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## Editorial

### DICTATORSHIP IN PAKISTAN

AFTER some tentative moves and feints, Pakistan has come out in its true colours as Islamic in facade, dictatorial in end and aim and anti-Indian in its immediate objective. It is one more page added to the murky annals of power-politics as they have disfigured the history of Islam in many countries. There is exquisite irony in the cashing of the putative leader of the coup by a younger rival even as Gen. Mirza was threatening dire penalties against the politicians. He has gone the way of them and no one shed a tear over his inglorious exit.

Thus the old gang is completely liquidated, and Miss Jinnah's approval of it after the event reminds us of herself as a supernumerary leading a twilight existence, disowned by the old and the new alike. Normally these moves in a neighbouring country would be none of our concern, had it not been for the legacy of hate and ill-will that we have shared with it since the day of partition. The new ruler of Pakistan has lost no time to tell us that we occupy a place of high priority in the scale of his aversions. Wherefore it behoves us to set our house in order to meet this threat. News has already come in of the harassment of Indians and the deporting of hundreds of them from across the border on flimsy grounds. Gen. Ayub Khan referred to Kashmir and the Canal waters issues precisely as all his discredited predecessors did, so that both on general ideological and intimate personal grounds we have every reason to anticipate trouble from our neighbour.

### HOW TO MEET THE THREAT?

It is a matter of grave concern that our leader

Pandit Nehru is either pooh-poohing or vastly underestimating the possibilities of trouble with or from Pakistan. His attitude has become classic and historical. It was very much in evidence when the helpless millions on both sides of the border went to the shambles to enable the politicians to get into power from August 1947. It is on record that Gandhi told the miserable people of Rawalpindi to trust their Muslim brethren—bone of their bone and flesh of their flesh—and assured them of an immunity which they found only in their premature graves!

We cannot afford to repeat the criminal follies of ten years ago, and expose our people through government inaction to the horrors of unprovoked aggression. Unless there is a change of mentality and outlook in Pandit Nehru and his immediate circle of ditto-ists, we shall have lost the fight before it is in and out of season. Although their actual results up to date have been like looking for the proverbial needle in the hay-stack, we have to realise that planning is mere child's play in the light of the more arduous tasks of national defence in a time of crisis. The phrase ('war-footing' has been too often banded about by sedentary and superannuated gentlemen as embroidery to their languid utterances. We must now mean it in sober earnest. Instead of doing anything of the kind, Pandit Nehru is guilty of unseasonable frivolity when he says as he recently did that we have not to fear any danger from the outside.

There are obvious precautions which we need not detail here; but we hope that the army department and the defence ministry are addressing themselves to their tasks betimes. Let us not be overwhelmed

by events and then be forced, as so often in recent years, to accept accomplished facts with philosophic resignation. That is the broad way to national disgrace if not suicide.

### WANTED A RE-ORIENTATION OF OUR FOREIGN POLICY

We must also give up the pretence of following a so called dynamic neutralism—a more absurd fabrication of words than ordinary which we may give our Prime Minister credit for. Our ambiguities have only strengthened the cause of predatory communism and embarrassed our friends, the Western democracies from whom we have been in continuous receipt of all kinds during all these eventful years. A rapprochement with America over the great dividing issue of our times is the only way of sterilising the evil potentialities of aggressive Pakistan. Once America is assured by tangible deeds that we shall never stray into the communist parlour, America's attitude would become very different from what it is to Pakistan aided by the U.S. and hope to win. Commonsense therefore suggests that we should come to terms with America in the interests of our honour and survival. For America's primary obsession in communism, and on that issue, she considers all those who are not against her as with her. We professers to be anti-communist, let us prove it in deeds as well!

Such a change in emphasis in our foreign policy would bring us relief both in the immediate future and in a long-range survey of our prospects.

### THE A.I.C.C. MEETING

The proceedings of the A.I.C.C. which met at Hyderabad furnish a melancholy instance of Nehru fiddling while the country is burning with suppressed fires. All the usual clap-trap was rehashed for the time, and there was not the slightest disposition to see the grim realities, whether on the domestic or ex-

ternal front, in the face. The havoc wrought by continued and worsening inflation, the deterioration of the political situation in Kerala, the mounting discontents in bi-lingual Bombay have not disturbed the appalling complacency of the Prime minister. What was worse, he took the press to task for being irresponsible in its comments on the Pak Coup. From this single illustration, it is clear how egregiously the leader is out of touch with the course of events either at home or across the border.

Planning is his pet portfolio, the darling of his heart on which he lavishes all the wealth of his ageing affections even as old parents get wrapped up in the imaginary virtues of their last off-spring! He contrasted the demands of the atomic age on our minds, and spoke of dynamism and what not. But no one was to be found in that packed and bemused body to ask him how he could square his devotion to the speeds of the super-sonic era with his patronage of the economics of the charkha on which crores are being thrown away. Planning is already in the doldrums though we are still in the middle of the second plan period. Help has been extended to us much as expert swimmers save a drowning man from the water; but we are apparently determined to learn nothing and forget nothing from our past experience.

There is much previous talk already set in motion of drawing in perspective the contours of our third planning period targets. But all the heresies and sophistries of self-styled economists and disguised communists are receiving such official countenance that we seem committed to embark on further doses of inflation, of uncoordinated and haphazard expenditure bringing in its wake more woes to the hapless middle classes. The assurance has been given that the private sector would have its due share of new plan target schemes. But there is no assurance that the pace of government spending would be slackened. Above all the air of uncertainty as to the extent to which fresh taxes might be contemplated or the incidence of old ones aggravated.

But all these errors of commission and omission are nothing to the official attitude to the coup which, starting somewhat ungainly, has now assumed a form and spirit which has a direct threat to us. Pandit Nehru still harps upon the superiority of our own system to that of other countries elsewhere. It would be a harmless delusion such as that of Don Quixote, provided only that the rest of us also lived in the same milieu which made the knight of La Mancha such a ludicrous figure. But the new rulers of Pakistan mean business, and one of their businesses if not the main item is with us. Pandit Nehru has been asked to appease Pakistan on both the counts which have dogged us ever since the partition, and our leader's reactions are shrouded in mystery. This is not the way to build up the morale of the people who would, in the last resort, be the shock-absorbers of the eventual clash, should one develop.

The other favourite hobby-horse which the Pandit rode with his usual gusto was the hastening of the socialistic pattern of society. What does it mean? he asked himself rhetorically, and then proceeded to lose himself in a cloud of words. He still promises a rosy tomorrow, and exhorts us to a dingy and dreadful today. However willing the spirit, the flesh may rebel

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# LAND REFORMS

By M. A. Venkata Rao

THE Second Five Year Plan and the revised industrial policy declaration of 1956 take the country a long stage forward towards the realisation of socialism of the Marxist variety.

To achieve the policy of "land to the landless" a number of changes in the property rights of landholders have been or are being introduced in recent legislation, as if they were all obvious, axiomatic and called for by the necessities of progressive agriculture. But no one has justified these confiscatory measures on economic grounds. They have been taken on the other hand bodily from communist dogmas posing as "scientific." Far from being scientific, they are only Marxist and compact of Marxist fanaticism.

One of these tamperings with property rights is the declaration of the so-called *right of the tenant to purchase the land* he cultivates on lease from his landlord. So far, the rent was largely determined by custom with slight alterations due to wide-spread changes in the market prices of grains and cash crops over wide regions. Today the climate of communist ideology has so penetrated the official intelligentsia that the Planning Commission has recommended and the State Governments and legislatures have passed into law the principle of *arbitrary fixation of rents and terms of tenure*. From the usual rates of 40 or 50 per cent of gross produce, rents have been reduced by legislative intervention in many States to twenty or twenty-five per cent of the gross produce, owner paying taxes and paying for seeds and manure. Many states have also guaranteed tenures of 5 years and more to tenants. They have also been strengthened by prohibiting eviction by their landlords. They are also promised ownership of their tenancies robbing the owners for the purpose. The idea of effecting such transfer not at market rates but at State-fixed prices of 10, 15 or 20 times the rent minus taxes has also been proclaimed and incorporated in Bills or legislative committee reports in Kerala, Mysore and Andhra States. This is another substantial whittling away of the property rights of the landowner. The theory behind all these strange measures is that they are necessary for eliminating the "intermediary" between the tiller and the State. This word is another of the ambiguous terms in communist double-talk. But the landowner is not like the Zamindar, an artificially created intermediary drawing his rights from Warren Hastings or Cornwallis. He has acquired (or his ancestors or predecessors) his lands by open and free purchase at high market prices out of savings. To give him forced low prices now is to liquidate a large part of his legitimate property for which act of *vandalism* there is no excuse, for it is plain robbery. Political intermediaries like *Jagirdars* may have no function in the economy and may deserve to be eliminated. But this does not apply to *economic intermediaries* emerging from free contract and the exchange of saved capital for land from similar previous owners. This is part of the communist doctrine that all capital is the product of labour and that it is only

labour that is the creator of wealth or economic value.

This dogma is innocently absorbed as a sponge absorbs water by the Planners and officialdom, presumably because Nehru says so, and Russia has done so.

It is against this background that we have to understand and appraise the value of the "Land Reforms" now on the point of being hurried through the Southern State Legislatures. It is an extraordinary spectacle for an enlightened democracy run by famous persons with a long record of high-minded patriotism and noble sacrifice. They are forcing the country to accept without examination, the bloody and exploded fallacies of the communist experiment in spite of its catastrophic failure in achieving freedom, equality and prosperity for all.

To realise the utter unreality and the totally *uncalled for*-nature of the proposals now being thrust on the landowning class in the name of "land reform," it is necessary to remind ourselves of the agricultural situation in the country. For generations now our methods of production have been primitive and the output for decades has been insufficient for the large and growing population. The nature and distribution of land among holders is an additional cause for low production. The large majority of holdings are small consisting of 2 or 3 acres on an average. The middle farmers are few and rich farmers still fewer. The number of farmers capable of savings and withstanding the losses caused by the vagaries of the weather is extremely small, relatively to the numbers of poor, resourceless, small farmers. The Hindu Social laws of inheritance of property equally among all the sons have contributed generation by generation to the process of subdivision and fragmentation of holdings.

It would appear to any fair-minded student of our agriculture aware of these real reasons for its primitive nature that the *first* reform that it needs is the *consolidation of holdings into economic units* and the prevention of further subdivision of these *optimum-size farms* by the introduction of suitable legislation altering the traditional laws of succession. Unit holdings should pass from father to sons and from seller to buyer intact without subdivision. One of the sons or successors should inherit the property intact with the other claimants being paid their shares in cash or other form of property such as houses, jewellery, industrial shares or loan bonds to be discharged by the inheritor in course of time. Minima of such economic holdings should be legally enforced and not the maxima or ceilings as is proposed by our reforms of the "Socialist Pattern of Society." Successful farmers will have an *open horizon* with incentives to increase their holdings. The aim should be to facilitate the gradual emergence of a *rural society of peasant proprietors*, the smallest of whom will have holdings capable of yielding incomes equal to those of middle class urban incomes. The ceilings now in force in many States such as the Punjab and Hyderabad range from 35 to 50 acres or 30 "standard acres" to use the term coined by the Planning Commission. The Jatti Committee

of Mysore whose report is now on the legislative anvil proposes ceilings on holdings, the largest permissible unit yielding all income of Rs. 450/- per month for a family of five. According to the ceilings proposed (and in force in some States) no peasant can look forward to incomes higher than those of Class II officers! Gone is ambition from the vast country-side to make agriculture a way of life! Gone is the hope of increasing holdings through savings and good husbandry. Gone is the possibility of ever increasing applications of scientific methods, which require adequate and growing capital resources! The farmer class will henceforth consist of poor, dispirited families—all intelligent, educated persons capable of using land effectively, leaving rural life as urban opportunities offer. Instead of attracting ability and ambition to landed pursuits, our "reformers" are driving them back to towns! They are accelerating the centuries-old process of the degeneration of rural life. In Indian society, intellectual and moral leadership was associated for ages with rural life by way of *ashramas* and *agraharams* in the interior villages.

Another political consequence of these reforms is the perpetual subordination of farmers to urban, industrial or commercial leadership, to city favourites of the ruling class holding lucrative quotas and licences and owning houses and sites, shops and factories. For, farmers with the proposed artificial limitation of economic growth cannot afford hereafter election expenses running from the permissible amount of Rs. 25,000 to prevailing illicit levels in the neighbourhood of lakhs of rupees.

This is from the long range point of view. The "reforms" are no more acceptable from the immediate angle of increased production of food grains necessary today. It is vital to finance our ambitious five year plans of forced industrialisation out of agricultural surplus. Expansion of production in food grains and commercial crops (industrial raw materials such as cotton and wool, oil seeds and jute, and plantation crops) are necessary no less for our normal needs of food and up-keep of industry, than for progress in industrialisation and international trade.

But these ceilings and transfers of ownership to tenants will chop off the not-so-tall poppies among farmers and hasten further fragmentation. For the new units will all be smaller than 30 acres owned by erstwhile tenants, say 5, 8 or 10 acres. For no owner cultivator can cultivate through family labour more than 5, 8 or 10 acres and such acreage is not capable of any capital accumulation worth mention. Such owners will not be able to use modern implements and methods. Also, the class of agricultural labourers only slightly larger in numbers than small holders will also have become landowners, if the slogan of "land to the tiller" is carried out with substantial success. The numbers of casual or permanent labour will diminish so that small tillers will have to depend only on their own family for all work on the land. Prospects of successful acquisition of larger units will vanish from the purview of tillers. The result will be a catastrophic fall in production in the coming years, ushering in, one fears, a vast country-wide famine on the scale of the war-time Bengal famine! The responsibility for such an eventuality, (as for the colossal displacement of a hundred lakhs of innocent

people during the Partition) will fall squarely on the ruling party and Government.

All sane students of the agricultural situation in India had recognised long ago that the first remedy for its primitiveness was to *draw surplus population from pressure on the land*. This should be done naturally by a *planned location of new industries*, small and big factories, processing concerns like ginning factories, fruit industries, spinning mills, repair workshops etc., in a systematic way *at short distance throughout the rural interior* of the vast country. Coupled with this is a plan of enabling capable farmers to increase their holdings through the provision of cheap credit through co-operatives, Government loans or bank advances. Today we hear much talk of co-operative methods for credit and other facilities. But the vastly increased fragmentation that will result from present reforms will effectively *diminish the numbers of farmers* capable of *taking shares in co-operative societies*. The capital of such societies will not be able to finance the vastly greater scale of development needed in quality and quantity. Their meagre incomes, subject to the vagaries of the weather as their occupation is, will not make them any the more capable of prompt repayment of loans taken from co-operative societies. They will, as hitherto, always fall into arrears and remain there until the bulk of rural advances are written off. The only way of making small peasants more credit-worthy is to afford them facilities for *acquiring larger holdings* until an optimum comes into their possession. Such a holding, in present conditions would be in the neighbourhood of 100 acres on an average. But the "economic" holding that the reformers have in view is a basic minimum yielding the income of a servant family of five persons namely an income of about Rs. 400 per year! It is such a spurious doubletalk "economic" holding that is proposed to be given to the landless by fixing ridiculously low ceilings and depriving middle and rich farmers of lands above such low limits!

