labour—the product. In engaging

labour, the terms of an employer depend entirely upon the products expected from the worker. The employee in the same way conforms his demand to the product of his labour. The consequence of Marx's error is that only the manufacturer can buy labour power because he possesses the means of production. This possession enables him to enjoy surplus value. According to Marx the exploitation of man can be traced to the private ownership of the means of production. In order to abolish exploitation, Marx demands socialisation of the means of production but when it is shown that it is labour's product and not labour power that is the object of wage agreement Marx's capital theory falls to pieces. When this fact is established, the demand for collectivization, cooperative societies, price control, wage control, socialization and communism does not hold much water.

The third error of Marx lies in his belief that under socialism the state will wither way. He says that the state is an instrument for the suppression of one class by the other. There will be no need of State under classless society of socialism. But nowhere the state is more powerful, arbitrary, ruthless, interventionist than in Russia and China. In both these countries all the means of production are owned by the state but the inauguration of a classless society has not taken place. From this one can draw the following conclusions. The whole theory of Marx that the State is an instrument of class rule is humbug or nonsense or that the class rule that exists in China and Russia is ruthless. There is no third alternative. In the past, respect for private property has always gone hand in hand with the maintenance of personal and political liberties but insecurity of private property has been associated with despotism, and lawless dictatorship.

Marx believes that the worker is cheated under

capitalism because the employer instead of paying him the full value of his work holds out on him proht, interest and rent. Here is what he says "All surplus value in whatever particular form (profit, interest or rent) it may subsequently crystalize into, is in substance the materialization of unpaid labour. The seriet of self-expansion of capital resolves itself into having the disposal of a definite quantity of other reade's unmaid labour." The theory of surply, vising the other catch phrases is a myth. How could industry expand and provide more jobs for more people if a part of the present product were not withheld from immendiate consumption to finance future construction? "The best refutation of" Marx's rabble rousing myth of surplus value as a peculiarly dirty trick played by capitalists on workers is the extraction of what might fairly be called surplus value on a gigantic scale in Soviet Union, One of the most striking examples is the imposition of a sales or turnover tax that exceeds 100% per cent on many articles. Another is the forced sale of state bonds to the population followed by the repudiation of these bonds".

Marx believes that under capitalism; production

depends upon class struggle. But this is a more unsupported assertion of a pedantic dogma. The large scale production that is taking place in capitalistic countries like America is the result of cooperation and not of antagonism. The fundamental error in the Marxian statement of the class struggle has two aspects. Marx visualized the proletariat as an idealized worker and from this he has drawn the wrong couclusion that the dictatorship of proletariat is a just and feasible form of government. Secondly he regarded this unified proletariat with a unity which it does not in fact possess. In China and Russia the dictatorship of proletariat has actually become the dictatorship over proletariat. In communistic states it is not the workers in factories and mines that exercise absolute governmental power but it is the bureaucrats who rule and who have never done any manual work. Similar conditions exist in our own country. Our leaders who talk loudly of cooperative farming to solve the food problem have never cultivated an acre of land and yet they profess to know the virtues of cooperative farming because they have power.

Again Marx believes that war is the result of capitalism but the Second World War was not the handwork of a capitalist but of a dictator, namely, Hitler. At present it is the Soviet Union and China that talk of War and not America or England. It was the leader of Soviet Union that sabotaged the recent summit conference at Paris. Capitalism makes for free trade, free markets limited government and peace.

In spite of all these errors and his failure to understand either the world in which he was living or the way in which the world was going he was regarded an unerring prophet as Gandhi is regarded in our country as the Father of the Nation. Just as our leaders advice us to follow Gandhian principles, in the same way communists believe that the only way to solve all economic ills of a country is to adopt As a matter of fact there is nothing communism. scientific about the socialism of Marx. with a set of dogmatic, a priory assumptions and then scratched around in the British Museum for facts which would seem to bear out these assumptions. Like the emperor in the fairy tale. Marxism for all its ponderous pretensions has no clothes on when examined in the light of realities, in Marx's time or in our own. His supposedly infallible system of interpreting historical development is riddled with errors about the past and bad guesses about 'the future." Marx by shifting the car of socialism on wrong lines has had a degrading effect on the whole socialist movement. With Marx socialism definitely becomes sectional. There is a grand catholicity about the early socialist visions; theirs was a paradise into which all might enter. But the Marxian heaven rests on a strict separation of the elect from those fore-ordained to damnation. Such has been the legacy of Marx to the socialist movement.

# Capital Accumulation and Economic Growth

By "Sputnik"

CONOMIC development of underdeveloped countries is now of immense practical importance not because there is poverty but these countries are experiencing phenomenal growth in their population with the result that there is little left for a rise in per capita income. There is a clamour for development and the issue of development has become a practical problem in poor countries. "What is novel today is that the underdeveloped areas of the world have made of economic development a high ideal. They have associated it with political independence, a sense of sovereignty, thought of as a means to redress long-felt inferiority and chagrin. They are filled with feeling that it is possible and practical to overcome the persistent hunger, the preventable disease, death and misery which among them is commonplace". But major requirement for development is the accumulation of capital. This involves an increase in the volume of real savings and not money savings. Saving is based upon income. In Keynesian terminology S=Y-C where Y is income and C is consumption. Due to inflation in our country it has become impossible for the majority of the people to save with the result that our economic development is greatly based upon the foreign aid. Real economic development can take place only by mobilizing the internal resources. What is necessary is real capital accumulation. This in turn is based on additional savings and productive investment. In order to increase savings prices of consumers goods should be stabilised but our leaders have emphasised the development of heavy industries in the Second Five Year Plan with the consequence that the prices of all consumer goods have tended to rise and unless this policy is reversed there is no possibility of mobilising the internal resources for the economci development of our country. It is suicidal to rely heavily on the foreign countries. At present we are greatly indebted to foreign countries and a serious problem will arise at the time of repayment. At present we are asked to tighten our belts for the sake of economic development of the country. For the last 11 years the people have tightened their belts with the hope that situation will improve in the near future but due to confiscatory pattern of taxation and enlarging the scope of the public sector propensity to save and invest has greatly diminished. As a consequence of this. unemployment has increased and savings decreased. In developed and economically advanced countries about 15% of the national income is saved and invested each year while in underdeveloped countries the ratio is about 5% or much less than that. It has been pointed out by Prof Rostow that selfsustained growth of an economy becomes possible when the rate of investment rises to over 10% of

