

A QUARTERLY OF LIBERAL IDEAS

Freedom First

July-
September 1997
No.434
Rupees Fifteen

45TH YEAR OF PUBLICATION

Fifty Years After ...

1947



1997



The Star-Crossed Hero
Netaji Subhas Chandra Bose

An Economist As Liberator
Ludwig Erhard

Dadabhai Naoroji Award Winner
Nani Palkhivala

TIBET

The Facts - IV

37 Years of Struggle and Reconstruction

Following the violent suppression of the Tibetan people's uprising against the Chinese occupation of Tibet on March 10, 1959, His Holiness the Dalai Lama and the members of the Tibetan government followed by 80,000 Tibetans escaped Tibet and sought asylum in India and neighbouring countries. In exile, the Tibetan Government was reorganized on modern democratic principles. A new Charter of Tibetans in exile has been adopted to govern the functioning of the Central Tibetan Administration (Government in Exile). The Central Tibetan Administration, which administers all matters pertaining to Tibetans and leads the struggle for the restoration of Tibetan independence, is headed by His Holiness the Dalai Lama. He is assisted by a council of Ministers elected by the Assembly of Tibetan People's Deputies (ATPD). The ATPD serve as the Tibetan Parliament in exile and the members are democratically elected by the people.

The Central Tibetan Administration comprises of several departments - Religion and Culture, Home, Education, Security, Health, Finance and Information and International Relations. Apart from these departments, there are Supreme Justice, Audit, Public Service and Election Commissions established as per the special provisions of the Charter. To Tibetans, in and outside Tibet, the Government-in-Exile headed by His

Holiness the Dalai Lama is the sole legitimate government of Tibet.

International Support

The issue of Tibet is very much alive. There has been growing international support. Today, there are about 300 Tibet Support Groups in more than 30 countries and All Party Parliamentary Groups for Tibet in more than 12 countries, including that formed in India. Since 1986, more than 50 reso-



lutions, bills, early-day motions, hearings and debates on government statements have taken place in parliaments around the world. Parliamentary fact finding delegations to Tibet from Australia, European Parliament, U.S.A., Austria and other unofficial parliamentary visits have drawn focus on the real situation of Tibet. Since 1985, the Tibetan issue has been raised in the UN Commission on Human Rights in all its successive meetings and has gained support from the developed as well as the developing countries.

Tibetan Struggle for Freedom

Despite so many years of oppression and atrocity, the spirit of Tibetans remains uncrushed and defiant. From September 1987 till the middle of 1995, there have been over 150 popular demonstrations in Tibet against Chinese rule. Hundreds of Tibetans have died in these demonstrations. Many more have been jailed or held incommunicado.

However, the Tibetan struggle is not yet over. They are aware that their goal of freedom can only be achieved with the support of the world, especially India.

An Appeal for Help

The Tibetan people living in and outside Tibet appeal to the great people of India to help and support the freedom struggle of the Tibetan people to save its identity and civilization from extinction. You can help and support our cause in the following ways:

- Express support for the Tibetan people's right to independence by writing to newspapers and magazines.
- Write to your MP's about Tibet and ask them to raise the issue of Tibet in parliament.
- Ask your MP's and government to support the Dalai Lama's peace initiatives for Tibet.
- Urge your government to review its policy on Tibet.
- Urge your government to support a resolution on Tibet in the UN.
- Ask your MP's and government to recognise the Tibetan Government-in-Exile headed by His Holiness the Dalai Lama.
- Set up Tibet Support Group at your place and inform the local people in your region about Tibet and the Tibetan people.

Freedom First

A Quarterly of Liberal Ideas

Founder
Minoo Masani

Editor
S. V. Raju

Associate Editor
R. Srinivasan

Advisory Board
Sumant Bankeshwar
Arvind Deshpande
Geeta Doctor
Nissim Ezekiel
Yogesh Kamdar
Aziz Madni
Jehangir Patel
S. A. A. Pinto
Nitin Raut
Abe Solomon
Ajay Varadachary

Cover & Layout
M. G. Talwadekar

Publishers

Indian Committee for Cultural Freedom*
3rd Floor, Army & Navy Building,
148, Mahatma Gandhi Road,
Mumbai 400 001.
Phone: +91 (22) 284 34 16

Published by J. R. Patel for the
Indian Committee for Cultural Freedom
and printed by him at
Kaiser-E-Hind Private Ltd.,
300, Perin Nariman Street,
Mumbai 400 001.

Typeset at **Kotak Printers**,
59, Dr. V. B. Gandhi Marg,
Fort, Mumbai 400 001.
Phones : 204 60 18 - 284 26 19.
Telefax : +91 (022) 204 60 18.

Single Copy : Rs.15
Annual : Rs.50
Life : Rs.500
(Add Rs.10 for outstation cheques)

Overseas (Ind Class Air Mail)
Annual : \$10 or £7
Life : \$100 or £70

Cheques to be drawn in favour of
Freedom First and mailed to
the publishers at the address marked *

BETWEEN OURSELVES ...

Freedom First joins the bandwagon of newspapers and periodicals in featuring as its main story, fifty years of freedom or the golden jubilee of Indian Independence. We don't sound too happy? Perhaps. But we feel very much relieved. Relieved that, barring a brief 18-month aberration, we have been a truly free people these last fifty years. The fact that we can say this and not be afraid of the midnight knock is in itself proof of our statement. Considering the restrictions on individual liberty in our neighbourhood, this is no mean achievement. Having said this and paid tribute to our founding fathers in general and Pandit Jawaharlal Nehru in particular, let us admit that we are an unhealthy, if not a sick 50. What is the state of our health? The Project for Economic Education held a day-long discussion in April this year to discuss precisely this. The presentations made by the distinguished panelists at this seminar made available, exclusively to *Freedom First*, form the cover story entitled "Fifty Years After ...". We have been informed by the Project for Economic Education that these presentations along with a summary of the discussions will soon be available in booklet form.

Sketches of three outstanding men whose contribution to strengthening free societies in their own fields of activity has been immense, are featured in this issue. One cannot find two dissimilar persons than Netaji Bose and Ludwig Erhard whose birth centenaries were observed this year. While Netaji sought Hitler's help in the former's struggle for Indian independence Erhard succeeded in rebuilding Germany from the rubble to which it was reduced by Hitler. But the objective of both was the same - the emergence of a free and democratic country. Nani Palkhivala we have the good fortune of having in our midst. His outstanding contribution to educating public opinion in this country recognised by the conferment of the Dadabhai Naoroji Award for 1997, is described by Mr. M. R. Pai, himself no mean crusader for the rights of the individual.

We have still not been able to ensure that *Freedom First* is published in the first month of each quarter. We hope to do so, if not with the next issue beginning October, at least with the one beginning January next year.

We have been receiving many enquiries about the state of health of our founder Mr. Minoo Masani. He is very unwell and confined to bed. He was unable to travel to Delhi to be honoured along with those members of the Constituent Assembly still living.

We miss his views on the state of our country fifty years after independence. We shall therefore confine ourselves to quote this one sentence from the last book he wrote for "Young Indians" (1989) which gives a clue of what he would have said:

"We of my generation have made such a mess of our country's affairs that, in my opinion, we have no right to preach to young folk."

Editor

Contents

July-September, 1997
No. 434

<i>Many Voices</i>		2
<i>Of Cabbages & Kings</i>		3
<i>Fifty Years After...</i>		
Is This the Freedom We Fought For?	Sadanand Varde	5
Too Many People, Too Little Health Care,...	Indumati Parikh	9
Poor Communications, Bad Roads,...	Jiban K. Mukhopadhyay	13
Will India Survive as a Meaningful Democracy?	Gangadhar Gadgil	19
Time for a Reappraisal	P. R. Dubhashi	23
Netaji Subhas Chandra Bose - The Star Crossed Hero	D. Anjaneyulu	27
Nani Palkhivala - An Appreciation	M. R. Pai	31
Ludwig Erhard - An Economist as Liberator	Siegfried Herzog	33
<i>Debate</i>		38
<i>Book Reviews</i>		39

WITH MANY VOICES

*"The deep moans round with many voices. Come, my friends
'Tis not too late to seek a newer world" - Tennyson*

Mahatma Gandhi once wrote that another Sita should be born to liberate the women of India. I do not think so. Maybe another Gandhi should be born this time a female one, to save the nation.

Ammu Abraham, *Communalism Combat*, August 1997

I happen to believe in India. I enjoy being my own woman in a country that allows me to be so. I value the freedom I have experienced as a writer. I doubt I could have been me (such as I am) in any of our neighbouring countries.

Shoba De, *Cosmopolitan*, August 1997

Pakistan, Bangladesh and other Islamic countries have banned the practice of polygamy. Yet in democratic India no one talks of the rights of poor (muslim) women.

V. P. Zuhara, founder of Nissa, a forum for muslim women in Kozhikode, Kerala, *The Times of India*, August 25

Few doubt Mr. Gujral's sincerity or commitment to deal with corruption. Alas, he is a good man fallen among thieves.

Vinod Mehta, *Outlook*, August 6

Fifty-five years ago, the solemn call was given to "Quit India". Today, the call is to "Loot India".

Behram Irani, in a letter published in the *The Indian Express*, August 15

There can be no democratic society when the interests of any minority are not protected.

Boris Yeltsin, *The Statesman*, August 9

Countries with McDonald's do not go to war against each other.

New York Times columnist Tom Friedman, quoted in *The Economist*, August 23

Our air is polluted, our water is polluted. Our Independence has also become polluted. Most of us aren't even aware of our fundamental rights.