Also, according to the reformers, three times such economic-cum-basic holdings constitute a family holding. Even landless owners having less than the ceiling are prevented from *resuming the whole of their holding even for personal cultivation*! For this would dispossess their tenants and this is contrary to the will of the reformers! Small holders are permitted to resume only to the extent of three basic holdings yielding an income of Rs. 1,200/- per year for personal cultivation! The rest of the farmer's legitimately acquired and rightfully held land should remain in the hands of tenants, who are granted practically full rights of ownership dispossessing children and legal heirs. Further, customary and free contract rents are reduced arbitrarily to about 20 per cent of gross produce less taxes, which reduces rents to one-third of old rates. The number of middle and lower middle class families that will be pauperised is colossal. The tragedy and displacement will be country-wide and will throw gloom and despair over extents of population far larger than those displaced by the Partition! This is non-violent *civil or class war communism*, which according to Nehruji and Vinobhaji is *acceptable, necessary and progressive!* The stark "materialism" of this cold-blooded destruction of the foundations of social order is supposed to lead to *progress!*

(Continued on Page 10)

# INSIDE RED CHINA

By Sumant S. Bankeshwar

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*What is happening behind the 'bamboo-curtain'? We depend for the most part on the official hand-outs organised by the communist rulers of the New China. Fellow-travellers and others of that ilk have painted glowing pictures of the moracle that is now occurring in China. Some claims were recently made of astronomical figures of food production etc. Even avowedly pro-communist sources have expressed some scepticism at such claims being put forward.*

*The following items are called from sources which are not given as much credence in the Indian press as they deserve to be. They throw light on the other China—cribbed, cabined and confined by communist terrorism regimentation and indoctrination. A minority has for the present silenced the majority and affects to speak for it. But that majority though bloody and bludgeoned has not yet broken into the new regime.*

*(Editor I.L.)*

**M**R. Chou Ching-Wen, the former secretary-general of the standing committee of the China Democratic League, who escaped from the mainland, and reached Hongkong in the latter part of 1956, has now spoken out after having kept silence for nearly 1½ years. Addressing a press conference in Kowloon on August 1st, Mr. Chou Ching-Wen said that many of his friends were still living under the devilish influence of the Chinese Communists and that the broad masses of the people in the mainland were still in object misery.

"For eight years the Chinese Communists as a privileged class did everything according to their own fancies. Although I took part in the regime of the Chinese Communists, I was powerless to do everything. They led a luxurious and decadent life, repressing and extorting from masses and savagely murdering their opponents. In fact the people under the tyrannical rule of the Chinese Communists are groaning for the last 8 years." He said that he had to leave the tyrannical regime of the dark continent, because of his ideals and conscience.

Referring to the campaign of "letting a hundred flowers blossom and a hundred schools of thought contend" inaugurated in the middle of last year, Mr. Wen pointed out that many members of 'Democratic parties and Groups had fallen into the trap of the Chinese Communists. He said that during the blooming and contending period, nearly everyone attacked the tyrannical regime of the Chinese Communists, and cases came to light where their own cadres voiced their discontent. As a result of this, the Chinese Communists, he said, launched their so-called 'anti-rightist struggle' and people like Chang Po-Chun, Lo Lung-Chi, Chang Nai-Chi and others were accordingly eliminated. The so-called China Democratic promotion Society and China Kuomintang Revolutionary Committee, he added, were only a hoax and nothing more than decorative ornaments to give impression of democratic freedom.

"From now on, I shall join the anti-communist forces to fight for democracy, freedom and happiness. I shall expose to the world the atrocities committed by the Chinese Communist regime from what I have learnt from actual experience" he said.

"The majority of the people have come to detest the Chinese Communists and are against the Communist regime. Although the people have no arms,

such anti-communist feelings would be an important factor in overthrowing the communist regime. In fact, the fire of resentment of those who have been driven to slave labour is even more intense than that of the freedom fighters of Hungary. However, at the moment, they cannot do anything because they are being suppressed by the armed might of the Chinese Communists and moreover the time is not yet ripe and they are now in difficult circumstances" Mr. Chou Ching-Wen concluded.

In reply to a question by press-men on the number of people killed at the hands of the communists during the 8 years, Mr. Chou said that at least 6 million people in the Chinese mainland had been eliminated and over 10 million people driven to slavery under the name of 'labour reform.'

This is an 'eye-witness' account of the Red regime in China and the conditions there by the former Secretary-General of the China Democratic League who had taken part in the government of the Chinese Communists for 8 years!

The peasants and workers in the Chinese mainland who had been taxed to the extreme by the Chinese Communists were now on the verge of starvation, according to the *Honkong Tiger Standard* of July 24.

It further pointed out: "The average yearly income of the peasants in the Chinese mainland who make up 80% of the population, comes to about 15 dollars. Out of this income, they have got to pay 15% as agricultural tax and 2½% as regional tax. About 8-12% of their income have to be paid towards redemption reserve, while another 12% goes to general reserve. 25% have to be set aside for refund of current credits and advance payment of planting charges for the next season, and 1% as production supervisory fees. After all these deductions, they are left with about 26% of their income and out of this they have to make various contributions to the communist party, leaving no more than 6% as their net income."

It further revealed: "Although the economic conditions of the workers is a little better than that of the peasants, in the name of a 'big leap forward' in production, they are being driven by the Chinese Communists to sweat and labour without the comforts of life. However, the salaries of communist cadres are a hundred-fold more than those of the ordinary peasants and workers."

# Nemesis Of Military Dictatorship

By Anthony Elenjittam

COUNTRIES surrounding India are one after another falling victims to military dictatorship which is the last nail on the coffin of ethical and moral values underlying human civilization. It is no longer the proletariat, the capitalist or the monarch that runs the country, but the soldier, the bayonet, guns and bombs. By trying to remedy evils, nations are fast falling into a veritable hell.

Wherever Socialism took the form of military dictatorship, facts have proved that the labouring classes do not any more run a socialist state, but the socialist state runs them, cajoles them and finally reduces them to mere robots, automata and cog wheels in the vast steel framework of a military state. What was originally proclaimed to be a socialist welfare state, soon degenerates into a military ill-fare banditry. If, through ruthless methods, corruption, nepotism, vested interests and other evils are eradicated, the military dictators have created still more difficult problems. Before the advent of socialism, man had his own problems; but after the establishment of military dictatorship, man himself has become a problem. The stronger the dictatorship, the more complicated become the problems while their solutions become more difficult than ever.

The dictators have catchwords and platitudes which may bewitch the ears of the rabble, for a while. But in the long run, the emptiness of their promises and futility of force-driven government become crystal-clear. By chopping off the heads of a few rich people, you cannot make the country prosperous. How can the poor be made rich overnight by merely making the rich poor? How can the evils of individualist capitalism be eliminated by creating state capitalism? For, most socialist states, and all dictatorial governments are the biggest robbers amassing stolen property and riches. Only the crumbs that fall from the tables of the new officialdom, the commissariat and the state-bosses will reach the common people, if at all.

The American protagonists of Welfare States have said that "every man a king in the State". But this remains still an utopia, but never a fact in history wherever and whenever the State assumed dictatorial powers. Dictatorship means slavery for the common man. As Cecil Palmer, that great critic of British Socialism, said: "We become the State's servants and serfs, either telling others what to do, or being told by others what to do". Totalitarian dictators recognise only one weapon with which they wage and win their war, viz. Force.

I have watched the rise and fall of Fascist dictatorship in Italy, where I lived for over eight years. I have seen the rise and fall of Nazi dictatorship in Germany. Now all of us can see dictatorship rising in China, Egypt, Burma, Pakistan and elsewhere. All these forms of a military *coup d'etat*, imposition of martial law and establishment of party or individual military dictatorship are based on the denial of values,

ethics and humanity. Because these governments give bread and jobs for the citizens, they fancy themselves to be parents of a welfare state. But does man live by bread alone? The Britishers maintain their dogs better than the peasants and workers maintain their children in backward countries. Yet, dogs are dogs and humans are humans.

Military dictatorship claims to bring quick and swift results. But at what cost? Nothing short of the loss of one's soul. But wise men have asked: "What does it profit a man if he conquers the whole world, but suffers the loss of his own soul?" Social and economic evils are certainly to be fought against; but in a human way. Ends cannot justify means. To reach the right goal, we must adopt the right means. The way of the sword and bayonets is not always the right means to bring about social revolution. It comes through humane ways; through education, non-cooperation, soul-force and ethical righteousness. Brute force has really solved no problems. The nemesis of military dictatorship is nothing but the letting loose of the leonine and tigerish instincts in man, the widening gulf between the ruling clique and the ruled slaves. The nemesis of military dictatorship is bread at the expense of the soul.

Ancient India, in her wisdom, had said: "Let individual interests be sacrificed for the sake of family, family interests for the sake of community, and community interests for the sake of the Republic and let everything be sacrificed for the sake of Soul". Ethics based on self-sacrifice can correct social evils and bring true freedom to individuals and nations.

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# BETWEEN TWO STOOLS

By M. N. Tholal

THE coincidence of two events recently should make every patriotic Indian think furiously. One is the taking over of the administration in Pakistan by the Armed Forces; the other the revelation that the shells received from a Swiss firm and which cost us crores of rupees are worse than useless inasmuch as they backfire and are likely to kill the members of our own Air Force rather than the enemy at which they are aimed. The two are not entirely unconnected and a deep probe may reveal that they have a lot to do with each other.

It must be remembered that European firms, particularly firms of repute—and we must take it for granted that the Indian Government's order must have been placed with a firm of repute—do not cheat their customers ordinarily. The firm in question must have persuaded to cheat. Who are those responsible for that persuasion? The question suggests answers which force us to examine our foreign policy to see if it can in any way be responsible for a mishap of such a magnitude, a mishap which may make all the difference between victory and defeat in the war that Pakistan is always threatening to wage against India.

## FLIRTING WITH BOTH

How are we placed as a result of our foreign policy? Partly as a result of our isolation on the Kashmir issue—due mostly to our own mishandling of it—and partly as a result of the indefatigable pursuit of the cult of personality by Prime Minister Nehru (which has been skilfully exploited by Khrushchev) the Indian Prime Minister has been almost ceaselessly criticising the Western Powers while claiming to be a passionate advocate of democracy. Most of this criticism cannot bear scrutiny and can only be said to be the product of pique at our humiliation in the Security Council where we were unable to get even one vote against Pakistan. It cannot be gainsaid that it can be patriotically argued that the Western Powers do not see reason on our side in the Kashmir dispute and we therefore refuse to see reason on their side. But then we must, like Nasser, be prepared for the consequences of such argument. Otherwise we are apt to fall between two stools.

Prime Minister Nehru has said that it is no use criticising the Communists because they are not open to reason and take umbrage at criticism. Does that mean that we should therefore keep our barrage of criticism aimed all the time at those with whom we ideologically agree? If it means anything it means that, since we are not in a position to criticise the Communists—maybe on account of our pusillanimity—we should keep quiet in regard to the acts of omission and commission of those on whose side we ideologically belong. But it seems that our Prime Minister cannot keep quiet. No Prime Minister in the world talks half as much as he does or with a greater lack of the sense of responsibility. Does he think he alone has the right to be sensitive to criticism? And is it

indeed a question of personal sensitiveness when what is at stake is the cause of democracy itself?

If the Western diplomats do not blurt out their reactions (like fools) is it part of wisdom to ignore the existence of those reactions altogether? Is it part of wisdom to pat ourselves on the back when, in the final analysis, Nehru's frequent criticism of the leaders of democracies or their actions amounts to condemnation of their cause—of democracy itself? Is it not in the circumstances justifiable to presume that the praise which emanates from the quarters our Prime Minister often criticises is feigned and that those same quarters may at heart be only too eager to set our open enemy on us, assuring it all the advantages that lie in their power to bestow upon it in the event of war with India?

Does our Prime Minister think that the bluff and bluster in which he is indulging will really bring the Western Powers to their knees? Does he really think that they are afraid of Mr. Menon or of his hobnobbing with Gromyko in the lobbies and the halls of the United Nations? We are flirting with both and are thick with neither. Shall we not have ourselves alone to blame if in a crisis we find ourselves left in the lurch?

It is said of Nasser in high quarters here that he is rash and inexperienced. But he at least realises the consequences of his acts. Having realised that the Western Powers will not help him grow strong against his enemy Israel, he has turned to Russia for military and other aid. For his military equipment he is not depending on those whom he cannot trust. We are

## NO GENEROSITY IN POLITICS

The story goes that when Khrushchev and Bulganin were here in India they had talks with our Prime Minister regarding the advisability of India fashioning the pattern of her armed forces after that of Russia and the visit later of Marshal Zhukov to India was a result of those talks. The British got scent of these goings-on here and sent the Mountbattens posthaste to India to prevent the project from materialising. Mountbatten is reported to have told Nehru that the proposed change would be a very serious matter and would be considered as such by the British Government. The result was that the proposal was dropped although the Russians were willing to supply us their bombers and fighters at half the cost we incur in buying them from the West.

As Mountbatten said, it was a very serious matter, and it can hardly be that the seriousness of the matter was brought home to our Government by Mountbatten. But we must always remember that there is no generosity in politics and that there should be perfect co-ordination and integration between our policies if we are not to court disaster. We should not depend for our armament on those whom we make bitter against us by frequent criticism and abuse. There is in fact no sense in that criticism and abuse, not even

if our Prime Minister is trying to play to the Leftist gallery in the Country. For, when all is said, we belong to the Commonwealth and we have no reason to be ashamed of our membership of a Commonwealth whose Head also presides over a Government which is liquidating the greatest empire the world has ever seen and conferring self-government on territories whose fitness for the same must be a matter of doubt in every honest mind. Nor need we feel ashamed of alliance with the leader of democracies who in the name of freedom interfered with the Anglo-French adventure in Egypt in 1956 at the risk of alienating her greatest allies in the present cold war as in the two world wars preceding it. (The myth that the American interference was the result of Russian threats was exploded when similar threats during the Anglo-American military aid to Jordan and the Lebanon went absolutely unheeded.)

The point is that there cannot be a greater danger for the country than that its policies should be the result of changing moods, sometimes the result of emotional integration with Comrade Khrushchev and at others of emotional integration with Lord Mountbatten. We have to guard against it if we do not want to find ourselves between the Scylla of the Mountbattens and the Charybdis of Western diplomacy.