the national income. From this it is quite clear that capital accumulation in a growing economy is important. If capital formation is to be brought about by making the best use of internal resources, then there are three methods by means of which we can augment capital within the country. It is belived by some that capital can be increased by restricting the consumption but this method is neither desirable nor feasible in our country because a large number of people live at the margin and to reduce their consumption is to decrease their efficiency which will result in the higher cost of production. The second method is to widen the saving margin by increasing production through better utilization of existing resources and thirdly by organizing the institutions and agencies to canalise into productive investment the savings of the community otherwise being wasted, should be resorted to by us. It would be possible to make land yield more by intensive methods of cultivationby better manuring, by better selection of seeds. In other words by making labor work harder yield more output but this can be achievnot by Cooperative farming and State Trading in Food grains by by giving free scope to farmers to develop their little holdings. What is necessary is to help the farmers with enpital, better seeds and tools and not to compel him to pool his lands with others. Capital accumulation can also increase by making the fuller and more intensive use of labour. Due to lack of capital labour cannot be made to yield more, but Prof. Nurske points out that underemployment and disguised unemployment provide a substantial savings potential in the underdeveloped countries. His argument is that excess labour engaged in agriculture but whose marginal productivity is zero can be given some work in small-scale industries and if consumption can be maintained at the level at which it existed before the transfer, the work done by such labourers can be regarded as a net contribution to capital stock in the community. The most important difficulty one has to encounter here is to keep consumption from rising when there is greater employment and rise in incomes. In underdeveloped countries savings are not only meagre but even these meagre savings are not properly mobilised owing to lack of banking institutions and other financial agencies, especially in rural areas. If these savings are properly canalised, then the capital accumulation will certainly take place, but the present fiscal and taxation policies of Government at the Centre and the States are not only putting foreign investors in the country in a position more favourable than those within the country itself but are also leading to the weakening of the investment capacity of Indian

entreprenuers. At present the Indian entreprenuer is being gradually squeezed out of the picture with the result that he occupies a position inferior to that of the foreigner. This is a situation which is intolerable and no country in the world is passing through this strangulating experience. Mr. M. L. Shah, President of the Indian Chamber of Commerce has urged the Government to remove the factors inhibiting increased production at a rapid rate and to suitably modify policies so that there may be less restrictions and more freedom for a large number of people to come forward and invest in industrial enterprises. At present our economic policies are based on ideological considerations than on the needs of the country. The increasing controls in various spheres have resulted in excessive administrative red-tape and the only way to augment the capital of the country is to adopt free economy because it operates without restricting economic freedom. Free enterprise means essentially freedom of anyone to set up any en erprise. In such an economy, people choose freely in the market place goods and services, the work they do and the firms choose -what, how and how reach to produce. The socialist pattern of society has created chaos in our economy. Free enterprise does not lead to monopoly as asserted by our Prime Minister. His criticism is outdated. There is a lot of competition in free enterprise. In India there are no monopolies deliberately formed in a monopolistic spirit in the private sector. It is a fact that there is not enough competition but this is mainly due to import restrictions and other economic controls, which are imposed by the Government to solve exchange problem.

Even if there are monopolies Government can check them and as a matter of fact it is checking by means of fixing prices, regulating production and distribution and by supervising the persons appointed as managers, agents, and secretaries. Really speaking it is in the public sector that the monopolies of the undesirable type are growing. These monopolies are dangerous because the citizens have no effective means of checking the evil effects of concentration of economic power in the hands of bureaucrats. Due to regimentation an element of rigidity has crept into the economy which affects the private enterprise. The fiscal policy of the Government has unduly strained the savings of the people but inspite of that, private sector had been able to invest much more than what was envisaged by Planning Commission and all the funds came out of their own resources. There must be complete reversal of the present fiscal policy and unless it is done, private enterprise would not be able to stand on its own legs and play an important role in the economic development of the country. A large part of the ravings are taken away by the Government in the form of taxes with the result that the private sector has no incentive to save and invest. In order to augment the capital formation for the economic development of the country the taxation policy should be changed or modified so that it may not kill the goods that was laying the golden eggs. The socialist centrally planned economic system cannot help us in achieving "the take off" stage in the economic growth of our country. It has actually dried capital from our country and for this reason it has become a fashion to send the Finance Minister with a begging bowl in the foreign countries. method of financing the economic development of our country is suicidal and sooner the people realise the danger the better it is for them. Our half baked leaders on whom Marxim has a considerable influence have actually mortgaged our country to foreign powers. Time has come to put a stop to this and only a strong opposition party like Swantantra Party can do this and solve the problem. The Free enterprise system is the only one that guarantees the maximum degree of freedom for the individual with the high degree of productive efficiency. It solves the economic problem without undue governmental interference in the matter of individuals or firms.

Free economy largely removes the whole area of economic decisions from government; all these decisions are made instead by millions of individuals. families and business men. This economy is a scheme of decentralization—a means of removing from the hands of government officials the multifarious decisions relating to what, how, and for whom goods' are produced. As a means of decentralizing economic control the free economy can be considered as one of the major bulwarks of political democracy. At present our government is called a democratic government but a government that is required to make most of the economic decisions cannot long remain effectively democratic in a meaningful sense. As government becomes more powerful in economic affairs, legislators and administrators are increasingly subjected to presure by organised groups seeking economic gain. Democratically chosen officials who wield great economic power are especially unlikely to be champions of the rights of the people as a whole. Therefore in conclusion we can say that the best way to accelerate the economic development of the country by augmenting the capital is by adopting the free economy. The socialist pattern of society is a great humbug. It has only increased the powers of the bureaucrats but it has miserably failed to raise the standard of life of the teeming millions of India inspite of nine years of planning.

# THE FUNCTION OF GOVERNMENT

The office of Government is not to confer happiness, but to give men opportunity to work out happiness for themselves.

William Ellery Channings.

several reminders, the Defence Ministry could not obtain one until the following February.

Meanwhile, the terms of the contract kept changing every few weeks (and always in Mr. Potter's favour) after its acceptance by both parties. Mr. Potter did not favour the jeeps being inspected by the usual inspectors of the High Commissioner's office: he preferred "Hunts", and Mr. Krishna Menon gave his approval to this departure from normal practice. "Hunts", it was agreed, would inspect every jeep before its despatch to India. In fact, the £81,000 advance was made on the assurance that 500 jeeps were ready for shipment to India and "Hunts" would certify every one of them.

But no jeeps left on that date the European port from which they were to be sent to India. Mr. Fotter sought another alternation in the contract; could a new firm, "Lloyds", take the place of "Hunts" as the inspecting agency? Permission was, of course, readily forthcoming. Was it necessary, then asked Mr. Potter, encouraged by this concession, to inspect every jeep? It seemed (to him) such a needless formality; would not a ten per cent random inspection be really adequate? Yes, of course, said Mr. Krishna Menon.