Swapan Kumar Basu, one of the 'midnight children' interviewed by *Outlook*, August 13

Our enemies need not invest in RDX and other deadly weapons and risk getting caught. They can simply garland a few busts with chappals and sit back and watch the fun.

Mohan Amin, in a letter published in the *Outlook*, August 13

A woman and that too a Dalit is being denied justice... Phoolan (Devi) lift your rifle again, I will support you.

Janata Dal MP Ms. Bhagwati Devi in the Lok Sabha, *The Times of India*, August 6

The British were gentlemen. They left quietly. It will take a lot of doing to clean the system of the liars, scoundrels and thieves - all home grown - who have this beloved country by the throat. Let us begin and may the spirit of the Mahatma give us strength!

Editorial in *The Statesman*, August 15

Economic growth is the religion of the anti-environmentalists. The marketplace is their temple, the technocrats are their high priests and the dollar is their god

Sunderlal Bahuguna, *The Hindu*, June 12

It would indeed be shortsighted of liberals to welcome the opening of the economy without at the same time not being alert to the growing threats to freedom of expression - the very foundation of a liberal democracy.

V. K. Sinha, *The Secularist*, January-February 1997

My position is similar to Saddam Hussein's, with the whole world on one side and myself on the other.

Laloo Prasad Yadav, *India Today*, June 30

In politics you have to be a wife, girlfriend or widow to get somewhere. I was none.

Renuka Chowdhury, Union Minister for Health and Family Welfare, *The Pioneer*, June 23

People in India have only known tyranny. The very idea of liberty is a new idea. Particularly pathetic is the harking back to the Mughals as a time of glory. In fact the Mughals were tyrants, every one of them.

V. S. Naipaul, *India Today*, August 18

OF CABBAGES AND KINGS

Congratulations Manjula !

You see the illustration alongside? It was drawn by Manjula Padmanabhan almost twenty years ago when her equally gifted sister Geeta Doctor and I were jointly editing this journal. In fact the title of this column was Geeta's idea. Manjula also designed a couple of covers for *Freedom First* for two of our annual numbers on 'Leadership' and 'Human Rights'.



Manjula wrote a play called "Harvest" for an international competition sponsored by the Onasis Public Benefit Foundation in the United States. She won and 'harvested' US\$ 250,000!

Interviewer Suchitra Behal's comments in *The Hindu* of August 3 on Manjula's response : "she talks of her successes and failures the way one would discuss the price of onions. There are no emotions. One day it's good, the other bad," is indeed the Manjula we know a bubbly, enthusiastic and friendly person with a tremendous sense of humour and the ability to laugh at herself. Obviously she hasn't changed much. She is what she was in the late 'seventies.

Congratulations and all the best to you Manjula.

"the time has come," the
walrus said,
"to talk of many things:
of shoes-and ships-
and sealing wax-
of cabbages -
and kings-"



Our Great Spirit of Tolerance?

We Indians wax eloquent about our spirit of tolerance. Here are two examples:

Mr. Govind Swarup was the Maharashtra government's 'cultural affairs secretary' until he fell foul with his present masters. His 'crime' - including Jinnah in a documentary on freedom fighters. Marathi stage artiste and director Vinay Apte had this to say: "One does not know what happened behind the scenes. But one thing is sure - that his transfer was long awaited by many. It is indeed surprising how a person like Swaroop who was anti-Marathi and anti-Maharashtrian culture could be in the post for almost seven years. I welcome his transfer." Fortunately film director Shyam Benegal set the record straight: "The historical facts are there to be seen in the government publication. Swaroop probably only stood by history. I think the Maharashtra government has over-reacted...It is true that Jinnah erred in demanding a separate state for Muslims, but there is no doubt that till some point in 1940, Jinnah fought against the British for India's independence."

Another example of our tolerance relates to Arun Shourie's book, "*Worshipping False Gods*". Members of the Rajya Sabha (the House of the supposedly 'Elders' who are supposed to be mature and ripe with wisdom) were, according to a *Times of India* News Service report "agitated" and approved of what one Mr. G. Venkataswamy did in the Lok Sabha - he tore a copy of

the book because Shourie "sought to say ... that Dr. B. R. Ambedkar was not a nationalist and was opposed to the country's freedom movement." Mr. Ajit Jogi, the wise Elder in the Rajya Sabha went on to say "The book is worthless and should be confiscated." The deputy chairperson of the Rajya Sabha, Ms. Najma Heptullah joined the members in condemning the book.

Freedom First considers Dr. Ambedkar, a great son of India. In fact, in our last issue, we have accorded him pride of place in a feature entitled "The Making of the Constitution". But that does not mean that someone who has a different view cannot express himself freely. This holds true of any of our leaders, including Gandhiji. They are not beyond criticism nor would they have expected to be so placed.. Other than Ramdas Athavale, I have not come across any other Dalit leader condemning the book. All honour to them.

Holding the People to Ransom

The Forum of Free Enterprise has rendered signal service to the community by providing a platform to consumer activists, bank depositors and others, not merely to protest over the decision of bank employees to strike work (which they did for two days in August, inflicting, in the process, considerable damage to the economy) but to suggest positive action such as ask-

ing bank depositors to withdraw their deposits and choose postal saving schemes or seeking redress from consumer courts.

The Mumbai Grahak Panchayat's decision to take up consumer court litigation with specific cases of consumers suffering due to the bank strike, is to be welcomed. As Shirish Deshpande of the Panchayat observed: "The consumers have always been held hostage, but the time has come for trade union leaders to know that they, the consumers have had enough. They will now start claiming damages whenever they are put to hardship by such strikes."



Courtesy: Bombay Times

As anyone who has the misfortune of an account with a nationalised bank will tell you, each time he visits the bank to operate his account, the man behind the counter gives the impression that he is doing the depositor a big favour. Once in a moment of frustration, I said to whoever wished to hear in a nationalised bank in Mumbai "this bank is for the benefit of the employees and not its customers". Prompt came the response from an employee behind the counter: "of course, why not?"

That says it all.

SVR

Karunanidhi's Temple

A small village fifty kilometres from Chennai houses a small temple, popularly known as Karunanidhi's temple. Dedicated to Ganesha, it is within a shrimp farm touching a beach. Dedicated with appropriate temple

rituals, the ceremony was performed in the presence of the Chief Minister's wife, sister, daughter-in-law. The family members frequent the temple regularly. It is rumoured in the vicinity that the Chief Ministership eluded Karunanidhi because of a blemish (perhaps he had displeased the Gods) and the building of the temple was an atonement. On building the temple, he became the Chief Minister; a later elaborate worship resulted in the son of Karunanidhi becoming the Mayor of Madras.

I however, there is no record of the Chief Minister visiting the temple. While the atheistic disciple of Ramaswami Naicker is true to the doctrine, the liberal in him does not prevent his family from going their way. It is worth remembering that the ex-Chief Minister of Kerala, Nambudiripad, too never visits temples, but his wife is an ardent temple devotee.

The Expanding "Geography of Silence"

Twenty five years ago, *Index On Censorship* was started by Stephen Spender mainly to shame politicians mouthing slogans of democracy and to broadcast, in the words of Stuart Hampshire, "the noise of publicity outside every detention centre and concentration camp, and a published record of every tyrannical denial of free expression."

There is a poignancy about the publicity that the *Index* gives, exposing wrongs and continued suppression of dissent. The dissenters may well not know that opinion is churned internationally on their behalf. Soviet dissidents could smuggle a letter to the Western world and give it publicity. But what avails publicity to those who suffer in the Gulags or tropical Africa or in the countries of West Asia where the writ of Saddam and the late Khomeini still matter and all are helpless against these leviathans?

The hope was that publicity could be the greatest deterrent and that leaders of oppressive regimes would want to present a decent front to the rest of the world. Now thugs who rule over

many parts of the world exult in their cruelty. Nobel laureate Wole Soyinka wrote:

"... torture, one of the most vile, unimaginable kind, has become institutionalised in Nigeria. Bello Fadile (imprisoned in connection with an alleged coup attempt) was tortured senseless before he broke down and gave evidence against OBasanjo (former Nigerian head of State, imprisoned on the same charge). Colonel Lawan Gwadabe was equally tortured, in the most brutal and filthily obscene manner. He was hung upside down. He had buckets of excrement poured over him. Electric shocks were applied to him. And then, to break him down, his girl friend was brought to come and witness the torture."

Alex de Waal, who has had wide experience in the promotion of human rights in Africa, points out to the obsolescence of the Helsinki Accord of 1975 to the twentieth century world coming to an end. Lawyers, publishers, and journalists together with political lobbyists tried to promote human rights by publicising assaults on human rights and "by mobilising shame". What made these effective for a while was the threat of withdrawal of foreign aid, the pressure of "their foreign financiers". But this was short lived and the leadership, particularly in Africa, learnt to live with it with no sense of shame-facedness.

With no "primary movement" in the land, and the decision to act firmly by members of the international community, Human Rights activists and their efforts just become hot air. In Rwanda, the local Human Rights activist organisations collapsed by 1974 with the Hutus aiming at a "final solution" *a la* Hitler. "As well as eradicating all Tutsis, they embarked upon the systematic assassination of all critics. The UN ran away, while the U.S. government thought up excuses for inaction ... to avoid acting under its obligations laid down by the 1949 Genocide Convention". (*Times Literary Supplement*, Feb 21, 1997).

RS

Fifty Years After ...

Is This the Freedom We Fought For?