#### PLAYING AT POLITICS

The fact of the matter is that we have been playing at politics without caring to realise the consequences of thoughtless utterances. If our Prime Minister was forthright and frank, he would, for example, be condemning the occupation of Hongkong by the British rather than the government of some islands off China by fellow-Chinese. What is wrong with that? He is not demanding a plebiscite there, be it noted. He just wants them handed over to the Communist Government of China even as Tibet went over to it helplessly on the theory that Tibetans are Chinese or that Tibet has always been included in the map of China. And Mr. Nehru is supposed to be a protagonist of small nations!

We are so busy with other peoples' affairs that we have no time to look after our own. We are so busy preserving the peace of the world (in our imagination) that we seem to have no time to ensure that our country dare not be attacked by a much smaller country in the neighbourhood. Our Defence Minister is so busy representing us in UN assemblies that he can legitimately claim that he has no time to devote India's defence. Is the defence of the country of such minor importance that it must be entrusted to one who, to all intents and purposes, is a roving ambassador? Even at a time when military dictatorship has been established in Pakistan and is threatening war against India, the defence ministership of India continues to be a part-time job.

The trouble with our country is that even the members of the Cabinet do not realise their responsibility because they feel it comes as a gift from one man. We are a race of hero-worshippers who entrust our thinking and our safety to one man and then resent any criticism of that man. This hero-worship resulted in the division of the land but we are none the wiser for it. The critic is always asked: Can you find a better man? The questioner does not realise that it

is not a question of finding a better man but of democratic criticism making a man better and absolute power corrupting absolutely. It is not Nehru's fault that he is what he is. It is the people's who refuse to make him better and are determined to make him worse.

### A Brief History Of The Canal Waters Dispute: Some Facts

By Varahamira

**P**AKISTAN raises the issue of the Canal Waters as part of the Kashmir dispute. This is a matter which has hung fire for some years, a settlement having been delayed by Pakistan's reluctance to accept in principle the World Bank's proposals which divide the waters of the Indus basin between India and Pakistan on a broad basis—India to have use of the three eastern rivers, the Ravi, Sutlej and Beas; and Pakistan to have use of the three western rivers, the Indus, Jhelum and Chenab. To compensate Pakistan for the loss of waters to which on a fair assessment it is entitled, India is required to pay for the construction of link canals and possibly of storage facilities which might cost anything between Rs. 60 crores and Rs. 170 crores.

India accepted these proposals in principle in 1954 when they were first made, but Pakistan has still to do so. Meanwhile Karachi has let loose the usual spate of unfounded allegations against India. India is accused of the diabolical intention of turning Pakistan into a desert or a dust bowl. Assuming that India desires this, it cannot do so by the very nature of things.

In the first place, none of these rivers except the Jhelum has its source in Kashmir. The Sutlej rises in Tibet and so does the Indus, the remaining three rivers having their source in India. According to World Bank's proposals, Pakistan will have 80 per cent of the available water in the Indus basin while India will have 20 per cent. In the Indus basin, Pakistan has approximately 30 million people to feed from 39 million acres, 21 million acres of which are irrigated land. India has to feed 25 million people from 26 million acres, only 5 million acres of which are irrigated. What Pakistan draws today from the three eastern rivers allocated to India is less than 10 per cent of the total quantities of water which Pakistan uses for irrigation. Thus 90 per cent of its water resources are even today independent of India. Let alone Pakistanis, many people in our own country do not seem to know this fact!

Over the past ten years, India has never stopped the supply of what are known as "historical withdrawals" of water to Pakistan this despite the fact that Pakistan has not honoured its promises to pay for them. These historic withdrawals from the eastern rivers approximate to ten million acre-feet of water, and during the last 3 years, Pakistan has constructed link canals capable of replacing nearly 5 million acre feet, which reduces Pakistan's dependence on Indian supplies to only 5 per cent of its total requirements!

This is in short a brief history of canal waters dispute which is the chief bone of contention between India and Pakistan, next only to the Kashmir issue.



# ARISE! AWAKE! AND STOP NOT!

By Baburao Patel

ON August 26, 1958, Prime Minister Nehru, speaking in the Rajya Sabha, delivered his usual apologia to justify his government's weak-kneed policy of appeasement towards Pakistan and said, "Our difficulty in regard to Pakistan has been the unfortunate legacy, partly the legacy we have and Pakistan has—the legacy of partition and what happened after partition. That was a thing which was inevitable and which, I believe, we have lived down largely on both sides as far as the people are concerned. But a much more difficult and harmful thing has been the legacy in Pakistan, what they inherited from the Muslim League, the legacy hatred, of denying everything that we might affirm just for the sake of denial, the legacy of separation of two nations and all that. (In spite of this realization Nehru has allowed the Muslim League to thrive openly in the South and covertly in Hyderabad, Bhopal and Uttar Pradesh).

"That is the real trouble, not—if I may say so even major question like Kashmir or canal waters or rehabilitation, big as they are, because you cannot approach these questions or go anywhere towards a solution, when you have to come against this solid wall of violent hatred which is nurtured and kept up in the press and speeches of their leading men."

At this stage, Nehru read several extracts from the violent speech of Mian Mumtaz Daultana, leader of the Muslim League in Pakistan. One particular extract of hate-spitting Daultana read as follows: "Pakistan was achieved by the opposition of the Muslims to the traditions of the majority of the people of India. . . . Even if any good thing comes from India, we should not accept it. There are people who go to India and bring back articles. Even if my sister goes to India and brings back a Banarasi sari, I would be ashamed to call her my sister." At this some Congress idiots laughed. They thought this to be an amusing interlude.

But Nehru pulled them up saying, "It is not a laughing matter when a great party is governed by this outlook. . . . there is no doubt that one of the governing attitudes in Pakistan has been this bitter hatred and animosity against anything Indian. . . . Precisely because of this, I have often enough a feeling of frustration as to how to get over these difficulties. . . .

"Pakistan, our neighbour country with whom we want to be friendly, is not only a part of the Baghdad Pact and gets thereby the help and assurances of backing of some of the most powerful countries in the world and thereby Pakistan itself is perhaps prevented from adopting that friendly attitude to us, or that attitude to come to terms with us, which otherwise it might but also there is the other question of supplies of large quantities of military equipment. . . .

"The fact is that military equipment of Pakistan has grown and grown, that vast airfields have been built all over, whether you call them foreign or domestic or what you like. They are there and built there and

all this arming of Pakistan is a matter of some concern to us. . . . This arming of Pakistan is coupled with the background of thought contained in the speech of Mian Daultana which I read out just now. This quintessence of hatred towards India plus the accumulation of Arms may lead to bad results. That is a matter of concern to us."

All his does not surprise us at all. We had written about this way back in December 1953. We have warned the nation in the following words:

"Whenever an Islamic country gets some arms or power, it always calls the Faithful together to confer. These conferences are gatherings of hungry and blood-thirsty wolves who want power to spread Islam in other countries." This is how we described the Conference of Prime Ministers of Islamic countries held in Karachi. (Page 215 "Burning Words").

Even in those early days when Pakistan signed the Arms Pact with America, Nehru tried to misguide our nation. On December 23, 1953, Nehru said in Parliament, "For my part, I am perfectly prepared and I do accept the statement of the Prime Minister of Pakistan in regard to this matter. He has stated that there is no talk of any American bases being established in Pakistan nor of any military alliances between the two countries but that there have been talks, formal and informal, about military aid being given to Pakistan. Let us take it at that and no more." (Page 220 "Burning Words").

This naive attempt of Nehru to bamboozle our people was answered by us in the following words:

"That ends all our worries. Our dynamic Prime Minister, the tallest poppy in Asia, accepts the statement of our bitterest enemy at its face value even though the many statements from different people don't quite fit in with one another and his jigsaw puzzle remains incomplete. . . . Bases or no bases for the Americans, the fundamental fact is that America has agreed to give military aid to Pakistan. This military aid will take the practical shape of tanks, guns, cannons, ammunition, fighter aircraft, bombs, bazookas or even an Atom bomb. All this armament is lying in huge piles in America ready to be delivered within six weeks to any part of Pakistan—East or West. Once this dangerous cargo is delivered, it will be time for India to start trembling because we do not possess even one piece of such modern war equipment as America proposes to supply to Pakistan. With this up-to-date equipment Pakistan plans to raise an army of a million soldiers trained by the Americans in the use of the latest equipment. With qualitative superiority of arms, a larger number of trained personnel of the army and the vast American resources behind them, Pakistanis can invade India and conquer India within three months. And what do we have for resistance except a tall-talking Prime Minister and a huge sleeping population." (Page 221 "Burning Words" December 1953).

Is Nehru trembling now? His recent words—deli-

vered on August 26, 1958—were: "This quintessence of hatred towards India plus the accumulation of Arms may lead to bad results. That is a matter of concern to us."

Let us revert to Nehru's recent speech of August 26, 1958. Continued Nehru, "I do not mean to say we have made no mistakes or we do not commit mistakes. (Don't we know? We have paid for them) . . . It is obvious that a country's authority and influence is largely conditioned by that country's internal strength, domestic strength. If the domestic strength is considerable, the country can speak with a dignified voice. Otherwise its voice is not listened to.

"When I say domestic strength, I am not thinking merely in terms of arms or financial strength because we have neither, but strength means other things too." (Talking strength, probably).

In this speech, delivered only a month ago, Nehru admits two things:

(1) That "the military equipment of Pakistan has grown and grown and that vast airfields have been built all over" and that the natural hatred of Pakistan plus the accumulation of arms has become "a matter of concern to us."

(2) That we have "neither arms nor financial strength" to face this dangerous situation.

This is a confession made by the Prime Minister of our Country after being in the saddle for eleven years and after checking up the reports of his various foreign agents—and not merely the professions of a patriotic journalist who warned the nation 5 years ago.

If we have "neither arms nor financial strength" to defend ourselves after eleven years of freedom, then let us keep our women, children and homes ready for rape, slaughter and plunder by Pakistani Muslims. For, that is what they did in recent history during the partition riots in the Punjab. That is what they did in Kashmir according to Nehru's own report justifying India's help to the Kashmiris: "Not to have taken these steps would have been a betrayal of a trust and cowardly submission to the law of the sword with its accompaniment of arson, rape and slaughter," (Nehru's broadcast speech. Page 405 "Integration of Indian States" by V. P. Menon). And that is what even the Holy Quran seems to teach:

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Why is Nehru surprised at the hatred-charged utterances of Mian Daultana and other leaders of Pakistan? Hatred and slaughter of the "Kaffirs" seem to be normal articles of faith according to the quotations from the Holy Quran given above.

Having "neither arms nor financial strength" to defend themselves, according to our Prime Minister, what other choice have the 320-million majority of Indians but to submit to the traditional Islamic ritual of "arson, rape and slaughter" which Nehru himself saw being practised even in Kashmir where a majority of the population was composed of Muslims? The 320-million "Kaffirs" certainly don't deserve better treatment.

But the fate of Kashmiri Muslims need not frighten the Muslims of India. The Kashmiri Muslims had to bear the brunt of the brutalities of Pakistani Muslims because there were no Hindus to be found in Kashmir during those days. They had all run away to Jammu. The Kashmiri Hindus are known to be the fastest runners in the world and the murghi-filled Pakistanis could not keep pace with them.

The story, however, was entirely different in Tukuran, an Indian village on the border of East Pakistan, armed forces on August 6, 1958. The entire Hindu population of this Indian village naturally took to its heels but the Muslims of the village stayed behind without being molested by the Pakistani troops. The understanding between them seemed to be perfect. There is, therefore, no reason why this Islamic brotherhood should not be extended to our Indian Muslims when Pakistanis actually attack India. We give a personal guarantee of perfect protection to our Indian Muslims, therefore, need not be unnecessarily alarmed by Nehru's ominous words. (To be concluded)

—Filminidia

(Continued from page 4)

Further the rates of compensation offered to such liquidated landowners range from 10 to 20 times the rent minus taxes, which entails a reduction in prices roughly to one-tenth of market rates! No one is concerned with the fairness and hardship of such "reforms" amounting to robbery (sanctified by law and urged by Nehruji and by Vinobaji in the name of social justice).

Even "land to the landless" could be given out of the enormous area of cultivable waste. There are millions of acres, of virgin land along the foothills of the Himalayas, in Dandakaranya, along the Western Coast and other tracts. Millions of acres of eroded soil can be reclaimed in Rajasthan and Madhya Pradesh. Let the Government provide facilities for settling the landless with an adventurous spirit in such areas. A standard of efficiency can be laid down and all assistance could be given to landlords and tenants to reach it on condition of temporary alienation to more capable hands in case of failure.

The examples of British and Danish agriculture show how such ideas could be successfully applied and production increased at phenomenal rates without the ill-starred communist class war techniques and non-violent legislative liquidation of landowners as a class.

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It would be much more to the point if we stopped talking of planning for some time and concentrated our energies and resources to meet the Pak threat instead of being caught napping. The disclosures concerning yet one more scandal in regard to the supply by a Swiss firm of unserviceable air-craft shells is an unpleasant reminder of things continuing to be as bad as ever in the defence department. It may be recalled that Egypt under the discredited monarchy was thrice soundly beaten by midget Israel, and on each occasion it was found that the Egyptian army was equipped with munitions etc., which proved duds. It would be dreadful if our country should have been imposed upon in like manner by bogus intermediaries offering to purchase our defence needs from the cheapest market. As evidence it may be no more weighty than the proverbial straw; but it would show which way the wind is blowing.

Nor can the Prime Minister at least claim the virtue of consistency. For he blows hot and cold on the issue of devolution versus decentralisation. He wants one P.C.C. for the combined state of Bombay and Gujerat, but allows the four or five functioning in U.P. He lays down that P.C.C. office bearers should vacate office at the end of one year; but absolves the ministers and the higher reaches of the Congress organisation from the self-denying ordinance. In short, his impulses are formulated into political aphorisms which are then quoted as if they were the final expression of omniscience and infallibility. We do not know which to deplore more—the desolating docility of the Congress legislators in towing the leader's line or the childish posturings and unamiable vanities of the leader himself.

#### MASS DEPORTATIONS FROM PAKISTAN

The brusque deportation of nearly 200 Indian nationals working in an East Pakistan Jute Mill—see report extracted elsewhere in this issue—is an ugly reminder of a new sort of pin-prick to which we may be exposed by the machinations of Pakistani authorities. There are thousands of Pakistanis enjoying the hospitality of this country and indeed doing pretty well in one or other of many lucrative jobs. It will not at all be a difficult matter for us, if we are so inclined, to bundle them out bag and baggage without notice on some technicality or other. We are told that the Collector of the 24-Paraghanas has been instructed to lodge a vigorous protest with the Pakistani local authorities on the spot. This kind of action is our speciality, and we have no hesitation in calling it the subterfuge of weak-kneed men. Whether the present deportation is part of a change in policy or a sporadic exhibition of zoolum at petty official level is not clear. But unless our government arms our officials to initiate swift and retaliatory counter-action to stop this kind of human baiting, there will not only be no end to it, but the persecutions will assume a

more wide-spread epidemic character. To be good hosts is the mark of cultured people; but it is not incompatible with the adoption of the hostage principle in dealing with bullies, specially when they act on the presumption that no such nemesis will overtake them. This may be a very minor aspect of Indo-Pak relations; but woe unto it if Pandit Nehru's policy of appeasement should continue to operate to our detriment.