By October 1948, the resistance in Hyderabad had collapsed, and the Defence Ministry was no longer in such a desperate need. What was happening in London between Mr. Krishna Menon and Mr. Potter was a well-guarded secret, even from the Ministry. Before the end of the year (1948) another advance was made to Mr. Potter by Mr. Krishna Menon to enable him to fulfil the terms of the contract, the total being £172,000.

At long last, in March 1949, the first lot of jeeps, 155 in number, arrived in Madras. And what jeeps they were! The Defence Ministry sent its technical expert from New Delhi to inspect them. In his grading, A meant excellent, B was good with minor repairs, C stood for serviceable with a good deal of repair; but D meant in need of thorough overhauling, while E was fit for scrapping. The report was a shock to the Defence Ministry; no jeeps were in A or even B and a small number in C; but the majority were in D or E.

Another shock was in store. The expert asked Mr. Potter's representative (in whose presence the inspection was carried out) for the spares. There were none. The Ministry expert produced the list of standard spares which the Ministry had innocent believed (not having been favoured with a copy of the contract for seven month), would accompany the shipment.

Mr. Prints of the print defined to accept the Ministry's Little rest of spaces, he specific his is would remark to 2200,000 while the contact had mentioned spaces whose cost would not exceed \$20,000.

That, however, was not the last of Mr. Potter for the Defence Ministry. It had, earlier, asked for rifles and ammunition for use in Kashmir (before the conclusion of the cease-fire agreement in January 1949). Mr. Krishna Menon entered into a new contract with another firm (Knott and Co.) for this equipment worth nearly £2 million, its issued capital being no more than £1001 The Defence Ministry did not know at the time that this new firm's spokesman was again Mr. Potter. It was only told that if the supplies were not delivered in India by the end of 1948, it could cancel the order.

By January 1949 (after the Kashmir cease fire agreement) the need for the equipment had disappreared. The Ministry instructed Mr. Krishna Menon to cancel the order, since no supplies had reached India. Moreover, Mr. Potter's quotation was over £11 per 1000 rounds, while the British War Office was able to get them at less than £4.

That did not satisfy Mr. Potter—nor Mr. Krishna Menon. There might be, the latter said, as a penalty for cancellation a demand for £60,000 as compensation; but Mr. Potter was generously prepared to drop it, provided that he got a new contract for steel plates.

So a new Ministry came into the picture, that of Industry and Supply which wanted 24,000 tons of steel plates for our Railways. It was discovered (after the contract had been made) that Mr. Potter was as usual going to be the supplier. About £33 and odd per ton was his quoted price for Belgian steel, and the Ministry accepted his offer in March 1949, on the clear condition that the supply was to commence almost immediately and he completed within a year.

When nothing arrived in India even so late as September of that year, the Ministry cabled to Mr. Krishna Menon to cancel the contract. Just too late he replied, because only a day or two earlier he had committed himself to its being irrevocable. The steel plate i intally started arriving in India in driblets in December 1949. Mr. Potter was in no hurry, as steel programmer falling all over Europe. was a failly pur-An Austrian firre chasing his require ) was willing to sell the steel direct to India at the than £29 per fon-inore than £4 lower than the place the Ministry, had agreed to pay Air, Potter. Dut he brands he I bin "ir ever cable" contract in the Wintstry's free a copy of the to fulfil it all the end, 1950, at 1 her a leading pacc.

The land not be one—is the interesting story of the Ponte. It will how much he got out of Positis revenues, no one is likely to know.

— "war ijya

# Sino-Indian Relations — a decade of disillusionment

By A. Ranganathan

T would be interesting (even instructive) to begin this survey with Mr. Mao Tse-tung's 'assurance' to the Indian Communists who had conveyed their apologies for having described him as a "deviationist." Mr. Mao Tse-tung cabled an assurance of the full support of the Chinese people for the Indian Communists in their "struggle" and expressed the sincere hope that the day was not far distant when "India, too, would be liberated by the Communist Party from the oppression of Anglo-American imperialism and its Indian lackeys". This did not prevent India from entering into a state of 'Bhai-Bhai, relations with Communist China. Indeed, the Indian delegate Sir B. N. Rao told an audience in the United Nations that he did not believe that the Chinese Government was a true Communist Government, but a coalition representing all sections of the nation, including the Kuo-Mintang. One cannot help concluding that we have been indulging in a state of wishful thinking and empty words. "What do you read, my Lord?" asked Polonius. Hamlet replied "Words, words, words, They have a Plentiful lack of wit.

This writer remembers a lecture delivered by Mr. K. M. Fannikar several years ago, in a local city college in which he emphasized that the Peking Government was not exactly a Communist Government! But a bigger claim on our credulity was made by an 'economist' in his lectures on 'Land Reform in China'. This professor stoutly denied any similarity with the Soviet pattern, since China was merely interested in the 'release of rural productive forces'. But when China introduced the system of communes, it became clear that China was even 'ahead' of Russia. And in the wake of China's annexation of Tibet, the next logical step was to claim adjoining Indian territories. But for a time, we were fed with hopes that our Bhai-Bhai neighbour (whose case we plead in the United Nations annually) might even 'revise' those maps which had been prepared by the aggressive and reactionary Chiang-Kai-Shek Clique, And soon, we were drugged into the "Pancha-Shilic" belief that the Chinese incursions had nothing to do with international communism and was attributed to Han expansionism'. Only a little while ago we were given a rosy picture of 2000 years of Sino-Indian friendship, amidst the deafening cries of Hindi-Chim Bhai-Bhai. This is of a piece with the latest theory that Mr. Nehru and Mr. Chou would sit around a table for talks and not for negotiations. But the most brilliant statements on this problem have been made by Mr. Krishna Menon. He has often maintained that India would never yield an inch of her territory (one does not know whether the territory is "administered" or not!). And the latest cliche is that as a result of historical forces, the dead border has become a live one.