Sadanand Varde

I left Elphinstone college where I was a student, joined the freedom struggle in 1942 and was jailed for a year. Hence I was labelled 'freedom fighter'. But the nomenclature 'freedom fighter' and all that is associated with it is not something that I carry with any pride or enthusiasm because many persons who carry that 'designation' have ruled the country and some of them, very distinguished ones at that, have been hauled in courts for criminal offences. Those who have been freedom fighters and those who were born after freedom, have a sense of sadness, a sense even of alienation with the sorry state of affairs of our country today.

A Vision of Free India

When Gandhiji gave the "Do or Die" call, many like me responded. We had dreams of what we would do after freedom. And those dreams, or the vision that we had were described, for example, in the 8th August 1942 Gowalia Tank resolution which proclaimed that power would belong to the toilers in the fields and factories and depicted a very inspiring picture of things to come.

Why Bhagat Master Wept

Recently I was at an institution in Neral called the Kotwal Wadi Trust. Kotwal was a freedom fighter. By profession a lawyer, he belonged to the barber community, and responding to Gandhiji's call, he did a big job in the Karjat taluka, to the extent of making the functioning of government administration almost impossible. He was much sought after by the British, and he went underground. This function to which I went was to celebrate the completion of 50 years of the Kotwal Wadi Trust, founded by Mr. Haribhau Bharsale, a humble Gandhian who has been working for the last 50 years among the *adivasis*. On that occasion,

my friend Liladhar Hegde sang a ballad composed by Vasant Bapat on the revolutionary exploits of Bhai Kotwal, who was shot dead during an encounter in 1943. As he was singing that beautiful composition, Mr. Bharsale

We are now in a situation where we want freedom without responsibility, power without accountability, rights without duties, remuneration without work. In such a situation where there seems to be an attitude of total unconcern and a no-holds barred obsession to pursue sectional interests, the country is really facing a major crisis.

said that of the 18 people who were associated in that struggle in 1943, only one had survived and pointed out to an old man ('Bhagat Master', he called him) sitting in a corner. I could see tears flowing down his cheeks, and I asked myself the question why Bhagat Master was crying. Is it because he remembers Bhai Kotwal or is it because he is sorry that he is alive today to witness the sorry state of affairs of the country?

What Have We Done to India?

The question is what has happened to India? What have we done to India? What have we done to our representative institutions, to our law and order agencies, to our education; to our growing population? Now, while trying to answer these questions, I must mention two things that struck me. Once, while going through *India Today*

magazine, I came across a beautiful photograph of Gandhiji. In fact, it was Ben Kingsley's photo. And the title said: "India, the land that worships feet". Gandhiji was sitting and an elderly woman with her little child was touching his feet. The lower portion of that page, read: "*Lakhani, the shoes that worship feet*". Gandhiji was being used to promote a product. I am not going into the question of whether it was right or wrong, but when this advertisement is criticised by many as the outcome of the influence of Western ideas, I feel highly offended. This is a totally indigenous product. I don't remember having seen any advertisement or product promotion using Lincoln's or Kennedy's name.

Recently, I read a news item that some six so-called 'freedom fighters' were sentenced to five years rigorous imprisonment for having forged documents to create a record that they were freedom fighters. Though they did not undergo any imprisonment during the freedom struggle they did undergo rigorous imprisonment after freedom!

I don't take the view that over the last fifty years, nothing has happened in the country. Take a balance sheet. We have had industrial development, our coverage of education has expanded, we have succeeded in establishing a large network of railways and communications and we have a reasonably modern scientific establishment to mention a few. But by and large when we take an overall view, Development that has taken place has bypassed a large majority of the people for whom, the 1942 resolution proclaimed, freedom was to be fought. May be we had this illusion that when we attained freedom, all our problems would be solved. And therefore, I would like to quote from Winston



Fifty Years After ...

Churchill's speech in the British Parliament when he attacked Clement Attlee. It is a very malicious statement. This is what he said:

"Power will go into the hands of rascals, rogues and freebooters. Not a bottle of water or loaf shall escape taxation. Only air will be free and the blood of these hungry millions will be on the head of Clement Attlee. These are men of straw of whom no trace will be found after a few years. They will fight among themselves and India will be lost in political squabbles."

When I look at the present sce-

nario in the country, the most dominant factor in our public life today is political squabbles, be it in a state or in Delhi.

Who is to Blame?

When I said that the Development that has taken place has by-passed a large majority of the people, I refer to the lack of the basic minimum amenities of life. We have, after 50 years of independence, a government drawing out a common minimum programme, in terms of drinking water, primary education and health facility! This is not the result of the new economic policies that have been pursued in the last 5 years i.e. since

July 1991. It is as though Mr. Manmohan Singh is the real villain of the piece, on account of whom we have landed ourselves into problems of growing poverty, unemployment, overpopulation and so on. I don't also subscribe to the view that the onslaught of multinationals in the country is jeopardising our sovereignty - our freedom. When I make my submissions, let it not be misunderstood that it is with reference to policies that have been pursued in the last five years.

As the poet William Wordsworth wrote "*Bliss was it in that dawn to be alive, but to be young was very heaven*". That was the period in which I was involved in the freedom movement, and therefore I quote from an interview which Mr. Achyut Patwardhan gave over fifteen years ago around the time the Bofors scandal had surfaced. This is what he, one of the tallest among freedom fighters, said:

"Initially I believed that India would flourish when the British left; later I believed that India would flourish when it adopted socialism. Now that I am proved wrong both times, I would prefer to be quiet."

It is only great men like him who could speak with such humility. Achyut Patwardhan went on to say:

"Today, the State has lost all moral authority. It is viewed as the creation of crooks, by crooks for crooks. Nothing seems to work without the use of money, muscle power or influence. So even if we have achieved a little prosperity, people think it is 'inspite' and not 'because' of the State. Back in 1947, you could distinguish between 'bandits' and 'politicians', not now. That is a measure of how far we have fallen."

These agonising words came from him much before the Kesris and the Sukhras, came on the Indian political scene.

A Theatre of the Absurd

JP must be turning in his grave at the sight of his total revolution devouring its own children like Laloo! That Laloo, a 'disciple' of JP, who had jumped on the latter's bandwagon to fight against the dynastic rule of Nehru-Gandhi, should himself now degenerate into a medieval potentate with monumental vanity, anointing his wife as the Chief Minister of Bihar after resigning under pressure, is a tragic irony.

Whatever may be their faults, Indira and Rajiv were at least educated and cultured. Unlike them, Rabri is an uneducated villager, whose longest tutored speech lasted only one minute so far, according to a press report.

No democrat worth his salt will support the feudalism of Laloo or for that matter, any dynastic or family rule.

In the past, we had some very good kings and very bad kings too, but most of the kings were not bad. Now, most of our present politicians, our neo-kings, are just thugs, scammers, gangsters, and underworld dons, depending upon their money and muscle power. One can now count honest politicians on one's fingertips. Dandavate (JD), Vajpayee (BJP), Antony and Manmohan Singh (Con-

gress)... May be another four or five more decent leaders.

It is good that our parliamentary proceedings are being telecast. Our people now know what sort of characters they have elected as MPs. Our parliament, instead of being a talking shop or a debating club, is now reduced to an 'Akada' (Wrestlers' ring).

While our politicians hold office it is the scammers, gangsters, crooks and underworld dons who hold power! One should not be surprised, if the notorious sandalwood thief 'King', Veerappan, adorns our next parliament to give company to the Dacoit 'Queen', Phoolan Devi.

In slavery, we produced a galaxy of great leaders and in freedom, we have produced only crooks, scammers and gangsters masquerading as politicians! Does this mean that we should go back to slavery once again to produce the likes of Vivekananda, Aurobindo, Mahatma Gandhi, Veer Savarkar, and Bhagat Singh ...?

What we witness today in this Golden Jubilee of our Independence is a theatre of the absurd indeed!

S. S. Bankeshwar



Fifty Years After ...

An All-Powerful State

When, after Independence, we established the National Planning Commission, in our early enthusiasm we placed the State at the head of the economy in all the decision making processes hoping that the controlling mechanism would bring out all that is necessary for rapid economic development. We did not realise that the business of government is not business. We therefore created a closed economy, raised a big tariff wall to protect our industrial structure so that it could grow, which for some time no doubt was necessary. But we created an industrial and trade regime in which enormous powers were handed over to ministers and bureaucrats. We followed in the wake of that model of development, with fiscal policies or taxation policies which could never be expected to be complied with, but which instead led to the growth of a parallel economy which today accounts for nearly half the economic activities equated to half the national production of the country.

We created a huge public sector. We have sunk more than Rs. two lakh crores in the public sector. And we associated the public sector with public interest in only one sense - protecting the employment of those who are employed. Whether they are productive, whether they add to national wealth, whether they meet the needs of the community, were considered irrelevant considerations and the capital of over two lakh crores did not give a return of even 2.5% on investment.

As the loss making industries were supported with annual budgetary grants, the managers were happy that losses would be taken care of. The result was, that funds from the state exchequer which ought to have legitimately gone to education, infrastructure, health services, were denied those

resources. In the process, we inherited a system where government became a very important agent, a very powerful factor in all decision-making processes.

VIP Republic

The next point I would like to refer is the complete debasement of the entire political class. There are very very outstanding examples, no doubt, of men committed to ideals, to values. The debasement of the political class has led to what we have in the last 50 years created - a VIP Republic. We wanted to create a democratic republic but what we have created is a VIP Republic.