With the stream-lining of the new Pak set-up on a trim and shapely military basis, we would be courting disgrace and disaster unless we too speak to Pakistan henceforth at least in the language of strength which alone will stay the rot. The politic reticence observed by the new military junta across the border is something which our own leaders might well emulate; and giving up their love of talking, they should show that they are also capable of seasonable and stern action.

*Tide's* special correspondent at Rourkela reports that the centre of Steel industry in the private sector which is being built up by West German enterprise bids fair to go into production well ahead of schedule. A new township with all modern amenities has come into being as if at the touch of a magician's wand, and it is claimed to be merely a feather in the cap of private enterprise but also in that of German entrepreneurs. But it is also feared that the communist groups who are sore at the footing secured by German experts in India are planning a kind of sabotage in the new plant to synchronize with the first stages of its turning out its finished products. In this connection it may be recalled that the recent trial or strength between the communist inspired workers and the Tata's at Jamshedpur was deliberately and artificially engineered, but that thanks to the firmness of the company and the government, the bluff, was called, though not before considerable damage was done to property and the prospects of the plan itself. The defeated forces of the disruptionists are now organising another emeute in Rourkela it is said. A convenient handle is said to be available in the presence of the natives of the area who have been outnumbered in the region by a considerable influx of trained and skilled and clerical personnel from almost all other states of the country. Local jealousies are sought to be fanned in the hope that they may burst into a flame. The top leaders of the communist party are known to have made frequent trips to the spot, not obviously for a holiday. The government are thought to be alive to the dangers of an emeute, and are believed to be prepared to tackle it in time.

READ

### THE ASSASSINS

By F. A. RIDLEY

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Nor can the Prime Minister at least claim the virtue of consistency. For he blows hot and cold on the issue of devolution versus decentralisation. He wants one P.C.C. for the combined state of Bombay and Gujerat, but allows the four or five functioning in U.P. He lays down that P.C.C. office bearers should vacate office at the end of one year; but absolves the ministers and the higher reaches of the Congress organisation from the self-denying ordinance. In short, his impulses are formulated into political aphorisms which are then quoted as if they were the final expression of omniscience and infallibility. We do not know which to deplore more—the desolating docility of the Congress legislators in towing the leader's line or the childish posturings and unamiable vanities of the leader himself.

#### MASS DEPORTATIONS FROM PAKISTAN

The brusque deportation of nearly 200 Indian nationals working in an East Pakistan Jute Mill—see report extracted elsewhere in this issue—is an ugly reminder of a new sort of pin-prick to which we may be exposed by the machinations of Pakistani authorities. There are thousands of Pakistanis enjoying the hospitality of this country and indeed doing pretty well in one or other of many lucrative jobs. It will not at all be a difficult matter for us, if we are so inclined, to bundle them out bag and baggage without notice on some technicality or other. We are told that the Collector of the 24-Paraganas has been instructed to lodge a vigorous protest with the Pakistani local authorities on the spot. This kind of action is our speciality, and we have no hesitation in calling it the subterfuge of weak-kneed men. Whether the present deportation is part of a change in policy or a sporadic exhibition of zoolum at petty official level is not clear. But unless our government arms our officials to initiate swift and retaliatory counter-action to stop this kind of human baiting, there will not only be no end to it, but the persecutions will assume a

more wide-spread epidemic character. To be good hosts is the mark of cultured people; but it is not incompatible with the adoption of the hostage principle in dealing with bullies, specially when they act on the presumption that no such nemesis will overtake them. This may be a very minor aspect of Indo-Pak relations; but woe unto it if Pandit Nehru's policy of appeasement should continue to operate to our detriment.

With the stream-lining of the new Pak set-up on a trim and shapely military basis, we would be courting disgrace and disaster unless we too speak to Pakistan henceforth at least in the language of strength which alone will stay the rot. The politic reticence observed by the new military junta across the border is something which our own leaders might well emulate; and giving up their love of talking, they should show that they are also capable of seasonable and stern action.

*Tide's* special correspondent at Rourkela reports that the centre of Steel industry in the private sector which is being built up by West German enterprise bids fair to go into production well ahead of schedule. A new township with all modern amenities has come into being as if at the touch of a magician's wand, and it is claimed to be merely a feather in the cap of private enterprise but also in that of German entrepreneurs. But it is also feared that the communist groups who are sore at the footing secured by German experts in India are planning a kind of sabotage in the new plant to synchronize with the first stages of its turning out its finished products. In this connection it may be recalled that the recent trial or strength between the communist inspired workers and the Tata's at Jamshedpur was deliberately and artificially engineered, but that thanks to the firmness of the company and the government, the bluff, was called, though not before considerable damage was done to property and the prospects of the plan itself. The defeated forces of the disruptionists are now organising another emeute in Rourkela it is said. A convenient handle is said to be available in the presence of the natives of the area who have been outnumbered in the region by a considerable influx of trained and skilled and clerical personnel from almost all other states of the country. Local jealousies are sought to be fanned in the hope that they may burst into a flame. The top leaders of the communist party are known to have made frequent trips to the spot, not obviously for a holiday. The government are thought to be alive to the dangers of an emeute, and are believed to be prepared to tackle it in time.

#### READ THE ASSASSINS

By F. A. RIDLEY

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The 'Socialist pattern of society' is the Scarlet Pimpernel of our political and born pundits. They go after it, invoke it on all occasions, but no one has been able to get hold of it or define it. The other day Pandit Nehru referred to it much as the group of blind men tried to comprehend the elephant in jigsaw pieces. Said he: 'We have said that we are not following any doctrinaire or dogmatic form of socialist theory. We are dynamic about it, and we may be taking such steps as we think proper from time to time towards this goal, but always keeping in view the broad objective.'

This should remind us of the Lewis Carroll character who declared that when he used his words, he meant to convey through them the particular meaning which he had in his mind at the time nothing more nor less! Language has often been used to conceal thought; but Pandit Nehru must be given the credit for using it to conceal poverty of thought.

The 'broad objective' is scarifying enough to simple folks; for it reminds us of Christ's distinction between the broad and narrow paths—the latter leading to everlasting perdition.

Ramsay Macdonald, the first Labour Premier of Britain, sacrificed his party in the interests of his career. But in office he disintegrated quickly and disastrously. More and more he got into the habit of speaking in a diffuse and woolly manner. Churchill once pounced on one of his particularly inane utterances in Parliament, and flayed him alive in the following words: 'By this time, we have all become familiar with the flocculent style of oratory which the Rt. Hon'ble gentleman has rendered his own. He has a rare genius for compressing in the largest number of words the smallest amount of meaning.' Pandit Nehru whose career has interesting parallels to that of the first intellectual of the British Labour Party in parliament has, as we may all see, developed a like power of achieving effortlessly such a recurrent bathos.

Bi-lingual Bombay has found a tragic hero ready to immolate himself in the cause of its survival. It is no less than Sri Morarji Desai. He has prophesied disunity, disintegration and national destruction if the bi-lingual arrangement is disturbed. If bi-lingualism is the condition of our survival and progress, why is he so indifferent to the prospects of trying out the experiment elsewhere as well? An ideal opportunity was lost when Kerala was separated from Madras. If instead, Travancore and Cochin had been roped into Madras—and a great body of people would have welcomed it—all our present embarrassments arising from

a communist ministry might have been easily avoided. Instead of expressing his readiness to be stoned to death in Ahmedabad or Gujerat, may we respectfully suggest to the prospective successor of Pandit Nehru in the supreme Gadi to go to Trivandrum and perform an *auto da fe* in favour of Madras-Kerala unification? The chances of martyrdom are certainly brighter there!

Mr. Y.B. Chavan seems to be the latest favourite of Pandit Nehru; for the latter has praised him as one of the ablest ministers in the Congress band-wagon. But if we were to go analogically, being a special chela of the Pandit is more a handicap than an asset. Consider the list: Sheik Abdullah was his *alter ego*, but he proved a snake in the grass. T.T.K.'s rise to fame was phenomenal, so was his fade-out. The Pandit gave a glowing chit to the Vice-Chancellor of the Banaras University as a grown-up Casabianca sticking to his post in the face of certain destruction; but the students of the University clamour for his head on a charger. And of course there is Mr. Menon—he is now in an eclipse, the nature and duration of which are the subject of animated club gossip. Mr. Chavan has therefore reason to be circumspect.

The makers of military coups have almost always been their first victims of it. Mirabeau and Danton gave place to Marat and Robespierre. Kerensky was elbowed out by Lenin, and Trotsky the most romantic figure of the Russian revolution became Gen. Nasser, his own deputy. And now General Mirza has been cashiered by an unknown soldier. Iskander Mirza was after all a carpet knight, a sort of paste-board general. The threat he held out to his opponents has encompassed him until he has found an asylum in Britain.

An old nursery rhyme can be adapted to fit his life-history:

Goosie, goosie 'Skander  
 You may freely wander  
 Up above from Quetta  
 (Wearing your favourite sweater  
 To anywhere that's better:—  
 Only Pak is out of bounds  
 For you in your earthly rounds.  
 The kindly fates have written  
 That you may stay in friendly Britain:  
 Thus doth end the Vision of Mirza  
 Aren't you thankful it is no worse, Sir?

Mr. Harindranath Chattopadhyaya who had been on a lecture tour of Malaya has been externed from the country as he was considered a security risk.

As a poet Chattopadhyaya  
 Often sang of wondrous Maya  
 When he was young and idealistic  
 and lost himself in visions mystic.  
 But latterly he veered to the left  
 Since of his dreams he was bereft,  
 And took to fellow-travelling  
 Instead of Beauty unravelling.  
 The Colonial government acted brisk  
 Dubbed him a 'security risk'  
 And externed him from Malaya  
 To save it from a Marxist Pralaya!

Libra

# Do Banks Create Money?

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

IN modern times credit plays an important part in domestic and international payments. All payments are not done in cash. Banks are the institutions that deal in credit. There are other institutions too, but the distinguishing feature of modern commercial banking is its ability to create and maintain demand deposits which serve as money. Saving banks, insurance companies and other such financial institutions obviously create no credit—their activities as saving investment middlemen neither increase nor decrease the amount of money in circulation, but the commercial banks operate quite differently and regularly “create” money and “wipe” out the deposits. In good times they lend more money than we have deposited with them. In bad times these same loans may be called for payment contracting the deposits when the loans were made. Far from being a more or less passive link in the saving-investment process, commercial banks may affect drastically the flow of funds from savers into investment. Banks are not merely purveyors of money. If this were their sole function, they would not have figured so prominently in Parliament and in public discussion as they do at present. It is true that the banks crystalize capital by linking borrowers and lenders, but banks are important, because they are manufacturers of money. Bank deposits from a large part of the total supply of money in circulation and their power to regulate the volume of money has made them economically significant. If banks choose to “create” money which is more than the amount required by the conditions of business, inflationary forces may develop involving undesirable economic consequences. By contracting the supply of money they can arrest the economic prosperity and bring deflationary forces into existence. Thus banks are the potential force of economic instability and by their power to create money they can throw the economic system out of order. This is what we see at present in our own country. The Reserve Bank of India is not in a position to control the activities all banks as nonscheduled and indigenous banks which form a large part of our banking system are outside the control of the Reserve Bank. Its weapons are ineffective so far these banks are concerned.

This view has not been accepted by all writers. In the past Dr. Edwin Cannan and Dr. Leaf have objected to this view and according to them banks are mere “middlemen” between borrowers and lenders. They contended that banks cannot lend anything more than what is entrusted to them in cash by depositors. So according to them the depositors are the persons who have the initiative in the creation of money. Recently this same view is expressed by one Mr. J. F. Eggleston in his pamphlet, entitled “Sterling worth and dollar worship” and the opening sentence of this

pamphlet runs as follows: “The whole reason detre of the credit squeeze hinges on the categorical statements of high officials and politicians to the effect that commercial banks, by extending credit, create money or its equivalent of purchasing power. In refuting this fallacy I would be prepared to state that only a Central Bank issuing notes, a Mint, a Treasury or a counterfeiter can *create* money; commercial banks merely lend depositors or shareholders money and are incapable of creating or destroying a single unit of account in their normal business.” From this Mr. Eggleston comes to the same conclusion that was arrived at by Dr. Cannan and Dr. Leaf. Dr. Cannan compares the bank to a cloak room. According to them when a banker creates a deposit, the deposit amount is likely to be withdrawn sooner or later. The customer who is granted accomodation may withdraw a part of the loan thus reducing the cash which the banker holds as reserve. Again the cheques drawn against the loans granted say by a bank X may be deposited in banks like B,C,D,E,F, which draw out cash from bank through the clearing house. In consequence the bank X will find that its cash reserves considerably reduced. Hence it cannot grant loans beyond the cash deposited by the customers with it. This is the argument of bankers Leaf and Eggleston. But it contains a fallacy which unfortunately the Editor of “INDIVIDUALISM” could not see and for this reason he admitted that he “capitulated” to Mr. Eggleston’s views.