In order to understand the "basic approach" (an approach which has no logical basis, whatsoever) one ought to know something of the trends of Mr. Nehru's speech. He uses heroic words, brave gestures and even flamboyant expressions while dealing with domestic issues and problems relating to the Western bloc. Expressions such as 'Khadi is the livery of our freedom', "the campaign against illiteracy", the strategy of our third Plan, "the strength to any economic obstacle" frequent sermons on Pancha Shila to the Western powers and harsh words during the Suez Crisis are pretty familiar to us. But the captain, who thinks in terms of a strategy of the third plan does not say much about the Chinese problem. His answers are frequently compounded of such feeble answers as 'The Hon'ble member is basing himself on unreliable information'. If he is asked to comment on the latest exploits of the Chinese such as the building of the second road in Ladakh, we are sure to get such tame replies as "This is nothing new. But broadly speaking, if I may so, there has been no further advance'

As Mr. Philip Spratt had discussed in the columns of Mysindia, the most important point is whether we could have followed an entirely different policy -"We know that Tibet asked for India's support, but Nehru turned her down. We also know that President Truman was ready to give support, but Nehru turned him down". The reason is not far to seek. As Mr. Tholal had argued, the communist bosses must be knowing only too well that Mr. Nehru's condemnation of the cold war and NATO. CENTO and SEATO is the price he has to pay for Communist support of his stand on Kashmir. In the opinion of this writer, Mr. Tholal has made a truly. brilliant observation when he draws our attention to the simultaneous nature of Russian support of India in the Security Council and the start of Chinese incursions into our border. Herein lies the entire crux of the problem. And yet, we believe in Russia's 'neutral' role in the Sino-Indian border problem and put all our eggs in the Soviet basket (to use Mr. Tholal's expressive adaptation). Our leaders are blissfully ignorant of Red China's motives. Even in 1950, when they paid us the compliment of being the running dog of Anglo-American imperialists, the New China News Agency came out with the report that the "Chinese People's Liberation army will hoist the Red Flag over the Himalayas"!

What exactly is their strategy? The Chinese Road in the Aksai Chin area connects Tibet with Chinese-Turkestan which borders on Russian territory. This is in addition to an airfield constructed on the Aksai Chin area in Ladakh. And Nepal's Russian advisers have suggested the building up of a road parallel to the Sino-Nepalese frontier and ex-

(Continued on page 18)...

# How Co-existence Has Changed Its Meaning

## FROM LIVE AND LET LIVE TO IMPLACABLE STRUGGLE

HRUSHCHEV's first version of what peaceful A co-existence means was outlined in his article in Foreign Affairs on the eve of his visit to the United States: "Apart from the commitment to nonaggression, it also presupposes an obligation on the part of all states to desist from violating each other's territorial integrity and sovereignty in any form and under any pretext whatsoever. The principle of peaceful existence signifies a renunciation of interference in the internal affairs of other countries with the object of altering their system of government or mode of life or for any other motives. The doctrine of peaceful co-existence also presupposes that political and economic relations between countries are to be based upon complete equality of the parties concerned, and on mutual benefit."

At the National Press Club in Washington, on September 17, 1959, he said: "Let each of us live under the system which we prefer, you under capi-

## (Contd. from page 12)

tending upto a point opposite Darjeeling. Again, it is expected that the military highway linking the Soviet rail terminal of Termez with Kabul will be completed this year with the completion of a tunnel under the Hindu-Kush mountains; similarly another Soviet highway under construction will connect the rail terminal of Kushka to Kandahar in Afghanistan which is frightfully near the Pakistan terminal at Chaman. The object of this Sino-Soviet five year plan of aggression is to expose India to the Sino-Soviet land mass in its entirety.

Before concluding this survey, it would be interesting to note the way in which our authorities grappled with the problem. Mr. Panikkar has written in his book "In Two Chinas", that he had come to the conclusion that even before he had started for Peking, that "the British policy (which we were supposed to have inherited) of looking upon Tibet as an area in which we had special political interests could not be maintained." Small wonder that there was an 'error' in decoding the instructions sent in cipher during Mr. Panikar's tenure. This error of coufusing "Suzerainty" with "Sovereignty" has not only ruined Tibet, but has cost our country dearly. This is a problem which cannot be solved by constantly harping on the theme of industrialization and uttering euphemisms such as "the dead border becoming a live one". As Rajaji has con-vincingly argued in the May 7th, 1960 issue of 'Swarajya', the only alternative is to "drop our isolationist policy as being no longer tenable and follow a positive line along with the Western anti-Communist bloc." Rajaji's advice is at once sensible and timely.

talism, and we will continue to build under communism. All that is not progressive will die away at once... I personally am convinced that communism would be victorious, as a system of society which provides better possibilities for the development of a country's productive forces, which enables every person to develop his capacities best, and insures full freedom of a person in that society."

This first version of "peaceful ,co-existence" sounded as if Soviet foreign policy were being recast along the lines of the foreign policy followed by democratic countries.

## FIRST CHANGES

Within two weeks of his trip to the United states, Khrushchev began to modify his first innocuous version. Peaceful co-existence did not mean a policy of live and let live. It means a continuation of "ideological struggle." At Novosibrisk, on October 10, 1959, on his way home from his visit to Peking, Khrushchev declared:

"Peaceful co-existence implies the continuance of the struggle between the two social systems by peaceful means, without interference by one state in the internal affairs of another. We should resolutely and consistently fight for our ideas, for our way of life, for our socialist system. Nor, of course, will the advocates of capitalism give up their way of life and their ideology; they will fight. We believe that this is a political and ideological struggle, but not a military one."

Next, Khrushchev told the Supreme Soviet at the end of October, 1959: "Mutual concessions for the sake of peaceful co-existence among countries should not be confused with concessions on matters of principle, where the very nature of our socialist system, of our ideology, is involved. There can be no question here of any concessions or accommodations whatever."

An article in Pravda on December 8, 1959 warned: "The peaceful co-existence of the systems is far from implying a weakening of socialist ideology, but entails instead the further pursuance and development of the struggle between the socialist and bourgeois ideologies under new conditions and in new ways.

"Let the adherents of capitalism be wary of any illusions that the deep love of the Communists for peace might imply the slightest relaxation of the ideological struggle or any falling back by the Communist and workers' parties from the fundamental principles of Marxist-Leninist teaching."

## NOT AFRAID OF WAR

How far "ideological struggle" against the rest of the world might go had already been spelled out by Khrushchev at the November reception in the Kremlin for Soviet journalists: "We Marxists have always been against wars of conquest—always! But Communists have not been afraid of wars, and if the ruling classes were to force war on the peoples, the Communists would take up the fight and endeavour to turn it against the ruling classes in favour of the working-class people."

Kommunist published an article on peaceful co-existence just a week before the November 22-25, 1959 meeting in Rome of representatives from 17 Communists parties of Europe. Thus the article represented a major piece of Soviet policy guidance to its satellite parties.

### THE STRUGGLE MUST GO ON

"The central point of the idea of peaceful coexistence is that what is involved here is coexistence, not simply among states, but among states belonging to opposed social systems. And so it should be approached as a social rather than as a narrowly diplomatic matter, and its interpretation should include a class analysis of the world situation.

"Indeed, is the co existence of the two systems on the same planet really summed up by their international relations? No, no matter how important these relations themselves might be. There is also another side to the co-existence of the two systems. Each one of them embodies government by a class, in one case the capitalist class, in the other the working class, waging an implacable struggle against each other, a struggle which constitutes the chief content of our historical age.