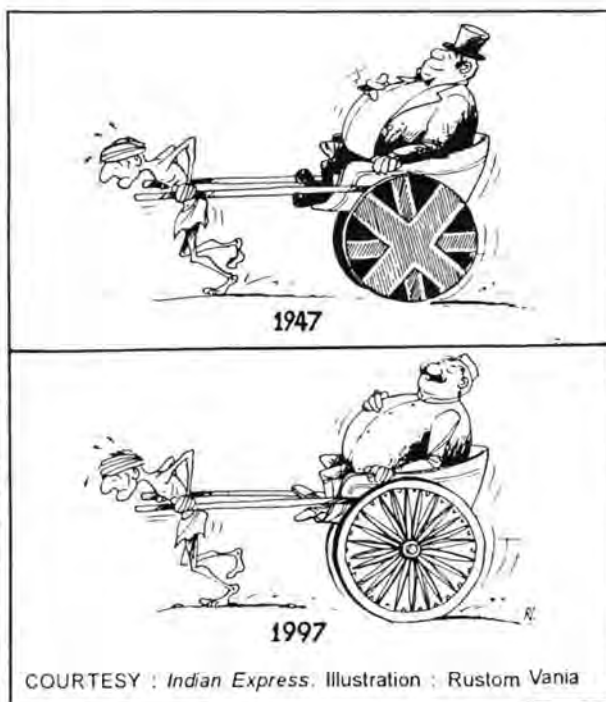
In this VIP Republic we have MPs who occupy government bungalows even though they have ceased to be MPs. They are in heavy arrears of rent and telephone bills. The result is that those to whom people look to solve their problems, to set the economy going, are the very people who are using their positions of power, their offices whether as MPs or MLAs, to pursue interests which are neither social nor national. During a discussion I attended recently someone asked "How is it that Dr. Ambedkar, after having considered so many constitutions of the world did not make any provision for controlling defections?"

Crabs or Lobsters?

We have representative institutions which speak in terms of parliamentary privilege. I remember, when Pandit Nehru was the Prime Minister, he once picked up the telephone and spoke to the Speaker Mr. Mavalankar: 'Will you please drop in, I have some work'. In reply Mavalankar

sent him a note saying: "Mr. Prime Minister, the Speaker does not go to the ministers' chambers." Within seconds, Nehru rushed to Mavalankar's chamber and said, 'I am sorry'. But what do we have now? We have in our parliamentary institutions new conventions e.g. a government is defeated, yet its budget survives! These are the result basically of the debasement, the degeneration of the political class. Mr. Biju Patnaik (he is no more) was also a part of that establishment. He described the United Front which is in power, as a group of lobsters. George Fernandes in his response said that crabs were being upgraded as lobsters.

I mentioned earlier the point made by Achyut Patwardhan in his press interview about criminals being indistinguishable from politicians. We have a very similar version here in Mumbai. The Shiv Sena took the stand that if you want to apprehend the goondas, you must not apprehend the Marathi goondas before you have apprehended the other goondas! We have the spec-



COURTESY : Indian Express. Illustration : Rustom Vania



Fifty Years After ...

tacle of an elected member of parliament going on fast within the precincts of a police station because a notorious criminal was arrested by the police. And the MP could not be arrested because parliament was in session. When parliament is in session, you cannot arrest an MP without the permission of the Speaker of the Lok Sabha or the Chairman of the Rajya Sabha. If parliament was in session, he should have been there.

That is why I said we have created a VIP democracy. Crores that go into VIP security and the crores that go into maintaining this establishment is an indication of the opportunities that are denied to the common people. I don't think the law and order situation immediately after independence or even in the worst days of Partition was as bad as it is today. The agents of law and order are looked upon more as enemies of the people than as friends.

The question is: Is this a systemic failure? Have we adopted a political system, a constitutional apparatus which is alien to our genius and our tradition, or is it a shameful failure of the principal play actors in the system?

A Question of Legitimacy

Then there is the question of legitimacy. What is legitimate? We have come to a situation where anything that has the sanction and support of powerful groups or interests or the power to hold society to ransom is considered legitimate. Demands get legitimised on the basis of the capacity of those who make the demand to hold the society to ransom. And then, in sheer helplessness the people on the other side yield to the demand. Today (April 26) is the third day of the BEST strike. It has caused considerable hardship to millions of people travelling by buses. So we now have

new ideas of legitimacy.

Competitive Populism

In our zeal to provide for those who are below the poverty line, we have been dishing out various kinds of programmes with a delivery system which is incompetent and corrupt. Andhra Pradesh has been following for quite some time a policy of dual cards in their rationing system. A study made of their scheme proved that the total number covered by the dual card system, amounted to more than the total population of Andhra Pradesh!

And then we have, both on the side of people's organisations and on the side of the government what one may call competitive populism. Whether it is a trade union, a government department or it is a people's organisation clamouring for something, the demands made are often at variance or totally indifferent to the overall requirements of the nation. This has resulted in our governments following the policy of open ended subsidies of different kinds representing a wastage of resources and which are not cost effective - be it in the power sector, or in the sector of education as a result of which our economy has suffered.

New Federalism?

Currently there is talk about what is called new federalism. This is a new development. I am of the view that the founding fathers of the Indian Constitution conceived India as a federation where the focus of power would be more in the states than in the central government. The provision of the Grants Commission every five years is in itself some kind of a guarantee for balanced regional development so that resources can be transferred from the better off states to the not so better off states. We have now a situation where the chief minister of Punjab after having come to

power gives water and power free to farmers and before the ink on that order has dried, and without batting an eyelid, he comes to the central government with a request that a particular loan extended by the central government for a particular purpose be completely waived.

To what extent is the Tamil Maanila Congress an expression of the regional aspirations of the Tamilians other than that represented by the DMK and the AIADMK. I concede the point that there is such diversity in terms of problems etc. that it is necessary to take note of this, but let us remember that it is in this era of planned development that the central government in the name of centrally sponsored schemes has acquired more and more power. So this again is a problem with our republic.

And then, we have over 2.5 million pending court cases. We have not been able as yet to devise a system where we could do something to sort out this problem.

Wasted Opportunities

Therefore, when I look back, I do feel that these 50 years have been years of wasted opportunities and lost morality. I think the decline started when Indira Gandhi became the prime minister. Not that these elements were not present in the polity before that, but using men as material to achieve objectives became fashionable and the decline started from that time. Therefore, we are now in a situation where we want freedom without responsibility, power without accountability, rights without duties, remuneration without work. In such a situation where there seems to be an attitude of total unconcern and a no-holds barred obsession to pursue sectional interests, the country is really facing a major crisis. This is not the freedom that I visualised when at the age of 17 I left



Fifty Years After ...

college and joined the struggle.

I would like to end by reading out to you a letter from Sheila Kaul to Nanasaheb Goray. At that time, Rajiv Gandhi was the prime minister, during whose tenure, there were different kinds of gimmicks. And one such gimmick was the 'Freedom Run'. Another was 'Dandi March Run'. In her letter Sheila Kaul requested Nanasaheb Goray to associate himself with this particular run. This was

Nanasaheb's reply:

"March 8, 1988.

Dear Sheilaji,

I have to thank you for your letter dated 22.2.1988. The proposed 'Dandi March' is, in my opinion, a parody of the original, as comic as the freedom run in Delhi. Instead of wasting money on this pseudo-heroic march, make salt cheaper by 50%. That will be some tribute to the memorable event.

"Why not leave Bapu alone? At that time, Gandhiji had compared the real income of the common man with the salary and perks of the Viceroy of India. Is Rajivji willing to do it now. Needless to say, I will have nothing to do with these funsters. I hope they will have plenty of Pepsi Cola on their way to Dandi."

PROFESSOR SADANAND VARDE taught politics and was Minister for Education in the Government of Maharashtra.

Too Many People, Too Little Health Care, Too Many Illiterates

Indumati Parikh

What is freedom? Did any of our freedom fighters define freedom? Freedom was never defined nor understood by the common men and women of this country because we belonged to a hierarchical culture where freedom was unknown. Freedom was within the community, within the caste, within the religion. This was all the freedom that we understood. By and large, the modern meaning of freedom was never understood even, I am sorry to say, by most of our freedom fighters. Our slogan was let the Britishers go away and everything would be fine. I was not a freedom fighter but I still fight for my freedom and for the freedom of my people. And that fight is going to be a life long one. Freedom is not achieved at one point. It is a continuous process and you have to constantly, continuously achieve that freedom and enjoy it. That is how I feel.

The Real Meaning of Freedom

I have got the highest respect for Gandhiji but he did not describe what *Ram Rajya* was. His *Gram Swaraj* or self-sufficient village is not possible in this modern world. Then somebody wanted socialism and someone else wanted communism. But these terms

were never defined in terms of what they meant to the life of the people. As a person who deals at the grass-root level this is important to me. It was M. N. Roy who said that freedom is the continuous removal of impediments to the development of human beings i.e. you keep removing the impediments, becoming more and more free. That is why I said that freedom is not achieved at one single

What is freedom? Did any of our freedom fighters define freedom?

moment but is a continuous process.

Have our freedom fighters ever bothered about how to deal with this hierarchical society? Most of our problems, I would say, are economic, socio-cultural and only then political. For the common man and woman, politics has become the politics of *goondas*. Have we tried to change our socio-cultural ethos? Have we tried to change the attitude of people towards what freedom is, how they could achieve it by their own efforts. We have never involved people in any-

thing we are doing. And this involvement is absolutely necessary - right from planning to implementation. We sit in Delhi, Mumbai, Calcutta or Madras and we make big plans. We then give these plans to government officers to implement and then blame them when the plans fail. Why do these plans fail? Because those who implement them are not good enough. Have we trained them? Have we motivated them? Have we told the people what it means to their lives? Because, unless you touch the life of a person, it is not possible for them to be motivated to do something. And that is exactly what I mean.