In order to understand the problem of creation of money by the commercial banks, one must have a proper understanding of the word bank deposits. The word is misleading, for it suggests that deposits originate through the depositing of actual money in the banks and that the banks keep in their vaults currency equal to the amount of their deposits. Deposits are not simply “money put in the bank”. A bank deposit is a claim on the bank giving the depositor the right to demand money from the bank. Demand deposits are simply debts owned by the banks to the depositors. Demand deposits may, of course, be created by depositors entrusting additional money to the bank, but only a small fraction of total deposits have actually originated in this way. *Most demand deposits have come into existence when banks make loans or investments and the borrowers took the loans in the form of cheque accounts.* This can be made more clear by an example. Suppose Mr. X goes to his bank and asks to borrow Rs. 100/ After investigating the resources of Mr. X the banker decided to lend him the money; Mr. X signs a note promising to pay the Rs. 100 at some set future date. Mr. X may take the cash but the likelihood is that the bank will simply add Rs. 100/- to his chequing account on which he can write cheques as he wants to use it. In

this case the bank has received no money in addition to what it previously possessed, yet Mr. X's deposits has been increased by Rs. 100/- The bank has "created" Rs. 100 of new deposits, increasing by this amount the total volume of money in circulation. The bank has taken the debt of Mr. X which cannot serve as money and given him in exchange its own promise to pay cheques which constitute widely acceptable money. This exchange has benefitted both i.e. the banker and Mr. X. The bank will receive the interest on the deposit it lends to Mr. X. The banks balance sheet will now show Rs. 100 more in demand deposits; on the assets side, loans have increased Rs. 100/- since the bank has the X's promise to repay Rs. 100/- Thus the balance sheet will still balance but with each side Rs. 100 larger. Rs. 100/- is a complete addition to the supply of money and its effect is similar as if the bank had simply printed Rs. 100/- of paper bills. Now this loan will be spent by Mr. X and if he has issued cheques to Mr. Y and Mr. Z the amount will be still larger and will be still going stronger like White Horse Whisky. As long as everyone continues to do business entirely by cheque system, there is no urgent reason for the bank to have any given amount of cash to back its new loan. This newly created deposit can be spent and respent an indefinite number of times, giving rise to an indefinite rupee amount transactions and money income payments before the loan is finally repaid. Repayment of loan will of course extinguish the credit created by the bank's loan. Thus it is quite clear that the commercial banks create money. Creation of money of the same sort takes place through the purchase of securities by the bank. Suppose that instead of lending X Rs. 100/- the bank buys the Reserve Bank of India's government securities and pays for it by giving the Central Government a Rs. 100 chequing account. Again the money has been created this time giving the government the power to draw the cheques. Just as the bank can create money so also it has the power to destroy money. The aim of the banks is to maximise profit and to achieve their objective they expand the credit during boom times and wash their hands in the flowing water of the river and contract credits during crisis and thus intensifies the severity of booms and depression. Inflation and deflation are not only created by the expansion of money supply by the Reserve Bank but the commercial banks play important role in intensifying business cycles. At present what we have is currency cum credit inflation and the main culprits are the commercial banks. The fact that banks are required to hold only fractional reserves behind deposits makes it possible for them to expand loans and investments on relatively small reserves, and the desire for profit leads them to take advantage of this expansion possibility. The fact is that the expansion has gone so far forces drastic contraction in bad times when depression sets in. This creation and destruction of money is possible only because the banks do not have to hold 100% reserves behind deposits. Lower the percentage of reserves required, greater becomes the power of the banks to create money in good times and likelihood of drastic contraction in bad times. This is what happened in the post war period in our own country. According to the Reserve Bank of India's Act the banks have to keep a small reserves behind their deposits and this very fact enables them

to create money in order to earn maximum profit.

The fallacy in the arguments advanced by Mr. Eggleston and others lies in the fact that they failed to distinguish the two kinds of deposits. As a matter of fact they have considered only one kind of bank deposits, namely "primary deposits" to suit their convenience. Deposits also arise when accommodation is given by the banks in the form of loans. They are known as "derived deposits" and they add to the supply of money. If the editor of INDIVIDUALIST had seen this distinction he would not have "capitulated". When a bank grants a loan to the customer, it usually does not pay the amount in cash as assumed by Mr. Eggleston, but simply credits the customer's accounts with the amount of the loan. Of course there is nothing to prevent the borrower from withdrawing the entire amount if he so wishes. But more often he retains the amount with the bank as a deposit. Thus the loan which a banker grants to a customer creates a deposit. He can utilise the purchasing power against the goods and services. The receiver of the cheque may deposit the sum in the same bank in which case his deposits would increase while that of the giver decreases. In case the borrower has account in some other bank, the deposits of the bank would increase.

Creation of money by the banks also takes place when the banks discount the bills of exchange. The bank credits the customer's account with the amount of the bill deducting interest for the period the bill is yet to run. Thus in exchange of a bill the bank gives a deposit and additional money comes into existence.

If a bank buys a security such as government bond, it creates the sellers account with the amount and the deposits of the bank would increase by the amount. The seller may be a customer of the purchasing bank or some other bank. But the purchase of securities by any bank increases the deposits either of the same bank or some other bank. These deposits represent the debts of the bank to the public and are always covered by the assets the people have offered to the bank. So the process of creation of bank deposits is essentially an exchange of claims. The economic significance of these deposits is that they can be used as purchasing power and the creation of deposits therefore adds to the total supply of money. These deposits are money while the assets which are exchanged against these deposits are not money.

Thus bank deposits arise in two ways. They arise when cash is received from customers by way of deposits or when accommodation is granted to customers in the form of loans. The depositors may find it convenient to make payment by cheque rather than by cash. Every day the banker would be receiving cash and paying cash across the counter. The banker need not keep the entire cash in vaults. In that case he will be a loser. So the banker would lend a greater part of the cash to the customers who pay higher rate of interest and therein lie the profits of the bank. The extra sum that he is able to lend over and above the cash that he receives from customers may be considered to be money created by the bank. This is the significance of the statement that banks are not merely traders in money like other institutions but manufacturers of money.



# Capitalism and The Economic Crisis

By G. N. L.

**E**VER since Marx propounded his famous theories of the class struggle and the dialectics of materialism, both the democratic ideal of society and the capitalist system of free enterprise have come in for a great deal of destructive criticism from many points of view. The obvious inequalities now obtaining in the world, the extensive but avoidable volume of starvation, misery and stunted growth of the people have been used as conclusive evidence of the inadequacy of the capitalist system to promote a juster and better social order, and to claim that such a consummation can only be hoped for under Socialism.

More specifically, the target of communist and socialist attack has always been the recurrence of trade-cycles, of recession following booms which are said to be an incurable concomitant of the capitalist system. Planned economy, it is claimed, would eliminate these defects and maladies, and make for a progressive and dynamic society.

Prof. Mises has however joined issue with the socialists and has examined the claims with his usual care, thoroughness and candour. His first point is that a planned or controlled society is a closed society which would deprive the individuals of their precious heritage of freedom and initiative. Society is by its very nature dynamic and progressive; and no attempt can be thought of to control it all along the line. The central authority that is available in a socialist system can control some forces or tendencies which are material or ponderable. But there are other forces of a variable kind which cannot be controlled in like manner. The changes of the seasons, the kind and quality of crops raised at different times in different parts of the country will still elude the control of man. Nor can control change the size or age-groupings of the population.

What state socialism can do is to regiment the people, distribute or vary the tempo of production, and exercise its monopolistic powers to make a hash of the natural laws of supply and demand. In a free society and free economy, the consumers are the arbiters of what should be produced and not the capitalists or the state. The profits of entrepreneurs arise from the extent of their ability to satisfy their customers. This important factor would disappear in a controlled economy; for the consumer is invariably left with a Hobson's choice, since the monopolistic position of the state puts him at the mercy of the bureaucratic machine. To the extent that even a socialist system recognises the right of the consumer to indicate his preferences, it takes on the character of a free society which is its antithesis.

It is not denied that there are trade cycles in free, capitalist societies. But it is far better to anticipate them or mitigate their adverse effects by preventive or ameliorative action than deprive the individual and community of their inalienable right to the opportunities and responsibilities of freedom. The only way in which these trade cycles can be eliminated—whether in capitalist or socialist societies—is to cut down the standards of life. This is so patently retrograde that no one would commend it as desirable.

The real dilemma therefore is this: Are we to have the closed order of static socialism with consumers at the mercy of the state or some other centralised authority with freedom completely lost—or, are we to plump for a free economy and then interfere with it only to the extent of mitigating the hardships of inevitable trade-cycles?

Another important contention of the socialists is that there would be no trade secrets among enterprises in a socialist set-up. Of strategic secrets whether in war or peace, there is, as we have ample reason to know, no real secrecy possible. It is only the common uninstructed mass of men that are over-borne with the idea of top secrets. But even apart from this, there is a good deal of mutual exchange of information now going on between confessedly rival enterprises in the same field. If even under competition such pooling of information is possible in the interests of the consumer, it is difficult to see how socialism scores over it in this regard.

Finally, whenever a socialist or centralised authority begins to pay some attention to the needs of the consumers, the element of competition inevitably comes in, thus vindicating the superior efficacy of free economy and society, over socialism. What is needed is to allow free scope for the operation of market economy, and for the state to intervene only to the extent of allowing prices to find their level, and to put down monopolies which are largely the creation of the state itself. Socialism thus deprives us both of freedom in the political sphere and freedom of choice and competitive prices in the economic sphere.

## World Bank And India

**T**HE World Bank's relationship with India has been helpful and extensive. It has not only granted loans for the economic development of this country, but took active part in sponsoring the international financial talks at Washington in August last as a result of which ways and means were found to provide foreign exchange necessary for the implementation of the over ambitious Second Five Year Plan. India was in great difficulty to find foreign exchange and the timely help of the World Bank enabled India to tide over her difficulties.

The Bank has by now lent us 510 million dollars for thirteen enterprises in the public sector and for seven in the private sector. In no other country has it invested so much. All the loans to the private sector have been guaranteed by the Government of India. The first loan given by the Bank was in 1949 i.e. before the First Five Year Plan. Since then the Bank has been of such consistent help with loans that the basic structure of India's economy has been greatly strengthened. The importance of these loans should not be judged merely from the point of amount but also from its "multiplier effect" upon our economy and on other countries. Through the World Bank other investors have become interested in India and they have come forward to render help to our country and our

foreign exchange difficulties. It is on account of the World Bank that private borrowers from India could enter the American capital market (not the Russian market) for loans. American and Canadian private Banks participated to the extent of 15 million dollars. On the side of India, the loans received from the Bank were properly used. Government and other borrowers have so far drawn 240 million dollars out of which 27 million dollars have been already repaid.

As a result of this extensive relationship, there has been constant consultation between the World Bank and the Government of India on many important matters. In normal condition the Bank before granting a loan sends its experts to visit the country, examine the proposals or examine the progress achieved so far by the country in the projects financed by the Bank. As the Bank has made 20 loans to India, it is but natural that it should have up-to-date knowledge of India and its problems. In order to get first hand knowledge of India, the Bank economists visit this country from time to time, and a Resident Representative of the Bank is stationed at New Delhi.

The World Bank has not only given aid to improve transport, but it has taken great interest in the agricultural and industrial development of this country. It has also lent for the development of Damodar Valley Project and TISCO project. The Bank is also active in another sphere at Bombay. I.C.I.C. of India was established due to the help given by the Bank. Although its headquarters are in Bombay, yet its activities are not confined only to that particular area. The Bank is also helping the Tata electric Industries to increase their supply of electric power. The company is expanding its activities on account of the loans given by the Bank.

Thus it can be seen that it is the World Bank that has played a vital role in the development of our country and not Russia as claimed by Communists at Madras. The whole credit of our economic development should go to the Bank which is very largely financed before S.A. and not to any other country. It is hoped that the relationship between India and the Bank may become more and more extensive directly with its and indirect so that the development of our country may be more rapid.

### The Indian Tax-System

It is a truism to say that every tax-system should be based on the twin principles of equity and justice. The grand aim of a tax-system is to promote through just means far-reaching social changes which are the result of many other complex factors as well. Taxes must be so contrived that each man pays according to his ability, at the same time, its proceeds should be available to ameliorate the condition of the people at large. It should not discourage saving and investment, but stimulate them by raising the level of both individual and national income.

In a Welfare State based on a so-called 'socialistic pattern of society' such as ours claims to tend to, the entire structure and principles should stimulate higher norms of production and consumption. But thanks to our policies being laid down by doctrinaire pandits, the measures of taxation devised have taken on a confiscatory character with adverse results of the national

economy. When private enterprise is stifled instead of being encouraged, a series of chain-reactions follow ending in stagnation, over-production and under-consumption and each trying to 'beggar his neighbour.' We want to achieve a favourable balance of trade with the rest of the world while adopting restrictive measures and tariff walls which shut us out of the world's markets. The result is the unfavourable balance of payments position which has sent us a-begging all over the world.

In order to cure inflation, the only way is to increase productivity and thus keep pace with the supply of ready money. This balance cannot be achieved unless private enterprise is given a free hand. The natural factors of production are not given a free and no favour. But thanks to the chronic interference of the government in this sphere under cover of their planning objectives, disturbances have occurred which have destroyed all the incentives to progress and prosperity. The restoration of a free market economy is the most urgent and simplest of reforms to nurse the body politic to reasonable health and strength. But the spokesmen of the official policies now in force preach austerity to a half-starved people as the way of achieving prosperity for the morrow. It is forgotten that in the meanwhile they perish!

Capital and labour and management are equal partners in the production of new wealth; and where there is intelligent cooperation between them as in Germany and Japan, specially after the war, the results have been invariably spectacular; and all the interests have reaped adequate rewards for their labours. There is at present among us another obstacle to the achievement of higher productivity. This is the system of monopolies and controls devised by the government or operated by it in ways that are detrimental to national interests. The government abuse of monopoly through control manipulations of import and export has been a major source of public corruption in our land. In the name of people's welfare, they are really squeezed to profit privileged groups and interests.

Another index of prosperity is the increase of purchasing power among the masses. The fact that our production has not been absorbed in our own country proves how the purchasing power of our people is shrinking instead of growing. We export at a loss and recoup it by mulcting the domestic consumer of the difference in price-levels at home and abroad. The only thing that we have manufactured out of all proportion in the post-war years is paper money; and it has contributed directly to the present inflationary condition. The solvent of monopoly itself is more production and a free economy which will push up wages in direct proportion to demand and supply satisfying the consumer. Equality without equity is a crime. A Welfare State cannot afford to dispense with justice; indeed it ought to be more consciously just and fair; otherwise anarchy would result.

What we must now fight more than all other dangers is this creeping burglar of inflation. Let us concentrate on the production of ther than paper-money, and we will immediately see a miracle occurring before our eyes. Not by killing the goose that laid the golden eggs, but by fattening it can the prosperity of a nation grow from more to more. This means that the government must allow natural free scope for market economy; it is the only road to national-prosperity.

# CA IRA

By Azad

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THESE words are the refrain of a song which shaped itself during the hectic days of the French Revolution. Men and women intoxicated with the message of Freedom, and even more, gloating at the familiar scenes of the hated aristocrats being hanged to the street lamp-posts went about in groups singing and dancing to the accompaniment of song. In plain English it means: 'It will go on.' The reference was of course to the revolution, and it sums up the hopes of all those who are bemused enough to embark on a journey without very much bothering as to when or where they were to arrive. But the prospects unfolded by the rallying cry to the simple-minded were of a proletarian holiday round the corner of which we have had many sacrificing examples in our own time. When Lenin declared that he was assisting in a 'permanent revolution', he was in reality repeating the essence of the old French Carmagnole with its heady refrain, 'Ca Ira!'

But a permanent revolution is a contradiction in terms. It is like a tight-rope dancer offering to spend his entire life-time balancing himself on a precarious foot-hold. There are more exacting and prosaic things he has to do if he is not to take leave of his reason and life itself. The truth about revolutions is that they are long brewing, but explode in brief though also volcanic outbursts. Clearing the debris takes much longer, and a new order—not so new after all—comes sluggishly into being.

Such is the alternating rhythm of life itself. Port after storm, rest after labour, joy after sorrow—a kindly nature provides these for us by turns, lest we should be corrupted by one good custom. Carlyle in his account of the French Revolution saw fit to conclude the story with the emergence of the Corsican soldier of fortune who with a 'whiff of grape-shot' officially terminated the drama that began with the storming of the Bastille. The revolution was over, and the French who had disgraced themselves by incredible excesses in the moment of their untrammelled freedom, thereupon proceeded to show they could excel themselves in the same good cause under the inspired leadership of a truly world-figure.