"This struggle can have only one outcome: the complete victory of the working class... The struggle between the workers and the bourgeoisie is proceeding and will go on not only inside the individual country, but on the international arena as well, between the two social systems, overflowing into economics, politics and ideology.

"The controversy between the two social systems, which began more than 40 fears ago, will only end with the total victory throughout the world of whichever is the more progressive of the two. This is the law of history. This immutable fact can neither be abrogated nor altered by any agreement: it exists objectively and does not depend on the will of any government whatever.

## NO IDEOLOGICAL ARMISTICE

"But the selection of the form which the historically unavoidable struggle is to take depends in many ways on the governments, ruling classes and parties. When proposing peaceful co-existence, the Soviet Union starts from the assumption that struggle can be kept from developing into an armed conflict between states, that it can be so channeled that it will not threaten civilisation with catastrophic wars....

"Another conceivable variation is an ideological armistice. Let each keep his system and his ideology and withdraw from the ideological struggle from now on. But this variation is utterly unrealistic. The only people who could think of it are those who do not understand the nature of the social processes that are going forward in the world and think that history can be brought to a halt merely by agreeing to do so.

"That is why peaceful co-existence, even if its principles gain total ascendancy in relations between states, does not remove from the daily agenda the task of implacably struggling against bourgeois ideology. There is not nor can there be any compromise possible between the bourgeois and the proletarian persuasions. Private or social ownership, the bourgeois state or the dictatorship of the proletariat, bourgeois or socialist democracy—on these and all other important questions, there are only two sides from which to choose; there is no middle ground."

One basic conclusion is evident from this editorial of Kommunist: the principle of peaceful coexistence is applicable only to the foreign policy of the Soviet government. This principle does not limit or change the foreign policy of the Communist Party of the Soviet Union.

### **GOVERNMENT AND PARTY**

On the contrary, the Party proclaims explicitly that the struggle for life and death between the Communist and the non-Communist worlds is "the law of history," and that this struggle "can neither be abrogated nor altered by any agreements," that it "does not depend on the will of any government whatever," which obviously includes also the Soviet government.

This means that Khrushchev or any other Soviet leader will be prepared to discuss only problems which deal with the governmental policy of the Soviet Union. but will veto any attempt of Western leaders to find a formula for agreement with the USSR which would put an end to disruptive Communist activities in the free world.

This means also that agreement with Khrushchev, in his capacity as head of the government, will in no way limit Khrushchev's activities as the First Secretary of the CC CPSU and the supreme leader of world Communism. Khrushchev, the Communist leader, will continue to strive for world domination and, if necessary, he will violate any agreement signed by him as Chairman of the Council of Ministers of the USSR.

This conclusion is borne out by the next issue of Kommunist, November 30, 1959. This issue carried an editorial, "The Growing Leadership of the

Party in the Construction of Communism," which stresses that even in determining the foreign policy of the USSR, the Communist Party stands above the Soviet government.

"The Party is the vanguard of the people....
The Party implements its policy through the dictatorship of the working class—through the socialist state; it is the guiding nucleus of all state and social organizations....The importance of the Communist Party also increases in connection with the expanding possibilities of intelligent progressive international relations. The foreign policy of the CPSU and the Soviet government is a remarkable example of how new possibilities can be utilized."

### **ONE-SIDED GUARANTEE**

One further aspect of the Soviet concept of "peaceful co-existence" deserves to be considered. This is the Soviet attutide toward the status quo between East and West. Obviously, if the Soviet Union believes that substantial changes in the status quo are called for, the concept of "peaceful co-existence" takes on a substantially changed meaning.

In times when the Soviet Union has had foreign policy difficulties, as after the Hungarian rebellion, Khrushchev has demanded that the Western powers accept the status quo, especially in the countries that Communism has taken over since World War, II. In 1957 Khrushchev said:

"We have said more than once that all disputes must be settled through negotiations. For our part, we are always ready to do so. But the results of negotiations will be positive only if the Western powers proceed from recognition of the necessity of peaceful co-existence between countries, irrespective of their social system, from recognition of the status quo, i.e., the existing world situation...."

Khrushchev demanded a Western guarantee of the Communist status quo. He did not offer a Communist guarantee of the Western status quo.

## NO STATUS QUO FOR YOU

"The more level-headed ideologists of capitalism, in accepting the slogan of peaceful co-existence, at the same time wish to preserve the status quo unto eternity: leave unto socialism what today belongs to socialism, but in turn, prepetuate the system of capitalism wherever it has remained intact...

"All these conjectures can only serve as tranquilizers for the sacred bourgeois, but they have no basis whatever in fact.

"Also futile are the hopes of the bourgeoisie that capitalism will remain indestructible... No power on earth will be able to stop the march of time which brings nearer both the inevitable end of capitalism and the total triumph of communism."

### WHAT LENIN SAID

Khrushchev constantly asserts that his policy of "peaceful co existence" derives from Lenin. It was Lenin who said: "We are living not merely in a state but in a system of states, and the existence of the Soviet Republic side by side with imperialist states for a long time is unthinkable. One or the other must triumph in the end. And before that end supervenes, a series of frightful collisions between the Soviet Republic and the burgeois states will be inevitable. That means that if the ruling class, the proletariat, wants to hold sway, it must prove its capacity to do so by its military organization."

Like Lenin. Khrushchev does not expect that coexistence with capitalism will be a first step leading to ultimate accommodation with the free world. For him it is a tactical manoeuvre whose purpose is to gain time to prepare for the future decisive battle against "capitalism." Until that time comes, capitalism and communism can co-exist, but for communism such co-existence means relentless political, economic, subversive and propaganda pressure against the non-Communist countries and peoples.

The only difference between Khrushchev and Lenin is that Lenin considered major war between the communist and capitalist systems inevitable, while Khrushchev claims that such a war may not be necessary. But Khrushchev never says that war should be renounced.

Thus, in the light of Communist tradition and in the light of Khrushchev's own exposition of penceful co-existence, the slogan and the doctrine behind it promise neither peace nor existence for neutral and democratic nations. "Peaceful co-existence" is simply a new form of the recurrent, worlddomination-bound Communist challenge to all those peoples who prefer freedom.

---Myeindia.