Why So Many Illiterates

Why do we have so many illiterates? Because literacy has no meaning in the everyday life of the poor man. Government programmes for literacy unless combined with income generation will not be effective. That is my personal experience. And that is why we have 71% women as illiterates though the government's figures put it at 56%. The difference arises because they have not added to that those who began but did not complete their primary education. These drop-



Fifty Years After ...

outs lapse into illiteracy in two or three years. That has been my experience in the literacy programmes I have conducted. You teach a woman for a year, she starts reading, and when she starts writing her name we leave her alone and within four or five years, she is back again in the literacy class.

The Sham of Rural Schools

The same is the case with rural schools. Have any of you visited a rural school? On one of my surprise visits to one of these rural schools, not a single girl was present in the class though there were 29 girls on the rolls. When I questioned the teacher, I was informed that they (the girls) were probably helping their mothers. One teacher was very honest. He said: 'Bai, if you had told me you were coming, I would have asked the girls to come to school to be present during your visit.' This is a common feature in all rural schools. And then we have one room, one teacher and four classes. Most of the rural schools are like that. If you go to municipal schools in Bombay, there is an unwritten law that no student should be failed before the 4th standard. The other day, in my institution, a girl was reading something. I asked her what it was she was reading. She showed me the book. I asked her in which standard she was, and she said 4th. So I told her to read something. She didn't know what she was reading.

There is something seriously wrong with our education system even after 50 years of freedom. This is because we have not paid any attention to primary education. In our people's plan, we have mentioned that education and cultural development of the people is the basic foundation of a people's state. If we want people to take part in that state and if want them to be knowledgeable, then we have to educate them.

The Population Problem

Let's look at the the population problem? In 1951, we accepted population control as official policy. Yet from 1951 to 1991, we have more than doubled. Our population control policy has been a complete failure. Why? Because we failed to view it as a socio-cultural problem. It cannot be solved by laws or by economic reforms. We are well aware of people in high places having 9 and even 10 children. Those of you who have some knowledge of slums may know that those living in these slums imitate the elite. If we have a President who has nine children, how can we tell the poor man in the slums, that he must have not more than two.

The basic fact is women's education has been completely neglected. The number of women is going down in this country. At the beginning of this century there were 971 women to 1000 men. Now it is 927. It has been a continuous fall. Why? Because of the continuing neglect of women. Every one of us learnt our first lessons at our mother's feet. And that person is the most ignorant in this country. How do you expect all of us to be cultured when we are learning from an ignorant person? What is her status in the family, her status in the world, her status in the country. 30% reservation for women in local self governing institutions is just on paper. I have seen that 30% who have been elected. What status do they have in society; in the panchayats? Even as *Sarpanchs* they have no status. There is a man who is ruling from behind. I know this first hand as I often go to slums and to rural areas.

Women's Education

We did a survey in 1969 of women's education in Bombay's slums and we found that women who go from illiteracy to even primary level education have fewer children. The number of children born to educated

women goes down and child survival increases. And child survival is a very crucial factor. Once the child survives the woman does not want more children. And this I learnt from a very poor woman. She told me: 'Bai if you have two children they will survive, but I will have to have eight for two to survive.' Yes. We have reduced infant mortality. But the progress is very slow and statistics do not reflect the real situation. In Kerala, the literacy rate among women is very high. It is almost 90%. So women's illiteracy percentage comes down in national statistics because of one or two states. Infant mortality comes down because Goa and Kerala have low infant mortality rates. What about Bihar, Uttar Pradesh, Madhya Pradesh, Rajasthan (the BIMARU States) - 22% women's literacy in these states. And the infant mortality rate is 110.

Then there is the social-cultural issue - everybody wanting a son. Even the most elite people want a son who can do the last rites. You can burn a woman alive. You can burn a child for not bringing dowry, but you cannot let her perform a dead man's rites. This is the height of hypocrisy.

Phule and Ranade

This fight for freedom began many years before in Maharashtra. Phule in his book *Satyajit Dharma Katha* has given thirty three points which are practically what we are demanding today including human rights, equality of gender, etc. Ranade when he wrote about these issues listed thirty two points. Ranade's list includes even kindergarten schools.

We haven't really gone back into recent history to understand what some of our social reformers wanted to change. Ranade started alongside the Congress the *Sarvajanik Sabha*. And the sessions of these two organisations would take place together i.e. the



Fifty Years After ...

political and social issues were taken together. Then came the dominance of political parties. The Sarvajanik Sabha's *mandap* was burnt and the Sabha practically went into the wilderness. So we pushed the social revolution part completely into the background and went ahead to have just political freedom.

Real Democracy

We have accepted democracy - meaning thereby individual freedom, individual development, individual vote. In such a system there can be no place for a hierarchical society. Where is the freedom for women, where is the freedom for the *shudra*. I am tempted to quote Manu because he has bracketed women and the *shudra* together. There has been some kind of social revolution among the *shudras* but unfortunately there are *brahmins* among *shudras* now. And they are ruling, not the ordinary *shudras*.

So taking into consideration this social reality unless we accept that social revolution must precede any other revolution we will continue to find that we have not progressed at all even after another fifty years. Our caste system is breaking down not because we are consciously doing it but because of the Britishers, because of the railways, because of education because of the employment policy. We are not doing anything consciously to really change our attitude to life. And then most of our people are fatalistic in their attitudes - leaving things to fate.

Need for a Social Revolution

That is why I say that unless we go in a big way in seeking a social revolution, in educating our people we are not going to change. Changing the caste structure, changing the attitude of the people towards life; changing their attitudes to get them to take destiny in their own hands

instead of leaving it to fate means education. In 1942, the people's plan said that education and cultural development, would bring down the numbers of the population - not laws. At the Cairo Conference, it was clearly the consensus that development is the best contraceptive. I remember Roy saying in 1937 that India needed a social revolution first and only thereafter a political one. And he was a firebrand politician.

Health Care

Take health care. Who bothers? We have accepted the *Alma Ata* definition of health care that is promotive, preventive and curative or the well-being of a person - physical, mental and social. This covers everything. And we medicos who are working in the field must de-mystify medicine. Dr. David Werner wrote the book '*Where There Is No Doctor*'. This book has been translated in 98 languages and has been used as a Bible for people's education. Promotive health is health education. Through health education we can bring about considerable social change. We need to educate people on how a child is conceived, what is the reproductive system, and how we can stop conception. Let us not give them slogans like 'two or three are enough'. By doing so we are putting the cart before the horse.

The same thing happened during the fight for freedom. We gave them slogans like 'Quit India', 'Let the Britishers go and everything will be fine'. This did not happen. Everything did not become fine. Even the middle-class do not know what freedom is. It was an act of parliament that gave us our independence. We got independence, not our freedom. We got a chance to rule ourselves and we have made a mess of it. The basic lives of the ordinary people have not changed. And unless we do something to change their basic lives we will continue to

have too many people and too little health care.

I have visited many primary health care centres. They are poorly manned and poorly equipped. They are hardly used because people don't know how to use them. We have not explained to people about preventive and promotive health. Go to the *adivasi* areas - they do don't know anything about such matters. Numerous political movements have taken place. But not movements that have meaning in their everyday lives. Have we taught these *adivasi* basic facts about nutrition. Nutrition plays a very important part in the development of the brain. If you have malnutrition in the first four or five years then only 80% of the brain develops. And then we complain that 80% of our people are not intelligent. How can you expect them to be intelligent if they don't know the basic facts about proper food. In some *adivasi* areas, even today, people do not know how to eat vegetables.

Non-Formal Education & Appropriate Technology

The basic fact is we are not educating people we are not teaching them on how to better their lives and we are not giving them confidence that could shape their destiny. By education I do not mean putting everybody in school. I am talking about non-formal education which every one of us can impart. And then there is the question of appropriate technology. Technology that could be used by anybody and understood by anybody. To begin with start treating the illiterate and ignorant as human beings, treat them with dignity and equal to you. People have enough intelligence to understand. I speak from personal experience.

DR. INDUMATI PARIKH, a general medical practitioner for over 40 years, is active in the field of integrated human development. She is president of the Centre for the Study of Social Change.

ONE NAME THAT ECHOES
FAR BEYOND THE HILLS OF
KODAGU, HASSAN AND CHIKMAGALLUR

CONSOLIDATED COFFEE

*India's largest
Coffee Growers and Curers*

That is right. Consolidated Coffee, the country's premier Coffee Plantation Company, has a sterling reputation brewed from over 50 years of consolidated experience in India's Coffee World.

The Company's plantations comprise over 13,000 acres of Coffee (interplanted with Pepper, Cardamom and Oranges) and Tea,

all availing of the best cultivation methods. Consolidated Coffee are also the largest curers in the country, handling more than 15% of the country's Coffee production.

In Consolidated Coffee, you have a Company that's been rapidly scaling the peaks of Indian Coffee care and cultivation, and whose name now echoes even beyond.

*Consolidated Coffee
The echo spreads, day by day.*

CONSOLIDATED COFFEE LIMITED
Pollibetta 571 215, Kodagu



Fifty Years After ...

Poor Communications, Bad Roads, Scarce Drinking Water, Power Failures

Jiban K. Mukhopadhyay

During the Bangladesh war, we, from the Ramakrishna Mission, Naradrapura were running a relief camp near the border. One day we had to distribute milk. More than 5,000 people were waiting in queue for six hours. The supply of milk did not arrive. There were a few foreign journalists with me. And they wondered at the patience of our people and observed that if this had happened in Europe, it would have caused another French Revolution! But the people were just sitting and laughing and talking without getting angry or impatient.