This historical parallel may help us to appreciate a subtle change that has been coming over the temper of the people of the world following the destructive fury of the second world-war. In the name of a revolution, the map of the world has been changed beyond recognition, while men's minds continued for the most part to move in pre-war grooves. Violent upheavals have destroyed the land-marks of many ancient countries and systems of polity, thanks to the evangelic fervour and scientific ruthlessness of the makers of our revolution. Communism became the hall-mark of the progressive, the intellectual, the emancipated, the dreamer and poet,—all converging with touching unanimity towards the one grand consummation to which the cosmic processes themselves were supposed to be tending.

But the golden age did not materialise as quickly

or according to specifications as was anticipated. Disillusion, frustration and lassitude overtook both the rank and file, and we have been witnessing the interesting phenomenon of a number of countries forsaking their new doxies, and content to go back on their traces to make a fresher start from well-tryed moorings. This is the real inwardness of the counter-revolution which first began with the protestant fervour of Tito, and which has just culminated in the installation of a one-man dictatorship in Pakistan.

The tactics of the victorious communist party of Russia involved a probing into the soft spots of enemy territory with a view to annex them to the growing extent and might of the Soviet empire. In the West, the rebuff came with the determination of tiny Greece and defeated Italy not to walk into the communist parlour. In the East however, a series of partitions gave new accession of prestige to Communism which seemed set for an inevitable swallowing of the rest in due course. But the rot has been stayed, and military governments from Thailand through Burma and Pakistan to the Arab world have served on the communist dictators 'notice to quit' their areas.

This, and not the question of democracy is the real issue underlying the counter-moves which we have been witnessing in so-called backward countries of the South-East Asian region. Tacitly if not openly, they are backed by America in their struggle to maintain themselves in the face of the threat of expanding communism. The celerity with which demagoguery has been put down in these countries is a hopeful indication of democracy being able to come into its own in proper time. The tasks of reconstruction involve hard work and unspectacular persistent, dogged effort. In advanced countries enjoying a mature outlook, the incentive for such work is generated by the people themselves, as witness for instance the marvellous manner in which both Japan and Germany have risen once more strong and chastened out of the ashes of their earlier selves. In the less mature countries on the other hand, we find a puerile glorification of revolution coupled with a poverty of idea and direction which is making them the laughing stocks of the more seasoned nations of the West. We have qualified for the first prize in this unenviable sphere of political exhibitionism and attitudinising.

The fountain source of all prevailing jitters in the world is communist Russia. Its aim is to keep the rest of the world disorganised so that its own task of consolidating the gains of the two world wars might proceed unhampered. For analogy, we have to turn to the England of the mid-Nineteenth century vis-a-vis the continent repressed on the one hand by the policies of Metternich and roused by the incipient rumblings of the communist manifesto. Britain's Foreign ministers notably Palmerston, adopted an identical policy whether they were tory or liberal; and it consisted in extending sympathy and active help to struggling nations fighting for their freedom from the oppression of the Hapsburgh empire. At home how-

ever the demand for reforms was sternly put down. Thus two birds were killed with one stone.

Today, Russia stands for rank reaction. A new generation of Russian technocrats, army chiefs, political bosses and other leaders have crystallised batten- ing themselves on the body politic while speaking with extraunction of the Marxist-Lenin continuum as the supreme dogma of their spiritual being. But freedom is crushed with a savagery which is reminiscent of the law of the Jungle. There was a major shake-up on the death of Stalin, and not long ago we were all led to hope that Khrushchev would loosen the reins. But we now see that a King Stork has followed King Log. These rents in the Soviet armour, these skeletons in the communist cup-board, though plain as pike-staff, are so side-tracked that they are not taken into account by the bemused and distant victims of communism.

After a sufficiently long period of expansion, emotional abandon and intellectual vagabondage, the present trend towards a sober appraisal of realities cannot be too strongly supported. We are the only country in the affected area in which unpreparedness, improvisation and tall-talking are the order of the day.

As the poverty of the results achieved becomes

more and more evident to the common man, and he continues to be bled white to gratify the whims and vanities of our leaders, the stage would be ideally set for a similar move to counter either an aimless or noxious drift to national disgrace and disaster.

Let us not lay the flattering unction to our souls that democracy is functioning among us better than elsewhere. If it functions at all, it is as mere stage property, without life, volition and purpose of its own. Wherever it has shown a disposition to think and act for itself, it has been badgered into immobility and frustration by the manoeuvres of party bosses. A man from nowhere now dominates the Pakistan scene so completely that the world has come to accept him as if it had known him for years. The moral of it is that the occasion always calls forth the man. Our present leadership will be thrown on the scrapheap as inevitably and pitilessly as its counterparts have been elsewhere and not far from home. For what the country needs is not revolution day in and day out—enough for us that the planets do their share of it—but a clean-up of the Augean stables of corruption, nepotism and maladministration thriving under the facade of democracy. If this is the only type of democracy that we can produce, then let us destroy it with a will, for it is unrelieved evil. May we be saved from our leaders who have been too long and too much with us!

## A Blow To Export Trade

Mr. Nehru was not very wrong when at his last press conference he dealt, rather ungraciously with the suggestion made by the Chairman of the Textile Export Promotion Council on India's difficulties in the export of textile goods because of "dumping" by China. The Chairman of the Council had suggested that the Prime Minister should take up the matter diplomatically with China or ask President Nasser not to allow such Chinese goods into Egypt. When the Prime Minister's attention was drawn to this suggestion, he observed that "this kind of thing is not done." The Prime Minister also advised—and again he was not wrong—that instead of crying and shouting about the Chinese competition, "we have to face it."

It would, however appear that the Prime Minister, like the Chairman of the Textile Export Promotion Council himself, mixed up two separate things. While any-suggestion to an independent country like Egypt about where it should buy and where it should not is both unwise and uncalled for, a diplomatic move is more than indicated to dissuade China from what is normally known in trading circles as unfair practices. The impression that the Prime Minister has given is that India would be able automatically to overcome the difficulty created by the Chinese competition. He seems to pin his hope on time and on change in the pattern of India's export trade. The basic exports like jute, tea, ec., as also the textiles which "had come into the picture during the last few years" would, he said, continue and the pattern of India's export trade would change as indicated by the "exports of small machines and the like which are going up." Admittedly Mr. Nehru knows more about the actual posi-

tion as to which item of India's export trade would remain not only unaffected by Chinese competition but would improve prospects of export trade in general. But it is curious that the very item cited by him as indicative of the change in the pattern of India's export trade has also been considerably worsted by the Chinese competition. Light engineering goods, as well as various items including traditional ones, are under the threat of being elbowed out of the countries of South-East Asia, Africa and the Middle East. And all this is happening because the buyers find it abnormally cheaper to buy Chinese goods.

If the Prime Minister paused to examine the chief ingredient of the Chinese "cheapness", he would not find the main operative part of the suggestion by the Chairman of the Textile Export Promotion Council wholly devoid of propriety. China has been able to sell cheap in India's traditional markets because of its massive subsidies to its export trade. According to one report, not challenged so far, China is doing it to the extent of over Rs. 100 crores annually. When one adds to this the ban on strikes and demands for increase in worker's wages, which is a normal feature of all the so-called worker's States, one would be unable to escape the conclusion of purposive dumping by that country. And this manifest unfair trading practice would be an eminent subject for a diplomatic move by this country. If China is really as friendly to this country as it is sometimes made out, it ought to have refrained from doing India in the belly, as they say. During the last six months alone India has lost export trade of over Rs. 50 crores.

—Thought

# DANGER IN THE FAR EAST

By Martin Bronfenrenner

AMERICA may soon face a new crisis in the Far East—not of Communist making but of our own. The location: Japan. The cause: The Japanese-American Mutual Security Treaty negotiated by John Foster Dulles in 1951, before his elevation to the Secretaryship of State.

This treaty with its accompanying administrative agreement was part of the price Japan paid for ending the Occupation. Formally by the text of the Treaty, the Japanese government invites American troops to remain in Japan as a Security Force until the countries agree that Japan can defend herself. (Japan cannot simply withdraw the invitation.) Japan also promises to provide the Security Force with bases, financial assistance, "logistic support," and so on.

From the beginning, the treaty and the administrative agreement have been anathema to the Japanese Left. The Left makes up a full third of Japan's electorate. It includes a majority of Japan's youth, intellectuals, and urban workers. It has gained strength in every election since 1949 and may eventually take over the government in free elections. Socialists, Communists, and minor Left parties unite with the Nationalists of the extreme Right in demanding abrogation of the treaty. Their opposition appears to be gaining strength, to the point of sporadic outbreaks of resistance by peasants and fishermen when farm land or fishing grounds are taken over under the treaty for military facilities. A formal organization to modify the treaty was also established in Tokyo in the spring of 1957.

Denunciation of the Mutual Security Treaty by some future Japanese government would leave the United States in a delicate position. The Americans could sit tight under the letter of the treaty, which does not permit abrogation by Japan. If they did defy Japanese opinion, the result would be a worldwide propaganda campaign against arrogant "American Imperialism." If they left under pressure, their loss of face would be comparable to the loss suffered by Britain in evacuating Suez under Egyptian pressure in 1955—not to mention 1957. Surely it would be preferable to forestall any such dilemma by generous unilateral modifications of the treaty, before the hostile pressure has built up too far, and thus avoid the persistent "too little-too late" of Western concessions elsewhere in Asia.

The Americans wisely made a few concessions in carrying out the administrative agreement itself, despite some objection from the armed forces. The most important was the renunciation of extra-territoriality. An expensive concession has been the steady transfer of American installations away from large cities, where they remind the Japanese of the equivocal character of Japanese independence, to comparatively secluded areas where they must often be rebuilt completely. In the summer of 1957, following talks between Premier Kishi and President Eisenhower, plans were

formed to withdraw American ground forces almost completely, but leave naval and air units in Japan. At the same time America has lessened her opposition to Japanese economic pressure for trade with the mainland of China as a replacement for the dollars spent in Japan by the American military, and Japanese trade with China does not however, involve the security treaty or the administrative agreement in any direct fashion.

## TERMINATION PROCEDURE

A method should be set up within the treaty whereby the Japanese government could, if it so desired, withdraw its invitation to the American Security Force, without either removing the "no-war" clause from its Constitution or extra-constitutionally building up its "defense forces" to the level the Americans deem adequate. On the other hand, the Security Forces should not have to shut up shop in consequence of a single captious "Yankee Go Home" majority in the Japanese Diet. Perhaps the Japanese should be permitted to terminate the treaty by a two-thirds vote in both chambers of the Diet. Another possible procedure might be to permit termination by simple majorities in two or three successive Diets.

## BUDGET PROBLEMS

Maximum limits should be set on the size of the financial subvention to be provided by the Japanese each year for the logistic support of the Security Force, but the most delicate budgetary problems relates to Japan's appropriations for its own defense force. The American and Japanese military, acting separately or in concert, allegedly hide behind the provisions of the Mutual Security Treaty to railroad through the Diet without adequate discussion military appropriations which many Japanese would prefer to see devoted to welfare expenditure or returned to the people in tax reductions.

## LAND PROBLEMS

Modifications should be made in the procedures by which the Security Forces acquire land for expansion of their facilities. This is particularly important in the case of the Air Force, which requires longer runways for jets than it used originally for propeller planes and which must take over level farm land for runway extensions. The current procedure permits land to be taken over without the approval of any Japanese agency, although landowners are compensated at fixed prices by the Japanese. This procedure has given rise to outright anti-American riots, which were notably successful at Sunakawa on the outskirts of Tokyo. A possible solution would be a requirement for Japanese Diet approval of any expansion of Security Forces land holdings in land-poor Japan.

## LABOUR PROBLEMS

The issue here involves civil rights on the one hand, military security on the other. The Japanese workers in American bases include a good many active Leftists. Security on the American bases in Japan leaves much to be desired; secret American information sometimes appears in Japanese political and technical magazines. The Americans believe these facts related since the Japanese Communist Party has tried to infiltrate the strategic ranks of the base workers. But possessing inadequate evidence against individuals, some American commanders would like to "purge" all their leftist Japanese employees, using the standards used to weed out "security risks" in America. Japanese labor law, on the other hand, safeguards the civil rights of workers more carefully than does American. Dismissal of workers on political grounds is forbidden without proof of specific betrayal of trust. Japanese labor leaders are predominantly Socialist or Communist in sympathy, and are in no mood to tolerate exceptions to Japanese labor law, particularly exceptions resembling the Taft-Hartley Act or "McCarthyism," two of their pet abominations.

A possible solution might be the replacement of Japanese workers in sensitive categories by Americans, either military or civilian. At the same time, as many Japanese as possible should be transferred to less sensitive positions, and severance pay given to any who lose their jobs. This would be expensive for the Americans, but the only alternative seems to be observance of the Japanese labor code in both letter and spirit.

## MORALITY PROBLEMS

Here are delicate issues, where mutual recrimination abounds. If we listen to some Japanese views, expressed in books like *Chastity of Japan*, American G.I.'s are debauching Japanese womanhood at a wholesale rate and in full view of Japanese childhood, while Japanese authorities are powerless to intervene. If we listen to some American rebuttals, clean-living G.I.'s are being enticed into drunkenness, drug addiction and venereal disease by wicked Japanese prostitutes, with the connivance of the Japanese authorities. There is agreement on only one point: most of the American base areas are what fundamentalist preachers call "Sodom and Gomorrah" or "dens of iniquity."

The facts seem to lie between the opposing explanations. Japanese law regarding prostitution has only recently become puritanical and its enforcement may never reach the general American level. Prostitution has been a sizable source of Japanese public and private revenue, not to mention foreign exchange. A minority of Americans, on the other hand, run amuck when faced for the first time with the combination of loose laws, loose women, and immunity from home town public opinion, and compress a lifetime of high living into their tour of Japanese duty.

No treaty amendment can do away with this chronic source of Japanese-American ill-feeling. One possibility might be to give Japanese authorities, local as well as national, the power to declare questionable areas off limits to Security Forces personnel, and to give Japanese police the power to enforce these regulations along with the Americans M.P.'s. This might

not accomplish a great deal. The red-light districts around Sasebo and Tachikawa would probably stay open, and would still be poor places to establish female seminaries or bring up adolescent daughters. But responsibility and power would be shifted simultaneously into Japanese hands.

## THE RYUKYU ISLANDS

America occupies these islands, Japan wants them back, and the inhabitants prefer Japanese to American rule. The population of the Ryukyus and other offshore islands south and southwest of Japan is racially and culturally related to the mainland Japanese and is even more nearly Japanese in sentiment and allegiance.

There are widespread complaints that the civil rights of leftists and pro-Japanese Ryukyuan are being suppressed. American popularity on Okinawa has fallen to the point where no frankly pro-American candidate has a chance in a major Okinawan election.