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# Prime Minister Nehru's Fatuities

(From Our Correspondent)

PAMPHLET captioned "A Plea For a Punjabi A State" issued by the Shromani Akali Dal states that the Panjabi Suba it aims at will comprise the existing Panjabi-speaking region of the bilingual Punjabi State. It is an exposition of the Akali case for the bifurcation of Punjab on a linguistic basis. A recurrent theme of the exposition is that there is no reason why the Punjabi-speaking people should be denied the right enjoyed by all others in the country, the right to have a linguistic state of their own. The proposition is indeed perfectly sound, but it has been vitiated by the utterances of the leader of the agitation, Master Tara Singh. It is chaimed against him that he was for years agitating for an independent Sikh state, and finding that impossible of achievement he has now reduced his demand to a Punjabi Suba (province) as a first step to the achievement of the goal he has in mind, Master Tara Singh denies having ever demanded an independent Sikh state; so do his followers. But they cannot deny an argument which was very popul lar with them in their appeal to Sikh sentiment and was repeated thousands of times from thousands of platforms. It was, and it is still being repeated: 'The Muslims got Pakistan; the Hindus got Hindustan; what did the Sikhs get?" The implications of this argument, unfortunately for Master Tara Singh, are too clear to enable any one to accept his denial regarding the claim for an independent Sikh state.

### WHO IS DISLOYAL?

According to the pamphlet, Punjabi is the mothertongue of both the Sikhs and the Hindus in the Punjabi-speaking part of Punjab, although Hindus, particularly in cities and towns of the Punjabi-speaking area, claim Hindi to be their mother-tongue. This claim has no foundation in fact, it may be readily conceded, and is advanced to counter the agitation for a Punjabi Suba. The pamphlet demands that no premium should be placed on "disloyalty" to one's mother-tongue but the authors of the pamphlet forget that this disloyalty springs from loyalty to the country and as an answer to the disloyalty to the country of the followers of Master Tara Singh. The complications in the demand for a Punjabi Suba are therefore of Master Tara Singh's own making, and he cannot rightly accuse his opponents of trying to deny to the Sikhs what is their due. Reports of Sikh tyranny on non-Sikhs in areas where the Sikhs are in an overwhelming majority are an additional reason for the Hindus of Punjab almost unanimously opposing the demand for a Punjabi Suba, in which there would appear to be nothing wrong unless it is conceived as a first step to a Sikh state.

The truth of the matter is that Master Tara Singh in order to be popular with his own community over-reaches himself. Not long ago the Sikhs considered themselves to be a section of Hindus, but now they consider themselves a different nation. This belief is prevalent universally among the section following Master Tara Singh. Master Tara Singh cannot create fissiparous tendencies and escape the blame for the same. His recent arrest would have been absolutely unjustified but for the fact that he used the word "Morcha" for the "march" on Delhi. Why these military terms for a political enterprise,

No man in his senses can be allowed to escape the responsibility for the normal consequences of his actions. And one of the normal consequences of his actions and utterances has been the spread of hatred among Sikhs for Hindus and vice versa. The pamphlet claims that the demand for a Punjabi Suba is not communal, while opposition to it certainly is. If that is so, why is the agitation being conducted by the Shromani Akali Dal? Why was it not entrusted to a non-communal body? cannot Master Tara Singh, even for the sake of gaining his Punjabi Suba, join some non-communal Surely all non-communal bodies are not pody; against his demand from a Punjabi Suba? A perfectly sensible demand has been rendered unpatriotic and communal and even fanatical by the utterances of Master Tara Singh and his followers. Had the demand come from an all-India national organisation, the Hindus would not have smelt a rat, and there would have been no opposition to it. Indeed, Master Tara Singh will have to undo much that he has done before his perfectly legitimate demand is conceded as a result of unanimity or near unanimity among Punjabi-speaking people. It cannot be conceded in an atmosphere in which the concession might lead to a Hindu exodus from the predominantly Sikh areas. We have had enough of refugees and their problems.

## POLITICAL INTERFERENCE IN UNIVERSITIES

A committee of the University Grants Commission has found clear evidence of people from outside the university acting as agents provocateur. Members of various political parties directly interfere in the internal affairs of universities and lead students astray by presenting wrong ideas of leadership. That is something fairly well-known to every one who knows something about the activities of students unions. Likewise, there is nothing new in the suggestion that all recognised political parties in the country should come to an agreement among themselves that they would not carry their politics and their rivalries into the campus of universities and

colleges and that it should be a strictly honoured code amongst our public men that they would look upon universities and colleges as temples of learning into which any corrupting influence from outside should not be allowed to enter. This cannot be a practical proposition unless and until all recognised political parties subscribe to it. The defection or refusal of one will give it so great an advantage—an ever-increasing advantage—over others that even those who have subscribed to the suggested code will in their own interest be compelled to resile from it

The root of the trouble perhaps lies in the lack of honesty among university authorities themselves in the selection of teachers. College students are generally intelligent enough to find out whether their teacher is really an able man or just full of If the teacher is not as competent as he should be, he, knowing his weakness, begins courting students to make up for his lack of ability. He who should have been popular for his learning becomes popular because he knows or develops the art of ingratiating himself with his students and thus becomes even more popular than the scholarly teacher. One of the ways in which he ingratiates himself is by taking the students' side in their grievances against authority, irrespective of whether those grievances are justified or not.

The students know also that their teachers often enough are a corrupt lot, more busy making money through books approved by university authorities than in increasing the students' stock of learning. What is even more demoralising than this moneymaking through book-writing is the fact that the book-writing often enough has to be done by junior teachers and the seniors put their names on books so that they may obtain the sanction of the approving body consisting of the seniors, and the profits naturally go to those whose names the books bear. The juniors cannot help complaining that they had to do the drudgery while the profits go to a man who had nothing to do with the writing of the book. I was once given a history book to see if there were any grammatical mistakes in it and on my referring a passage, which I could not follow, to the supposed author of the book, I found, as he was not able to understand it himself, that he was not the author of the book and, although a historian, he could find no time to go through the book himself! The students come to know all these things and the reaction of this corrupt state of affairs on their minds is deplorable in the extreme.

The bad result of removal of English as the medium of instruction in colleges has also been referred to in the report. "Where an Indian language has been introduced as the medium at the university stage," says the report, "difficulties are caused by the fact that there are not enough books for students to read in the language, and the students are unable or unwilling to read books in the English language." These things, the report rightly adds, "cause subtle frustrations and students are unable to devote time and attention to their studies as they

ought to." Surely, this could have been easily foreseen by university authorities before the English books were superseded by non-existent language books

The committee has highlighted the need for admitting students to universities strictly on the basis of qualifications and merit, so that the atmosphere in universities is improved and conditions for a more disciplined life created. There is, indeed, no sense in turning out arts graduates by the hundred thousand every year unless the idea is to multiply communists in the country. More and more technical schools and colleges should be started to absorb those who do not possess a literary trend of mind in a marked degree. There is today no greater danger to the country, in the context of the Chinese aggression on the north, than an unemployed Indian graduate. An unemployed matriculate is not a fraction as dangerous as an unemployed B.A. or M.A.