What I wish to discuss is based on simple economic observations. You may or may not agree with me, but it is a point of view based on empirical study and conviction.

I migrated from West Bengal to Maharashtra in 1975. Why? Because that was the time when West Bengal's economy, which was once at the top, started declining. Maharashtra looked greener than Bengal. Since the 1960s a full generation in West Bengal, my generation, has never known what 24-hour supply of electricity is! Power is one of the basic inputs for our development. Sitting here in Bombay, I witness the same signs today that I witnessed in West Bengal over two decades ago. Bombay may be relatively better off but if you go to other parts of Maharashtra or the other States, or even to our capital - Delhi, there are many hours of load shedding. Why is this - so, despite power being one of the priority items in our national planning?

Let the facts speak for themselves.

18th Poorest Country

Our per capita national Income increased from Rs.239 in 1950-51 to Rs.9,321 in 1995-96 in nominal terms. Adjusted for inflation, and if one takes 1980-81 as the base year then obvi-

ously the figure for 1995-96 would be less-Rs.2,573. This is equivalent to Per Capita GNP of \$340 in 1995. Per Capita GNP of Sri Lanka, our next door neighbour, is double that of India, \$700. Pakistan too has done better than India, with a per capita GNP of \$460. After 50 years of centralised planning in a kind of "mixed economy" with the public sector dominating the "commanding heights", we are the 18th poorest country in the league table of 133 countries for which data are compiled by the World Bank.

What has been the growth rate of our GDP? Between 1950 and 1979, the overall annual rate of increase in the GDP was only 3.5%, the so-called Hindu-rate of growth. Since population was increasing by over 2%, the real per capita GDP increase was a mere 1.5%! In the 1980s, when there was a half-hearted liberalisation, the rate of growth of GDP increased to 5.5% and per capita GDP to 3.5%. For the period 1992-97, it shot up further to 6.2% with per Capita GDP at 4.2%. In fact, in the last 3 years, the growth in GDP has been around 7% in real terms. A break-through has been made in these years.

What is the significance of relative high growth to the economy? Anybody having some knowledge of

compound rate of interest would tell you that anything that grows @ 7.2% for ten years, doubles. Will our GDP be doubled in 10 years?

Looking back in history, one finds that England after the industrial revolution, took 57 years to double its GDP. The United States, took 48 years after its war of independence to double its GDP. Japan took 37 years to double its GDP after World War II. But it took little more than 10 years for China to double the size of its economy after it initiated market-oriented reforms in 1979. But we cannot even now dream of doubling our GDP in ten years time, not to speak of the per capita GDP.

What we want is the sustainability of the 7% + growth rate of GDP which will result in increasing per capita GDP by over 5%. At that rate it will take more than 15 years to double per capita income. Even then it will not be equal to Sri Lanka's standard of living today! In about 10 years South Korea doubled its income. South Korea is a country without any worthwhile resource factor endowment. South Korea's standard of living has been so good that the height of South Koreans has increased. In schools and colleges furniture has been replaced with bigger chairs and desks because the new generation of South Koreans is now



Fifty Years After ...

taller and healthier. But we have not been able to match the Chinese or Koreans. Why?

Population Growth can be an Asset if ...

What has happened in our case? At the time of Independence we were 339 million and today it must be around 952 million. Every 1.5 seconds a child is born in this country, over 16 million people are added every year to our stock of humanity. From the day of his birth to the last day of his life, he consumes things. If his contribution to society is more than the money value of what he consumes in his whole life, he adds value to the system. He becomes an asset. The more value he adds, the more of an asset he becomes. If he does not contribute anything, he lives on the transferred income of somebody else. He then becomes a liability. When we say we are too many of us here, we mean that increased population is a liability. In one sense it is true but in another sense it is not right to say it so. When somebody is born we have to manage that person as a part of human resources. But our success in managing human resources and controlling population growth is a mixed one.

Birth and Death Rates

If you were to look at the birth and death rates, a lot of things have happened in our country in the last 50 years. The birth rate has declined from about 40 per 1000 in 1950-51 to 28 in 1991. There has been considerable improvement, in the sense that the death rate has decreased from 27.4% to 9% per 1,000 during this period due to the availability of modern medicines and better health facilities. This shows that something has happened. Some credit has to be given for that. Let's take life expectancy. At the time of independence it was averaging over 32. Now it is 60.8. Again some improvement, but compared to others

like China's 69, our record is poor. From 1956 to 1994-95, 183 million births have been averted through family planning measures.

Half a Billion Illiterates!

The overall literacy rate which was over 18% in 1950-51 improved to 52.2% in 1991. Hence, in this area too something has happened although more could have been done. It is sad that the country will enter the 21st century with almost half a billion illiterate people!

Foodgrains Production

Let's take foodgrains production. In 1950-51, we were producing about 50.8 million tonnes of foodgrains. By 1995-96 it had increased 3.8 times to 192 million tonnes. This means that the rate of growth of foodgrains has been slightly better than the rate of increase in population. But the fact is, if our growth of population too had been slower the availability of foodgrains would have been more. Per capita availability of food grains has very marginally increased by say 100 gms. per day from 395 in 1950-51 to 498 in 1996-97.

Poverty Line(s)

Poverty ratios in our country tend to change with every change of government! Before the present UF government took office in June 1997, we were informed by the previous Congress government that the poverty ratio was 19 per cent in 1993-94.

There is a peculiarity in the calculation of this ratio. Though we have many reputed economists and statisticians, we have not been able to measure poverty based on basic minimum requirements, which include food, shelter, health, education and other essential ingredients of life. If these were to be the basis for calculations, we would have a higher figure of poor people living below the poverty line. But our poverty line is based

on the definition of a minimum daily calory intake of 2,400 per person in rural areas and 2,100 in urban areas. Thus, if somebody's per capita per month expenditure is less than or equal to Rs.228.0 in the rural areas, he is poor. In the urban area a poor person is one whose per capita per month expenditure is at Rs.264.1 in 1993-94. If a person's per capita expenditure was more than Rs.229 in rural areas or Rs.264 in urban areas, the person is not technically poor! But sure, they still are poor.

The earlier figure of 19% based on the Lakdawala mode of calculation has now become 36% as adopted by the Union Government. The best method, however, would be to go with the basic minimum requirement and based on that one can certainly say that almost 45% of the people in this country are poor. If our economists and statisticians cannot formulate a poverty line based on basic minimum needs they should pack their bags and go home.

We Don't Get Angry Enough

These poor people in terms of numbers may have come down. It is a peculiar society of ours. Dr. Indumati Parikh said that "a sociological revolution" is required, which might be happening in a very small way. But the point is that people are just not getting angry enough or impatient enough with their state of poverty. I will give you a small anecdote to which I was witness. During the Bangladesh war, we, from the Ramakrishna Mission, Naradrapura were running a relief camp near the border. One day we had to distribute milk. More than 5,000 people were waiting in queue for six hours. The supply of milk did not arrive. There were a few foreign journalists with me. And they wondered at the patience of our people and observed that if this had happened in Europe, it would have caused an-



Fifty Years After ...

other French Revolution! But the people were just sitting and laughing and talking without getting angry or impatient.

I think the ritualistic aspect of religion has become so peculiar in our country that we leave everything to God, who may or may not exist. Even in our scriptures, poverty has been glorified. With such background we have a low "arousal" in people, as Mr. N. A. Palkhivala often tells us. Perhaps this "arousal" may happen, through the efforts of the media to the next generation.

Basic Goods & Services

Coming back to the more mundane things of life - consumption of sugar, edible oil, etc. have increased to some extent. There is also some improvement in the availability of flour, eggs, meat, etc. but the most important thing that has improved is electricity. In 1995-96 electricity available was only 2.4 units (Kwh). It has improved to 53 Kwh in 1995-96, which is an increase by over 22 times. But our demand for electricity has grown and so in many parts of the country there is a shortfall in electricity varying from 15 to 18% in different States.

The installed capacity for power since 1950-51 has increased by almost 41 times from 2.3 million Kwh to 94.5 Kwh in 1995-96, while generation too has increased by 63 times from 6.6 Billion Kwh to 415.2 Billion Kwh. But the basic issue regarding power is very simple. It is understood by everybody but things are being done in the peculiar Indian way. The main culprit in this regard is the state-owned State Electricity Boards (SEBs). These SEBs were established like most other public sector units in this country with good intentions. Our Industrial Policy Resolution of 1956 consisted of two schedules. Schedule 1 had 17 priority core sector industries which were exclu-

sively reserved for the public sector. Hence the term 'commanding heights'. Schedule II has yet another 12 industries where the public sector were given preference. The private sector was, thus, assigned a residual role. But a few companies like TISCO, CESC, etc. were allowed to exist, while others like Tata Airlines were nationalised.

The Public Sector

How was our public sector run? A particular public sector company is attached to a particular ministry in which a particular deputy joint secretary used to be responsible. In management science the basic issues of management are termed as *the principle of five 'Ws'* : Who manufactures,

what, at which place, sells to whom and at what price. The power to decide on these five 'Ws' was vested with the government. For example, TELCO was not allowed to expand its capacity to manufacture more trucks based on the economy of scale. Tatas were not allowed to manufacture passenger cars and Birlas were not allowed to manufacture trucks.