The Northern Ryukyus (the Amami-O-Shima group of islands) had been administered as part of the island of Kyushu prior to 1945, and on this basis they have been returned to Japan. Unless similar action is taken in the other islands, or unless United Nations trusteeship is established, there is every prospect of another Cyprus in the Pacific.

## THE KURILE ISLANDS

This chain stretches north from Hokkaido to Kamchatka roughly paralleling the Siberian coast of the Soviet Union. The islands were Japanese-owned and Japanese-inhabited until 1945. Since that date, they have been under Russian occupation. The Japanese have negotiated with the U.S.S.R. for the return of some of the islands, especially the Habomai group nearest to Hokkaido, but the Russians have been intransigent. It would be a costless move for the United States to renounce any rights to military installations of any kind on any territory which may be returned to Japan by the Soviet Union as a result of negotiations between the two countries. (It might have the added advantage of calling a Russian bluff.)

When the United States granted independence to the Philippines in 1945 it was under no Philippine compulsion. The grant of independence was generous fulfillment of a generous promise; it was also an astute political move from a selfish American viewpoint. When the United States ended the Occupation of Japan in 1951-52 it was under no Japanese compulsion. The ending of the Occupation was another astute political move from a selfish American viewpoint. We believe it is high time for the United States to make another such gesture in the Far East. Before Japanese pressure builds up to a threatening point, the United States should amend certain provisions of the Japanese-American Mutual Security Treaty and its supporting Administrative Agreement, which have galled the Japanese and inspired anti-American agitation in Japan. Such amendments would be generous concessions. More important they would also be astute political moves from a selfish American viewpoint.

—The Progressive

# THE EXIT OF MIRZA

(From Our Correspondent)

THE day he handed over all power to his Commander-in-Chief, Mirza's days as President were numbered but even the most cynical could not have forecast with assurance that the friendship of these two, which had lasted thirty years, would not bear the strain of power politics for thirty days. It has been well said that two beggars can share a rug, but two princes cannot share a throne. Here it was not even a question of sharing power, for it had been delegated to Gen. Ayub Khan. The latter's impatience to consolidate his position shows that the present ruler of Pakistan is made of the same stuff as his predecessors and may, like them, naturally arouse hostility against himself with consequences which no one can foretell. Much will of course depend on the fear the Army is able to generate and its own cohesion.

The fact seems to be that, with the appointment of Gen. Moosa as Commander-in-Chief of the Army, Gen. Ayub Khan's position became weaker vis-a-vis the President. The latter could with Moosa's help oust Ayub any day. So Ayub lost no time in ousting Mirza. The reasons given for Mirza's resignation are not likely to convince any one. Ayub has in any case set a bad precedent. The haste with which Mirza was made to leave for Quetta and then for England shows that the grace shown by Mirza has not been reciprocated by Ayub. Wags here are recalling Mirza's advice—amazing levity in a President—to the leaders of Pakistan to 'flee the country while the going is good' and his claim: "I know how to run natives." The situation in Pakistan may be summed up in the observation that ruthless ambition and lack of character which have been so marked a feature of the country reign supreme, the only difference being that Army men have replaced civilians.

## NEHRU-NOON AGREEMENT CANCELLED

For India, the threat of war held out by President Ayub Khan, should be deemed to cancel the Nehru-Noon Agreement; for the very basis of it was the resolve on the part of the two Prime Ministers to settle all outstanding differences between the two countries peacefully and amicably. For India not to declare the present Pakistan Dictator's threat of war as abrogation of the Agreement would be a sign of pusillanimity which can only encourage the military junta of Pakistan to go ahead with their bluff and bluster and ultimately tumble into war with India.

For the benefit of those whose memory is not particularly strong the following is worth quoting from the joint communique issued by the two Prime Ministers on September 11, 1958:

"The Prime Ministers further agreed that, pending the settlement of unresolved disputes and the demarcation and exchange of territory by

mutual agreement, there should be no disturbance of the *status quo* by force and peaceful conditions must be maintained in the border regions. Necessary instructions in this regard will be issued to the respective States and to the local authorities on the border."

It cannot be argued that the phrase "unresolved disputes" in the paragraph quoted above from the joint communique of the two Prime Ministers refers only to border disputes, for the concluding paragraph of the communique was:

"The Prime Ministers agreed to keep in touch with each other with a view to considering various steps to be taken to further their common objective of maintaining and developing friendly and cooperative relations between their two countries."

The naval exercises now being carried out by the Baghdad Pact powers off Karachi might have been scheduled to take place long before Gen. Ayub Khan appeared on the scene as President of Pakistan and started hurling threats of war at India, and need not frighten any one here; but it is being pointed out that they cannot but be considered an unfriendly act towards India by the other members of the Pact, particularly as they are being held at a time when the President of one of the member States (bordering India) is threatening war on her. Not one of them, not even Britain, the leading member of the Commonwealth, has seen fit to register a protest against Ayub's bellicose utterances.

As for the United States of America as a result of whose military aid to Pakistan the latter is able to threaten a country four times its size, it is being pointed out here that the American Military Mission in Pakistan is integrated with the Pakistani Army down to the level of junior staff officers. Wisdom consists in anticipating difficulties and not feeling annoyed over them or ignoring them. The folly of refusing American military aid when it was offered us—by a far greater act of folly of the Nehru Government—will loom larger with lapse of time as Gen. Ayub consolidates his position in Pakistan.

## REVIVAL OF HINDI AGITATION

In view of the developments across the border it seems rather amazing that a convention of the Punjab Hindi Raksha Samiti should have unanimously recommended to the Sarvadeshik Bhasha Swatantrya Samiti, its parent body, "to resume the suspended satyagraha immediately, but not later than a period of two months." These lovers of freedom forget their zeal for freedom when it comes to a question of forcing Hindi on those who do not want it and prefer English.

(Continued on Page 19)

## ON THE NEWS FRONT

### How The Assamese View The Latest Cease-Fire-Agreement

It has to be recalled that the trouble on the Assam frontier has been of chronic duration and intensity. The little settlements at Karimganj and Bhangebazar were the specially chosen targets of Pak aggression, and nearly 70,000 on the border were victimised in the usual ways. Their trade with Sylhet was disrupted and they suffered casualties. Similar hardships had to be faced by our people on the Cachar Sylhet border. The culmination of these depredations came with the forcible occupation of the village Tukegram by a contingent of Pak armed forces.

When the meeting of the two-Prime Ministers took place, it was the general hope of the helpless people of the affected area that the intruders would be ejected or persuaded to withdraw as a condition of the cease-fire. But to the consternation of all, it now turns out that the village of Tukegram is to change hands from India to Pakistan without reference to the wishes of the people concerned. The other announcement that the task of demarcating the boundary line suspended some time ago is to be resumed though good in its own way, is not consolation enough for the gratuitous loss of this village. The assurance has been indirectly given that Tukegram won't be gifted away but would be reviewed, offers a ray of hope, and it remains to be seen if it will materialise in our favour. But the present control of the area by Pakistani forces is a disquieting sign.

Nor has the so-called cease-fire been honoured by the other side. Depredations by Pakistanis continue across the Indian border, and bamboo forests and timber have been felled down and are being carried away cooly into Pakistan from Indian territory. Worse of all, the full picture of the pact agreed to by the Prime Ministers has not yet been disclosed. Details that have been leaked make it clear that we are to give away 28 sq. miles of Assam, Tripura and Cooch-Bihar and recover only about 17 sq. miles from the other side. In more concrete terms, it is understood that the fate of 30 villages, all Indian, seems to have been sealed to their detriment. "What do a few acres mean this way or that?" asked the Prime Minister of India airily soon after the meeting with his opposite number from Pakistan. But he forgot to remember or admit that the acres protect, feed and clothe thousands of our countrymen who have as good right to have a say on their future as the rest of us.

The so-called surrender by Pakistan of its claims over Bholaganj was a piece of tendentious propaganda. They had no more right to it than they have to Calcutta or Howrah. It had been put up as part of their claim to Kashi Hills as a whole which of course is untenable. Nor did our Prime Minister raise the fate of a group of twelve villages which Pakistan grabbed at the time of the Radcliffe award and added to their Sylhet area. The people of Cachar consider it a sore point and have tried in vain to persuade the Prime Minister to have it disposed of at the highest level. Pandit Nehru has however disappointed them by saying that if there was any dispute pending, it should

be referred to such tribunals as may be set up to dispose of other pending issues.

Thus the net result has been on our side; for we have lost some land, exiled some of our people and appealed Pakistan without any guarantee that final peace has been ensured between the two countries.

### The Dangers Of A Combined Left

ONE of the disquieting signs of the times is an uncritical but enthusiastic drift of all non-communist groups in the opposition to join forces with the communists to achieve short-range and limited ends. But it is forgotten that in all such coalitions, the major partner invariably turns out to be the Communist Party. It has always been the classical expedient of the communists in the West to sneak into with the splinter groups of the left, and then proceed to liquidate them piece-meal in the interests of their own aggrandizement. The secret of how Kerala fell a prey to communism lay in the fact that the P.S.P. and other progressive groups, disgusted with congress corruptions and inefficiencies, and unable to form an alternative ministry with their own strength were tempted to join hands with the communists who offered them seemingly fair terms. But once installed in power, they proceeded to consolidate themselves with the help of all the resources of the state unscrupulously turned to their own advantage.

The same situation is repeating itself in Bengal and Bombay. Patriotic but anti-Congress groups have entered into a pact with the communists who dominate the labour unions in Bombay; but when the day of reckoning comes, it is these splinter groups that will be first sterilised if not liquidated. In so-called bi-lingual Bombay, the folly of Congress has assumed Himalayan proportions. If the Congress high command desired to help communists to power, they could not have chosen a better issue than the so-called bi-lingual Bombay state. The Samyukta Maharashtra no less than the Maha-Gujarat Parishad have been riddled through with communists who have stiffened the agitation with far other aims than the mere achievement of linguistic units. The object-lesson of Kerala has apparently not pierced into the thick skulls of the Congress High Command; for while they deplore the growth of insecurity of life and property in that remote problem state, but do nothing to arrest the deterioration, here they are fiddling while the hearts of millions are burning with righteous indignation. Pandit Nehru swears by democracy, but chokes off its voice by refusing to give the legislators concerned freedom of speech and action. He invokes the sovereignty of parliament in a context where it is hardly indistinguishable from a species of central dictatorship or tyranny.

If bi-lingual Bombay has come to stay, it ought to follow that other experiments in bilingual set-up should also be tried *pari passu*. But any such attempt to put back the clock of progress would be countered by a revolt if not rebellion. So under specious pretexts and without disclosing the sinister sway of power politics and group interests, Pandit Nehru is stultify-



ing the national cause and sabotaging the ordered and peaceful progress of the nation. For the advocates of the linguistic areas in separation to give up the struggle would be tantamount to a kind of cowardice, unsupported by either expediency or necessity. To subject the people at large to such a painful dilemma is not the way of a statesman but of an egoist or megalomaniac who cares for nothing else so long as he occupies the centre of the stage.

#### YET ANOTHER SCANDAL UNEARTHED

Air-craft Ammunition and shells found dud!

The Times of India is responsible for revealing the details of yet another scandal in the purchase of defence equipment from a Swiss firm as early as 1954. It is said that when Air-force officers subjected the shells to routine tests, they either failed to explode or exploded prematurely. When asked what would have happened if the shells had been used in air-battle, the defence expert is reported to have said 'The pilot using these shells might not have come back to tell the story.'

The "scandal" came partially to light in 1957 when an Air Force officer connected with the inspection of the ammunition was said to have bought a car at a

*(Continued from Page 17)*

An editor of a local weekly once went so far as to say: 'If the South wants to separate on the Hindi issue, let it separate.'

It may in passing be mentioned here that he considers himself a super-patriot and is often found criticising Congressmen for their lack of patriotism. We Indians are politically immature and do not realise that in politics it is always a choice not between the best and second best—for the best is always impracticable—but between the second best and worse. When the history of our freedom struggle comes to be truly written, it will be found that Indian leaders often allowed their pursuit of the impossible ideal to prolong the struggle. They in fact made the impracticable best the enemy of the practicable second best.

Neither do they seem to realise that they have to preserve the freedom which the Attlee Government bestowed on India. The Americans could not have been more unpopular anywhere on the face of the earth as they were in Western Germany after the war, yet the German Government, freely elected by the people themselves, accepted military aid from the United States when it found itself facing Reds in Eastern Germany. It was able to prove the wisdom of its choice and won the elections again—Necessity knows no law. Yet here in India the refusal of American military aid, the crucial blunder of the Nehru Government, is accepted as a sound proposition by all parties. Why? Because we are such intense wishful thinkers, used to living in a fool's paradise. that we have convinced ourselves that Pakistan cannot last. The capacity to ignore facts staring one in the face is not exactly a proof of political maturity. Even today when it is India that is in danger and not Pakistan, we prefer to believe that Pakistan is disintegrating. That is the only inference to be drawn from the joy with which news from Pakistan is read and broadcast in India.

cost of Rs. 40,000. Doubtful if he had the means to buy it, the Special Police Establishment was on his track.

#### TWO ARRESTED

On April 12, 1957, Miss Mandeline Soriat and R. F. Web were arrested on charges of trying to smuggle currency out of India.

On information reported to have been given by them, a document has seized by the Customs officials allegedly involved the Air Force officer in unlawful activities.

The time for periodical inspection of ammunition was also drawing near. An inquiry into the quality of the ammunition was instituted.

The report of the scientific investigation committee was considered by other high-powered committees.

#### SIXTH INTERNATIONAL CONFERENCE

The Prime Minister of India, Mr. Nehru, will inaugurate the IPPF Sixth International Conference, at the Vigyan Bhavan in New Delhi, on February 14th, 1959. Mrs. Lakshmi Menon, the Deputy Foreign Minister, will be Chairman of the Reception Committee.

"Family Planning-Motivations and Methods" will be the theme of the Conference which, under the auspices of the FPA of India, will be in session from February 14th to 21st. Subjects to be discussed include population in an atomic age, cultural patterns and motivations, biological aspects of fertility control and evaluation of oral methods, laboratory and clinical testing, sterilization, infertility problems and education for family life.

Visits will be arranged to Ludhiana where a ten year population study is being conducted under the auspices of the India Government, Harvard University and the Rockefeller Foundation, and to the Government Institutes (Demographic, Family Planning Training and Contraceptive Testing) in Bombay.

Enquires about travel and accomodation should be addressed to Messrs. Trade Wings, Ltd., 30 Rampart Row, Bombay and 60 Janapath, Delhi. Application for registration forms and programme details should be made to Mrs. Avabai B. Wadia, FPA of India, 1 Metropolitan House, Dadabhai Naoroji Road, Bombay, 1.

#### THE MORE THE MERRIER A TALE OF DELEGATIONS

New Delhi: Nearly 500 persons—488 to be exact—went abroad at official expense in 1957-58 as members of 122 Ministerial delegations to foreign countries.