#### VINOBA'S MIRACLES

The surrender of a few dacoits, who were on the run, to Acharya Vinoba Bhave has naturally irked the police who feel that the laurels which should have come to them have gone to the Sarvodaya saint. The Inspector-General of Police has become involved and it remains to be seen whether he has infringed any of the service rules by issuing the statement he did sometime ago. There is no doubt about the fact that the credit, which the Acharya's followers claim, is not wholly theirs and that the surrender of the dacoits to the Acharya is the result mostly of the recent police successes against the major leaders of dacoits' gangs. Psychologically. it is absurd to suppose that a hardened body of criminals will be so affected, not by listening to the Acharya's discourses, but by simply hearing about them and that they would resolve to give up their criminal ways and to surrender irrespective of whether their surrender leads them to prison or not But saints, generally speaking, want to perform miracles, and, even if they don't, the esteem in which they and their followers are held demands that they should, and, if they don't, they should be made to appear to do that. We in India want miracle-workers because we don't want to do what is our obvious duty, and the demand for miracleworkers leads to its supply, necessarily spurious in the eyes of all rational people.

The fact of the matter is that the problem of the Chambal ravines is an extraordinary problem. It is said to have existed in an area of some 8,000 square miles for centuries. The disappearance of British rule and with it of the fear of the white sahib led to an increase in the number of criminals, for the police methods softened under national rule. Wanted men are thousands in number and the village folk are afraid to assist the police in tracking them for fear of their lives. It is, in short, a reign of terror that the dacoits have established in the area and the normal processes of law are insufficient to cope with the evil. It is true that the leading gangs and their leaders have been wiped out, but before that could be done their example, and the

notoriety they earned by passing on a fraction of their loot to the needy, led to the formation of numerous other gangs whose leaders have yet to make their names household words in the area of their operations and even beyond.

The call for repentance can do no harm but it would be foolish in the extreme to expect it to produce miracles, particularly when the dacoits themselves know that ambitious men, who want to become members of state legislatures, have to requisition their services to obtain satisfactory results. One result of the reign of terror the dacoits have established is that they are generally better informed about police movements than the police are regarding the dacoits' movements. Many gallant police officers have lost their lives with the natural result that they shoot the dacoits at sight and describe the affair as an encounter. Who can blame them? What is apparently needed is the replacement of the ordinary processes of the law by some special legislative enactment for the area covered by two states to help the police eradicate the terror.

## MR. NEHRU'S FATUITIES

Reviewing the international situation at the AICC session at Poona the other day, Frime Minister Nehru made some funny observations which deserve underlining. He assured the members that all steps would be taken to safeguard India's integrity side by side with the efforts to arrive at a peaceful solution. It is to be hoped that he has not forgotten the fact that 12,000 square miles of our territory is in the possession of the Chinese armed forces, and that. consolidation of the Chinese gains would be proceeding "side by side with efforts to arrive at a peaceful And as military re-occupation of the lost territory has been ruled out, because it is impossible under non-alignment, how can he say that all steps would be taken to safeguard India's territory? The Prime Minister is expected to be more frank on matters of such vital importance to the country and he should really say that all non-violent steps will be taken to safeguard India's integrity.

Mr. Nehru said with reference to the Summit failure that the most unfortunate thing after the Summit collapse had been that things had descended to a personal level. According to him, it is totally immaterial whether personal attacks are justified or This is indeed a most extraordinary unjustified. proposition-to use an adjective made familiar by Mr. Nehru himself-that personal attacks even when justified should not be made. As usual he is equating justice with injustice. As regards the proposition that Prime Ministers and Presidents should not be criticised the Prime Minister is always the one obvious target of all criticism for acts of omission and commission by his government, and even the President cannot escape criticism for his Prime Minister's actions in totalitarian states like China, the country Mr. Nehru was referring to, for he belongs to the same party, if he is not its head. Of course in democratic countries like India, the President should not be criticised, because, under the constitution, he is above parties and does not take part in party politics. But the proposition that the man most responsible for a nation's policies should not be criticised will take some beating. It may be years before a more fatuous proposition is put forth by a man of Mr. Nehru's eminence.

Mr. Nehru said people were realizing in the aligned countries how much better India's policy was (of non-alignment). Those people must be unaware of the fact that 12,000 square miles of Indian territory is in Chinese hands and they have laid claim to a further 42,000 square miles of territory while Mr. Nehru is per force conducting "friendly negotiations" with the Chinese Premier. They will continue seeing, if Mr. Nehru remains our Premier, that Indian territory will go on passing into Chinese hands bit by bit and they will come to realise, even if they are nitwits, that that is all due to the fact of India's friendlessness. Mr. Khrushchev may go on bullying and threatening, but he dare not attack Pakistan for fear of annihilation of his country by Pakistan's friends.

## **Book Review**

#### BREAKING AWAY FROM MARX

CLASS AND CLASS CONFLICT IN INDUSTRIAL SOCIETY. By Ralf, Dahrendorf, Stanford University. 336 pp. \$6.50.

WHAT IS THE dynamic element in modern societies? What particular confluence of forces shapes the pattern of institutional changes and determines the political and economic directions in which nations move?

Karl Marx, of course, had an answer for these questions. To this day, social scientists of the West, who have been unable to accept his answer, have grappled futilely with the task of developing a generally convincing one of their own.

Indeed economists, with one or two outstanding exceptions, have dealt with the dynamic problem of social change primarily by ignoring it. They have concentrated almost exclusively on the study of how existing institutions function, exploring the determination of prices, the level of the national income, wages, rent, and so on. It is as though the towering accomplishments, together with the towering errors, of Karl Marx have served as a warning beacon, directing economists away from the turbulent currents of institutional change to the more placid waters of static analysis.

Political scientists and sociologists on the other hand have ventured, often boldly, into the forbidden streams, though thus far, as already suggested, the yield of these efforts has been modest. In widely different ways, for example, the works of James Burnham, Milovan Djilas, C. Wright Mills, and David Riesman have proved stimulating, but not one of these, and certainly not all together, has provided us with a fullfledged and widely accepted theory of social change. Those who labor in this field still do so under the persistent shadow of

Marx, including Ralf Dahrendorf, Professor of sociology and political science at the Hamburg School of Economics, who provides one more distinguished effort to formulate a substitute theory in his new book, Class and Class Conflict in Industrial Society.