So it was like in the animal kingdom where animals have demarcated territories. As a result, what has happened is that the total public sector investment in our country (including the state level) is an astronomical amount of about Rs.400,000 crores. The returns on this huge investment used

"One Return Potato Chip to Mumbai Please"

Respected Shri Pramod Mahajanji,

Didn't you and your colleagues (especially Shri Murli Manohar Joshi, the famous physicist of Allahabad University) coin that phrase, "We want foreign investment in computer chips, not potato chips"?

To simpletons like me, infrastructure involves facilities for transporting people and goods across the country. If that is so, then domestic civil aviation is also infrastructure, is it not? But, according to you, no foreign investment in domestic civil aviation should be permitted. This means that planes are, in effect, no different from potato chips. We, simple minded word cobblers, have to thank you and our honourable Union minister for civil aviation, the respected Shri C.M. Ibrahimji - that great intellectual giant of modern India - for this profound linguistic insight. The next time I go to the Indian Airlines or Jet Airways office to buy a ticket to Mumbai, I shall ask for "One return potato chip to Mumbai, please."

Pramodji, the things you say truly make me feel proud. There is a clause in the new policy initiated by Shri Inder Kumar Gujralji that says "adequate financial resources, infrastructure, manpower and capability to undertake planned operations" should be the criteria for selecting new entrants who will be allowed "to have a foreign equity up to a maximum of 40 per cent irrespective of the source of equity." In a press conference on Thursday, 26 June, you blasted the "adequate financial resources...." clause as it was incorporated for the sole purpose of reviving the Tata-Singapore Airlines project.

If I understand you right, this has another profound policy implication that only your illustrious self could have thought of. Henceforth, adequate financial resources, infrastructure, manpower and capability to undertake planned operations should not be yardsticks for civil aviation. When I said this to Nathoo Ram, my favourite auto-rickshaw driver in Katwaria Sarai, he immediately decided that he too would diversify his business and start yet another undercapitalised domestic airline.

Pramodji, until you taught me, I had a stupid vision of modern India in which we deserved the best. Thanks to you, I have now realised that such a vision is anti-national. To progress, we must limit competition, and, above all, keep the wretched foreigners at bay. After all, Singapore is waiting in the wings to take over India and all Tata-SIA planes will have thin apertures fitted with powerful laser scanners to secretly photograph every bridge, culvert, dam, and airport in India.

Extracted from an Open letter to BJP General Secretary, Pramod Mahajan, from Omkar Goswami. Courtesy : *Business India*.



Fifty Years After ...

to be 1.5%, if we exclude the oil companies and a few other profit-making PSEs, a financial blackhole. Nothing used to come back from such public sector investments.

The Power Sector

When we invest money, our intention is that money should multiply money with increasing returns. It did not happen in this country. Power and petroleum are still in the public sector though there has been some opening up since 1992. In the Eighth Five Year Plan, it was felt that since government did not have enough funds to invest in the power sector, the investment had to come either from the private sector or from foreign direct investment. The door has half-opened, but not entirely. But if a foreign investor or a private investor wants to invest in the power sector, he can sell only to one customer - the SEB of that state. The SEBs usually do not have any financial strength. The overall rate of return of all electricity boards in India combined is a negative one. In 1996-97, it was minus 17.7%.

Commercial losses are massive, because power is subsidised for certain users. The average cost of generating one unit of power used to be Rs.1.61 in 1991. The average sale price, Rs.1.30 per unit. This means that there is a subsidy of 31 paise per unit. As a result, and due to other reasons too, a large number of State Electricity Boards are financially bankrupt. Since an investor is faced with a situation of selling electricity to an electricity board which cannot pay, he insists on a guarantee from the state government, whose fiscal position is also equally bad. It has to borrow from the private sector to pay the wages of its own employees. For instance, the marxist government of West Bengal had to borrow money at 22% from Peerless to pay its employees. So a state government guarantee is also not enough. The investor wants

somebody else to give a guarantee, a sovereign guarantee signed by the President of the country!

Why Enron?

There are eight 'fast-track' power projects in the country and one of them is Enron but they certainly are not treated "fast" enough. There are several problems, apart from policy decisions. For example, if we want to have a thermal power plant in a particular place, some people will say it will pollute the environment. If it is a nuclear power plant, mercifully, there are no new ones, all hell will be let loose. If it is a chemical plant, it will also be polluting. If land is to be taken over, some people will say government is not paying enough. Environmental "terrorists" would barge in to stop such plants.

The point is if we want to have power, or any industrial project, whether hydro-electric or thermal power, one has to pay the price. These days industries are not all that polluting. If it is so one can monitor them through anti-pollution laws as is being done in other countries. But in our country we just tell them to stop the projects. Besides litigation will go on.

The High Cost of Subsidies

If we want to give power or any economic product or services to somebody free, the government should provide the subsidy from its own exchequer. Take LPG. It is an economic product. One has to invest to manufacture it. Scarce capital resources in a poor country were invested. LPG is heavily subsidised. The real cost is more than Rs.200 per cylinder. We pay much less. The point is that if some product comes out from the route of economics and is not a natural gift, then it has a price tag. If somebody consumes, he or she will have to pay the price. If government pays for it, then indirectly all of us are paying for it. This is the kind of *dharma* type

of economics going on in the name of public sector-oriented economic development for a large number of products. Of late, in most government documents the lament is that fiscal restraints prevent investment in industries in the public sector. No fresh investments are being made. While there is need for subsidies in a poor country like India, these subsidies need to be targeted.

The fact is there is a reduction in budgetary subsidies. In the 1960s and 1970s anything coming from the central budget would have 80% budget support. It has now come down to about 36%, the balance being raised through internal and extraordinary generation of resources.

In the Eighth Plan, the target for additional generation of power was 30,538 MWs. Yet at the end of the Five Year Plan we will be lucky if we have 18,000 MWs. So, there is a massive shortfall in achieving the target. There is just one private company which has been established and which has taken was, and continues to be, route of liberalisation and has started generating power. And that company has been formed in Andhra Pradesh by Dr. Reddy, an NRI who just went ahead without bothering for counter guarantees etc. In the last couple of years, there has been an increase in captive power generation done by industry for its own sake with a little bit sold to the government. They have generated 1,000 MWs. Apart from this solitary instance, the Eighth Plan has been a total failure in terms of power generation by new private/foreign investment, although a target of 2,810 MW was specifically assigned for the private/foreign sector.

Petroleum - From Profit to Losses

The public sector is there in many countries in many industries, and they are operated in an autonomous way, based on economic principles. But in



Fifty Years After ...

India, the public sector is considered as one form of creating employment for people. The public sector in these areas are highly technology intensive, capital intensive and on top of that the government makes it "labour intensive". The result is that public sector companies are over-staffed by over 30%.

Administered Prices

In the oil sector, there is a peculiar thing called administered price. Every now and then, if you read economic/financial newspapers, you will see that the oil pool account is so much or so high, this means there is a cross subsidisation for things like LPG, diesel, kerosene, etc. These items are sold at a reduced price and you charge a higher price for such items like petrol, aviation fuel, etc. If I suggest that some of these subsidies should be withdrawn, many of you will be angry. Political parties are so scared of losing votes that no decision has been taken in the last two years. The present UF government has been postponing taking a decision on raising prices of some items for reducing oil pool deficit*. Oil pool deficits are increasing and oil companies' finances, which have been robust all through, are now under strain. Here also, while the issue is that subsidies need to be reduced and targeted, administered price should be abolished and the price-mechanism should be based, by and large, on the market.

The Railways

Let us turn to the railways. Over 85% of the total railway route kilometres we have inherited from the British. After 50 years of planned development and after the railways became a government sector enterprise we have added only 9,300 kms. or an average of 186 kilometers per year.

* This article is based on a talk delivered in April this year, before the recent hike in oil prices.

Actually in the 1990s it came down to less than 100 kms per year. As for the electrification of the railways earlier it was 400 kms. now it is 12,300. This, growth, is an achievement of sorts. But why such slow development in increasing route kms? One has only to study the railway budget to discover that over 40% of the railway's revenue is spent on salaries, wages and the pensions of employees. The railways are India's largest employer employing 1.6 million people; the largest landlord in the country; the third largest railway network in terms of route kms; the fourth largest railway network in terms of freight kms. And yet a person who may want to travel to, say Calcutta, twenty days hence, may not get a berth. Why is this so? Because the average passenger fare which was 1.5 paise per km. in 1950-51 has, after 50 years, increased to just 18 paise per km. No wonder, amenities on the railways are so woefully inadequate. We pay much more per kilometer when we travel by bus and car. But the railways find themselves unable to increase the passenger fare appreciably.

Drinking Water

The percentage of households in the country having electricity, drinking water and toilets is a mere 16%. In the rural areas it is far lower, 3.9%. And then there is the issue of drinking water. We all know how unsafe is the kind of drinking water we get in the cities. Water which is described as safe drinking water in statistical tables is not really safe. So much so that even those who cannot afford it, drink mineral water because the opportunity cost of not having it is much more! A basic amenity that should have come from the government sector has not come yet - even after fifty years of freedom.

India and China - a Comparison

When one compares China and

India, China is till today a communist country and our Constitution still declares India is a socialist republic. The per capita GNP for India in 1994 was 320 and China's 530. China started a programme of massive agricultural development which could even be described as being revolutionary as it is based on the free market concept of economics, even though China is a communist country. The earlier communes were broken down and the land given to people on renewable long lease. The people are free to sell a part of their produce in the free market. This policy led to so much agricultural growth, development and prosperity that it created the base for their industrial development. Last year, China received foreign direct investment worth \$37.5 billion, while India a paltry \$1.75 billion. And yet our communists and other 'progressive' elements in India are scared that multinationals will eat away into our sovereignty.