They spent over Rs. 25 lakhs, most of it in foreign exchange.

Inquires reveal that the Ministry of External Affairs sponsored the largest numbers of delegations—24. Other Ministries which sent more than 10 delegations abroad in the last financial year were Commerce and Industry 19, Finance 14, Defence 13, Transport and Communications 12.

In terms of personnel, however, Defence leads, having sent 128 abroad. External Affairs and Commerce and Industry were each responsible for sending more than 100 officials abroad.

External Affairs spent the most money on delegations—Rs. 7,89,706. Commerce and Industry spent Rs. 5,25,577.  
—Organiser

### INDIAN TERRITORY DEPICTED PART OF CHINA

New Delhi: The External Affairs Ministry of the Government of India is conducting an enquiry about a map published in a recent issue of the Soviet Weekly, "The New Times" in which some parts of India on the North East Frontier Agency (NEFA) and Laddakh in Kashmir have been depicted as belonging to China.

Informed circles here believe that the Ministry has contacted the Soviet Embassy in New Delhi in this connection and also referred the matter to the Prime Minister, Shri Nehru.  
—Organiser

### COOPERATIVE EMBEZZLEMENT

Bombay: Mr. T. S. Bharde, Minister for Corporation, in a written answer today disclosed in the Bombay Legislative Assembly that 639 cases of embezzlement took place in the Cooperative Societies in the State between 1952-53 to 1956-57. An amount of Rs. 18,72,445 and 6.135 seers of grains were involved in these cases, he said.

The Minister said that of these, 507 cases were investigated.  
—Organiser

### NEW "MIGHTY MIDGET" BATTERY IS SIZE OF WRIST WATCH

A tiny new dry-cell type electric battery, the size of a wrist watch has been developed in the United States. It can be recharged, is almost indestructible, and will last at least 10 years in active use, tests indicate.

It is expected that the battery will be of greatest value in portable radios, hearing aids, intercommunication systems, and other electrical and electronic devices.

Dry cell batteries at present are used most widely in flashlights and portable radios. When they are used up, they are thrown away. The new battery however, can be recharged over and over again to give it a long period of service.

The battery was developed by two scientists at the Naval Ordnance Laboratory here, while they were experimenting with different materials. Using lead, lead-oxide and silver powder for plates in an experimental battery, they found that they could make a "mighty midget" battery of a new type.

This was a single cell rated at 1.5 ampere hours, which produces nine-tenths of a volt of electricity. The ordinary flashlight battery cell, which is many times larger, gives only one and a half volts.

The new midget battery weighs only about 1.5 ounces and can easily be used with the transistorised circuits that have come into wide use in recent years in hearing aids, walkie-talkies, and other devices.

The "mighty midget" battery is covered by a United States Government patent, but has been released to the public for production and use.

—NEETEE.

### The School Of Living

Are you dissatisfied with the values most people live by? Do you feel that most men and women today have lost perspective on the fullness of life? Are you convinced that human beings reach their fullest stature when they lead balanced lives? If your answers are yes, you would feel at home in the School of Living.

The School of Living is an organisation of individuals, with headquarters at Brookville, Ohio, who protest the fragmentation, the injustice and the moral ugliness of modern life. Its members are trying to work out both for themselves and for experimental communities, a life which shall be personally fulfilling—educationally, intellectually, physically and emotionally.

Its long range plans aim to bring together fraternally those who are earnestly trying to hold out against the "illith" of modern civilisation. It welcomes those whose courage would be fortified by doing battle together against the infantilism, ignorance and cruelty of what passes for culture in our time. It welcomes writers, artists, intellectuals, teachers and intelligent laymen of every calling.

You can learn about the School of Living from its monthly journal. *Balanced Living*, from its annual congresses, from its local membership groups, from its literature, and from the individuals and organizations that devote themselves unselfishly to its goals. The School of Living does not claim to have the answers and it certainly does not have a rigid progress. But it does claim to be sincerely working towards the answers to many of the problems of which all sensitive adults are aware. A sample of its monthly journal will be directed to all who request it.

### Of Interest To Peace-Lovers

The War Resisters, International (W.R.I.) is the world's leading pacifist organisation with thirty affiliated branches functioning in 22 different countries. Its aims are to strive for the removal of all causes of war by abjuring violence in all human relations. Its members pledge themselves not to use force against others in their individual lives. Every one who subscribes to the statement that "War is a crime against humanity. I therefore am determined to not support any kind of war, and to strive for the removal of all causes of war" becomes a full member. Individuals and groups can become members of the W.R.I. by contacting the world organisation with its offices in England; address given below.

The W.R.I. is both non-religious and non-political but does not refuse membership to those who profess any religion. The acid test is their resistance to war and opposition to violence. The members of the W.R.I. engage themselves in recruiting membership to the brotherhood, in holding study-groups and discussion with a view to disseminate popular knowledge on many of the new inventions like atom bombs etc. They are pledged to reduce the burden of armaments all over the world. Above all they deny the rights of governments to encroach on the liberties of the individual.

For further information, intending members are requested to communicate with:  
The General Secretary, War Resisters' International,  
88 Park Avenue, Enfield, Middlesex, England.

## In Lighter Vein

Mr. Nehru suggested recently a rotating system of leadership for the Congress organization.

Always obedient, the top leaders of the Congress have placed orders for rotating chairs on which they will henceforth sit.

Addressing a meeting of his partymen in Chandigarh, Mr. Nehru said that "there were several evidences that the country was progressing. One sure proof of the progress was the foreign exchange difficulties it was now experiencing."

Two other signs of the country's progress are: (1) the ability of the people to pay very high taxes, and (2) their survival inspite of the mounting cost of living.

He is further reported to have decried frequent tours by Punjab Ministers. But then that is the only legitimate way of increasing their income.

The Rastrapati Bhawan (should not be misunderstood to be the house in which Uchchingra Dhebar lives) is going to be air-conditioned (estimated cost, about 50 lakhs) for maintaining the prestige and dignity of India. Foreign exchange shortage presents no difficulties where India's prestige is at stake. The Nehru slogan ARAM HARAM HAI is for the subjects only.

Addressing one of his mammoth audiences, Pandit Nehru declared: 'Socialism means to solve social problems scientifically.'

This may be considered a good example of a *draft* definition!

'In this atomic age or jet age we cannot afford to live in a feudal or primitive age, but must catch up with the progress of the West in the modern age.'

But even more urgent it is to get out of this sort of *-verbiage!*

'It does not matter what *-ism* we profess so long as we succeed in raising the standard of life of the masses.'

A combination of all these *-isms* will inevitably give us a *cataclysm!*

It is announced that President Rajendra Prasad performed the opening ceremony of a factory engaged in manufacturing explosives for the army.

If it will serve to explode Gandhism also, it would be of greater service to the country.

One of the Government Railway workshops in a northern centre has, it is understood, constructed a real toy-train on a 15" track to commemorate the Prime Minister's ensuing 69th birthday.

This should serve to remind us and our leader that he is retracing his steps to his second childhood!

The American mid-term elections have resulted in further gains of democrats over republicans. A notable Republican victory has however been that of J. D. Rockefeller as Governor of New York City defeating Averill Harriman.

Both are millionaires and spent money like water. It is also said that they gave abundant proofs of their readiness to eat any kind of food to convince the voters that they were plain, simple men like them.

This is considered a useful preliminary training for a politician to familiarise himself to the art of eating, if necessary, later on.

The Russian offer to build Egypt's Aswan Dam is expected to send up Russia's prestige in Egypt high.

It may be so, but the dam itself is unlikely to rise very much above ground, as there are disputes about it between Egypt and the Sudan.

A British cabinet minister named Lord Mancroft has resigned office to earn more from business than he could as a minister.

In our country, it is the other way about. People become ministers as the easiest way of earning more than they could by doing any other kind of work!

Referring to fears that our country would go bankrupt if our plans were not modified, Pandit Nehru denounced such talk as alarmist and assured us that there was no fear of our going bankrupt.

We quite agree; that is the look out of the creditors who are coming to our help. Borrowers have nothing to lose—not even their self-respect!

Seeing a number of women wearing purdah, attending one of his meetings, Pandit criticised the practice as barbarous and likened it to putting birds or animals in a cage.

Pandit Nehru was roused to rage

At sight of women in *purdah*;

He bade them break out of their cage

Since barbarism could go no further!

No matter how much care is exercised, clashes between generations are inevitable — Peter Blos.  
Sohrab and Rustom again.

The world's first vertical-take-off airliner could fly from the centre of London to the earth of Paris in 80 minutes

—*News Item*

How we wish some one could reach the heart of Paris!

The third sputnik sends its signal only when it flies over Soviet territory

—*News*

And not over Yugoslavia!

Indian engineers have devised a railway coach washing machine which does the work cheaper and faster. Collisions do away with the need altogether!

# LIBERTARIAN SOCIAL INSTITUTE, CHAMRAJPET, BANGALORE

## LECTURE III IN SOCIAL PHILOSOPHY SERIES

Professor M. A. Venkata Rao, Hon. Vice President, Bangalore Centre of The Libertarian Social Institute, delivered his third lecture on social philosophy on the 11th October 1958. The first modern thinker to be taken up for study was John Stuart Mill. In the second lecture a general background of the philosophy of individualism and empiricism was given under the three divisions of Nature, Man and God (or ultimate reality) with special reference to the status of society and social relations.

On the 11th October, a general introduction to the predecessors of Mill in political thought was given with special reference to the contributions of Hobbes, Locke and Rousseau. These thinkers used the idea and framework of the social contract as a transition between the state of nature and civil society to clarify the notion of individual rights vis-a-vis government and society. Hobbes worked on a background of materialism influenced by the Newtonian physics of the day, and sought to give a rationalist view of society and the individual. He pointed the state of nature prior to civil society as "brutish, nasty and short, a war of all against all." So he thought of civil government as resulting in a total surrender of the individual rights of life, liberty and property to government as a condition of peace and survival. John Locke, the philosopher of the bloodless revolution of 1688, envisaged government as only the agent

of society and individuals, appointed to act as an impartial magistrate. They retain residuary rights to dismiss government if it fails to fulfil its contractual duties of protection and justice. Rousseau introduced a deeper view of the relations between individual and society and thought of individuals as surrendering their legal personality to the State and receiving back their higher moral self under the condition of civil and moral society of which the government was the agent. In his view, the citizen was to be both sovereign and subject at once. Rousseau's higher thought of the State as the expression of the moral personality of individuals was developed by Hegel later. In the latter half of the nineteenth century, the Anglo-Hegelians (particularly T. H. Green and Bosanquet) developed the essence of Rousseau's ideas. Further Hegel, Plato and Aristotle and applied it to contemporary problems with the stress on social responsibility. This became an alternative to the individualism of Mill on which mid-nineteenth century liberalism was founded. Green pleaded for a positive liberalism transcending the *laissez faire* or non interference philosophy of the State. He gave a criterion of State action purporting to reconcile the freedom of the individual with the duty of the State to legislate on the problems of social and economic life.

Mill and the idealists broke with the natural rights theory of Hobbes,

Locke and Rousseau. Mill following Bentham formulated the utilitarian principle of the greatest happiness of the greatest number as the source of all morality and legislation. Much early reform was inspired by the greatest happiness principle. Green formulated the principle of social and common good limited by the negative, coercive nature of the government for obtaining a criterion of State action.

Mill assumed that the individual is the bearer of all the rights necessary for the achievement of happiness. These individual rights were limited only by the similar rights of other individuals. He conceded however that government will have to be given certain rights of interference with the sphere of individual liberty. To furnish a criterion of such interference, he divided the sphere of individual action and life into two sectors, one concerned with consequences primarily affecting the individual and the other dealing primarily with actions having consequences affecting others. All self-regarding actions were to be free of State action which was to confine itself solely to actions which interfere with other individuals. Bosanquet compared this view to a circle becoming a hexagon by the chipping off of portions of the circumference in favour of State interference. Man surrenders portions of his inherent circle of liberty to retain the remainder.

The lecture concluded with the reading of passages from the introductory chapter in Mill's book *Liberty* propounding this principle of State action based on the difference between self-regarding and other-regarding actions.

A copy of these passages in typescript has been placed on the table for reference by members.

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# Book Reviews

## India's Foreign Policy

**INDIA'S FOREIGN POLICY: A Critique** by Om Prakash Kahol. Price 50 nP.

In this booklet, Prof. Om Prakash Kahol attempts in brief, an analysis of India's Foreign Policy. The subject of foreign policy is usually vague and fluid; and different persons attach different meaning to this term. But Prof. Kahol's treatment of the subject is highly scientific and displays a high degree of objectivity. Prof. Kahol lays down a few significant criteria of a good foreign policy, in general, and then goes on to show how India's foreign policy has been a record of dismal failures for the last ten years under the leadership of Shri Nehru. A good foreign policy must be informed by the approval and support of the majority of people. Leaders and diplomats must not waste public money and their good offices to gain personal popularity officially involving themselves in disputes between other nations only to antagonize some countries cov-

ertly or overtly. The rights of citizens in foreign countries are to be safeguarded by a sound foreign policy. A foreign policy, to be sound must not entail enormous expenditure on propaganda and publication activities. Judged in the light of these standards, our foreign policy is highly defective. The disillusionment that we have to face with regard to the Kashmir issue and Goa problem, our persistent attempts to get Red China a seat in the U.N.O. and thereby antagonizing our relations with America, our misplaced sympathies for Egypt over the Suez Canal dispute and thereby lowering our value in the eyes of England and France are some of the outstanding examples of our mis-directed foreign policy. Prof. Kahol's conclusion that a nation spending 10,000 dollars per hour upon maintaining its foreign policy and gaining nothing substantial in return cannot easily be brushed aside as one-sided.

His thesis, however, that Nehru's

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foreign policy is designed to pamper communism and befriend Pan-Islamism and neglect Hindu Culture and Religion at home may not find agreement with all.

At any rate, Prof. Kahol deserves congratulations on bringing out such a brilliant booklet and giving his considered and vigorously expressed views on such a burning problem as our foreign policy.

R. T. Jangam.

Available at—

The Libertarian Book House,  
Arya Bhuvan, Sandhurst Road,  
Bombay 4.

## DID YOU KNOW...

By Scio



Meteorites have been colliding with the earth at least since the beginning of recorded time. Hundreds of millions of them pepper the earth's atmosphere each day, but only five or six are big and solid enough to survive the fiery fall to reach the ground. These plunges are seldom witnessed and specimens of only 1,700 or so have been identified as meteorites.



Male and female penguins look so much alike that even the birds themselves have trouble distinguishing between sexes. In penguin courting, the male presents a pebble to what he hopes is a fair lady. In the event of error, the confusion is lightly passed over, and the suitor tries another bird.



Although the Soviets have recently asked again that nuclear-weapon tests be discontinued, they steadfastly refuse to agree to any inspection plan which would guarantee this discontinuance.

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By  
**OM PRAKASH KAHOL**

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