Dahrendorf follows Marx in his recognition of the ubiquity and central importance of social change and, more important, in his hypothesis that such changes result primarily from class conflict which, in turn, are necessary and predictable outgrowths of the structures of all societies. He breaks with Marx, as all objective social scientists must, in his proposition that social conflicts generate changes only through relatively sudden revolutionary upheavals and, of course, with Marx's particular analysis of how this process materializes in capitalistic societies.

Against this background Dahrendorf attempts to construct his own theory. I would guess that the vast majority of social scientists would agree with the major propositions that Dahrendrof advances, but many will questoin whether, taken together, they constitute the complete theory of class conflict which the other has taken as his goal.

According to Dahrendorf, class conflicts are inevitable so long as authority is shared unequally by individuals in society. Unlike Marx, however. Dahrendorf does not identify power or authority, necessarily, with the ownership of property. Furthermore, he contends that the intensity or potential violence of class diminishes to the extent that certain conditions are present. Unfortunately, what Dahrendorf considers to be his "theory" is confined to statements in turn prove to be both abstract (in the sense of lacking concrete historical context) and often tautological.

For example, one proposition holds that the intensity of class conflict decreases to the extent that "different group conflicts in the same society are dissociated (and not superimposed)," so that any given individual would be a member of several different interest groups at various levels, rather than solidly aligned with only one great class. Such statements are no more novel or arguable than the injuction, "divide and conquer." Similarly, the potential violence of class conflict is said to diminish as means are provided for the peaceful organization of opposing interest groups and as appropriate institutional channels are provided for "regulating" them.

With these and similar statements Dahrendorf lays the groundwork for a theory in an orderly way, but never gets to the theory itself. For example, nowhere does he touch upon the all-important questions relating to the connection between economic organization and class formation, and the relationship, in the other direction, between class conflict and changes in economic institutions. These, of course, are the very questions which occupied Marx, and after him the relatively few other students (such as James Burnham and Joseph Schumpeter)

who have attempted to grapple realistically with the problem of class.

Perhaps the most interesting and controversial portions of Dahrendorf's book are his empirical observations of contemporary society (contained mainly in his last two chapters) rather than the theoretical parts. Here, he depicts Western nations almost in the image of Wall Street's "people's capitalism", with the leveling of incomes, the divorce between ownership and control of modern corporations, the wide dispression of stock owenership, the absence of great disparties in the way of life between the rich and the "poor," and the severance of any enudring connection between particular economic interest groups and government.

From a Marxian point of view, Western society as Dahrendorf sees it would have to be considered virtually classless. This is not to say that Dahrendorf's picture bears no resemblance to reality. It does, but in the same sense that the idealized gods and goddesses of Greek sculptors resemble humanity.

In short, the several conditions which Dahrendorf says reduce the intensity of class conflict are in his opinion present, in very considerable degree, in the developed nations of the West. But some may conclude that Dahrendorf overstresses the degree in which such conditions are operative, to the neglect of circumstances on the other side and of signi ficant differences among the various Western nations. Much more important, no attempt is made to explain, in terms of class conflict, how such conditions arose or in what way they are changing as the result of new class relationships. On the basis of many of same observations Dahrendorf makes, Schumpeter predicted 20 years ago the rise of socialism in the West. There is nothing in Dahrendorf's analysis to affirm or deny this prediction. At a minimum, a theory of class conflict which throws no light on this question must be considered incomplete.

As regards the totalitarian nations, Dahrendorf's comments are even more equivocal. On the one hand, he rightly points out that the monistic drive toward uniformity, and the suppression that goes with it enhances the latent intensity and potential violence of class conflict in these cases. On the other hand, he notes some use, especially in the Soviet Union, of institutional devices for permitting the expression of opposing interests, a development which relieves the intensity of conflict. But again, what strategic factors are the controlling ones, and how and why conditions are changing, are questions to which the author essays no answers.

Dahrendorf has written a Book which might well be termed "A Preface to the theory of Class and Class Conflict." As such it has value in its terminological discussions, its definitions and its criticisms of previous theories, including Marx's, It also serves to call attention to an area in which much more knowledge, both of the facts and of their causal relationships, is needed. But does not accomplish much more than this.

—The New Leader.

## **Nesw And Views**

## WHAT IS NEUTRALITY?

Despite the powerful opposition to the U.S.-Japanese Security Treaty, the Japanese Prime-Minister Kishi stands firm on principles and has refused to yield to the hysteria raised by the Socialists, misguided students and fellow-travellers who are bent on wrecking the Security Treaty. Mr. Kishi is one of the few Asian leaders who seem to have realised the stark truth that the Communists cannot be trusted and isolation from the free world means walking into the Communist trap. Speaking to the Upper House of the Japanese Diet he declared that those who are opposed to the treaty with U.S. were trying to make Japan go Communist while advocating neutrality. neutral" he said "means to go not one step but ten steps towards Communism". We wish Mr. Nehru realises the implications of his own brand of neutrality and gives up his fad before it is too late to retrieve the country from the cluthces of international communism.

## **COMMUNIST OPPORTUNISM**

The Punjab state Council of the Communist Party has adopted a resolution that fully backs up the Akali demand for a Punjabi suba. It is quite significant that the leadership of the C.P.I. that had hitherto been denouncing communism publicly has now come out in open support of the Akali demand the communal character of which is not open to question. This apparent contradiction in the attitude of the C.P.I. can be explained only by its rank opportunism which hunts with the hounds and runs

with the hares. For hardly a week has passed since the P.S.P. has moved a similar resolution and the C.P.I. has now found it expedient to win the sympathies of the Akalis, notwithstanding its earlier pious anti-communal professions. This is a case where the Marxists and communists suspend their "Class Consciousness" momentarily though, in order to exploit fully the linguistic and communal consciousness which pays better dividends than any other consciousness in India.

## MIDDLE CLASSES WORST HIT BY CONGRESS POLICY

## MR. MASANI ON SWATANTRA PROSPECTS

Hyderabad, June 5: The General Secretary of the Swatantra Party, Mr. M. R. Masani, said today that the educative campaign launched by the party had emboldened Congressmen to resist the "Marxist influence imposed on the Congress by the Prime Minister, Mr. Nehru."

Mr. Masani maintained that the Swatantra Party had provided an alternative to those who might like to leave the Congress.

## **BULK OF MEMBERSHIP**

He said that the bulk of the membership of the Swatrantra Party consisted of petty shopkeepers, middle class people, clerks and small peasants because the middle classes were the worst victims of the socialist pattern of society being imposed on the country by Mr. Nehru.

Mr. Masani said that the Swatantra Party recognised the right of labour to organise trade unions and to improve their lot through such unions.

He expressed his hope of forming the biggest opposition bloc in Parliament in 1962.

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