PPP

There is another element called PPP ie. Purchasing Power Parity. You take a composite basket of consumption items and value it with a particular identical price and you get a PPP. In 1994, India's PPP was 1,280 while China's was almost double at \$2510. This means that China's standard of living, the purchasing power of the average Chinese is much more than that of the average Indian. Even in terms of world competitiveness, we rank 38 out of 40 countries while China is 26. Let's take the figures of yield. You take the yield of any product and China's is much higher in comparison to our's. Our arable land is about 170 million hectares while China's is only 96 million hectares. This means land use management in China particularly for agricultural production has been so good that it has contributed to a massive improvement in their overall economy. Coming to demographics, life expectancy for Indians is 62 in



Fifty Years After ...

China it is 69. Adult literacy rate (15 years plus who are illiterate) India is 48, China is 19. Infant mortality rate per 1,000 at life birth - for India it is 70 and for China it is 30.

The Union Budget 1997

The Union budget presented by current Finance Minister Mr. Chidambaram was referred to as "the best budget presented so far" by Shri N. A. Palkhivala. I agree. This budget has certain ingredients which may help sustain the 7% + rate of growth. All the problems of the Indian economy cannot be solved in one budget. The social-sector allocation becomes a lower priority item because other things like the infrastructure sector become much more important. It is a contradiction. One can complain about it and criti-

cise the government but when there is no money you need to fix your priorities. Unfortunately, this is the result of the policies we pursued in the last many years. Even if the social sector gets a higher allocation it will not reach the target beneficiaries in full. They will get a small part because, in between, it will get eaten away by layers of middlemen, touts and bureaucrats. The point is that this budget will have a psychological impact.

An 80-20 Chance

To sum up, the present budget has all the ingredients to retain the 7% rate of growth, it could increase to 8% or even enter double digits if implemented in the right spirit. The Indian economy has immense potential in

terms of human resources. It is an old civilisation in which people have genetically evolved - what needs to be done is to harness this large reservoir of human resources to be converted into assets.

In one of its articles in the early days of liberalisation *The Economist* concluded by saying that the Indian economy has immense potential to become one of the formidable economies of the world but whether its political economy will allow it to be so is the question. I give a 80-20 chance for the rescue of the Indian economy from the hands of the politicians.

MR. JIBAN K. MUKHOPADHYAY is a senior economist, and editor of the *Statistical Outline of India*, published by Tata Services Limited.

India at 50 as viewed by *The New York Times*

For a people whose culture was defined two millennia ago, five decades may seem only the flick of an eyelid. But for modern India, attaining the nervous dignity of 50 is an occasion for celebration and self-examination. Both responses reverberate among nearly a billion Indians at home and abroad, some of whom outspokenly decry the shortcomings of a country they perceive as poor, corrupt and divided. Yet this eloquent dissent, no less than fireworks and parades, suggests that this anniversary is truly worth remarking.

Being a free society has brought risks and costs as well as benefits for India. Nehru's daughter and grandson both served as Prime Minister, and both were assassinated. The long-ruling Congress Party is a jumble of factions that created an opening for a Hindu nationalist party whose rise has been slowed by its own scandals and corruption. As self-critical Indians are quick to add, violent score-settling has been chronic in a country with five major religions and scores of ethnic groups speaking 17 recognised languages. Nor has freedom loosened the shackles of caste for millions scorned as "untouchable", though last month, India, for the first time, elected an untouchable, K. R. Narayanan, as President.

Little wonder, asserts Salman Rushdie, born in 1947, and author of "Midnight's Children", that Indians react

with "shoulder-shrugging sourness" to the anniversary. Nevertheless, writing in *Time* magazine, Mr. Rushdie, a Muslim from Bombay, confesses that he feels like celebrating. A decade ago, he travelled through all India and found everywhere that ordinary people, despite their diversity, considered themselves Indian.

It is a monumental achievement that India has survived as a nation, united by a commitment to free elections and free speech - a commitment vindicated in the country's reaction to the "emergency" of 1975-77, when Indira Gandhi ruled as an autocrat and was thrown from power by the voters. It speaks well for India's vitality and resilience that its own sons and daughters are its most articulate critics, when they are not writing novels devoured by readers everywhere. India trails China in economic indicators, but Indian computer engineers are in demand the world over, and Bangalore is emerging as Asia's innovative computer center.

John Kenneth Galbraith once spoke, half-admiringly and half-accurately, of India as "functioning anarchy". Fifty years on, India's devotion to personal freedom remains its greatest asset, and it is not unreasonable to hope that its tryst with destiny is still to come.

COURTESY: An extract from *The New York Times* editorial, August 14, 1997



Fifty Years After ...

Will India Survive as a Meaningful Democracy?

Gangadhar Gadgil

I have been participating in seminars where people have waxed righteously indignant about this country; pointing out how everything is wrong with it; how it is almost beyond improvement. I am always amazed that this country has survived at all these last 50 years with a dismal rate of growth, called the 'Hindu rate of growth' of 3.5%. Incidentally, it is not the much maligned Hindu social order but the brave new socialist order that is responsible for this dismal rate of growth. Now suddenly this rate of growth has gone up to 6.5 and 7%. So this is a country which fools people all the time. It is full of ambiguities and ambivalences. It would seem that everything is wrong with it and still it seems to function. When we are convinced that this country will be sunk in debt, we suddenly find our foreign reserves soaring. I am therefore not willing to write it off. In any case, I have no option. This is the only country I have!

I have good reasons for feeling rather optimistic about this country of mine. We have just heard Mr. Mukhopadhyay on what is wrong with the Indian economy. I am only going to ask him if all these things are wrong with the Indian economy, how is it growing at the rate of 6.5%? Logically it should not have grown by 6.5%, but it is and threatening to grow by 7% or more in the near future.

A Country Full of Surprises

So this country is full of surprises - many unpleasant and a few pleasant. Now looking to the possible dangers to our democracy, one is, of course, external aggression. I think by and large, the Big Powers are not interested in acquiring such a large empire like India these days. It is not a workable proposition because ruling India is a very troublesome and ex-

pensive business. When you can make money from India without ruling India, why rule India? Therefore I think no big power would be interested in taking over India though small powers in the sub-continent might like to grab parts of it. Bangladesh for example which

Our society has survived for thousands of years with changes and modifications.

If the local people were failures, foreigners came; they were absorbed into society, thus more competent people, more brave people took over society. Later on, others came and so on. There has been a continuous willingness to absorb change and to survive. And still the basic structure of society has remained more or less the same. Isn't this a strength; isn't this a factor that has made democracy survive for 50 years here?

is short of space would perhaps like to grab Assam and parts of North East India. And the Pakistanis may want bits of Punjab, Kashmir and UP. They may have some limited territorial ambitions, but I don't think any of them are in a position to do that. One reason is, whether we like it or not, we are a nuclear power and generally, people do not tangle with nuclear powers. In my view our military strength is quite enough to deal with Bangladesh, Pakistan or to contain China. In spite of all the weaknesses of our society, we have been able, time and again, to show that we can use our military strength to put down

internal dissidence and also deal with external aggression. So there is no threat of external danger, atleast not in the immediate future. As for internal dissensions for the last 50 years we have had to contend with numerous inter-state river disputes and the desire for parts of India to secede from the Union, and we have done so with a fair measure of success.

The Unity of India

In most cases, the desire to break away from India does not seem to be so strong as to succeed. Three very violent efforts were made in the Punjab, in Kashmir with foreign assistance and in Nagaland too. In spite of these efforts we have held together. Are there any factors operative now which can turn the balance the other way? It doesn't seem so. Because, in the first place, if the South East Asian countries are prosperous, they won't be interested, and if they are not prosperous, they would be so weak, that they won't be able to do anything about it. So I don't think the break-up of this country through invasions or through violent uprisings of groups of people is possible. We have learnt to live with internal disputes and external threats.

Inter-state Disputes

For instance, the river disputes have been with us for 50 years. People get very angry. There are occasional riots. Maharashtrians want Belgaum. We make a lot of noise about it from time to time. But they manage to live without Belgaum and the people of Tamil Nadu manage to live with a smaller share of the Kaveri waters. So may be because we are a lazy people, or because we are people who don't have a strong will, or because we are a people who do not act effectively, it doesn't seem as if dissidence is succeeding.



Fifty Years After ...

The Caste Factor

But there is another fact that is likely to result in, not the break-up of the state, but the disruption of society, and that is the caste and communal factor. The communal factor we have lived with and we seem to be reconciled or resigned to live with each other. But the caste factor is finding such violent expression for the first time. And it is this caste factor that is likely to so break up society that it will not be able to function effectively. This is happening in Bihar. Bihar is a state which seems not to function effectively. It is happening to some extent in UP. But it is not happening in the South. You will find that there is a greater measure of awareness in southern societies, where the lower castes have been engaged for half a century or more in movements for asserting their rights.

Take the example of *Dalits* in Maharashtra. Excepting the *Mahars*, other *Dalits* have not given up Hinduism. I am not saying that you must be a Hindu to be an Indian. I am not denying that one way of asserting that you are different is by saying you are a Buddhist. But you find that *Dalits* in Maharashtra, excepting *Mahars*, have not become Buddhists. And not all *Mahars* are Buddhists. In Tamilnadu there has been a powerful party in power which does not believe in God, yet I find that over the years, in Tamilnadu, people are returning to the temples. The rejection of the existing social order, that we are different, we cannot get along with you is an assertion that is not being made even when there is so much anger being expressed. Which means that the caste factor is operating explosively only in the North where social reform movements have not been as strong as in the South. It is only in the North that you find caste dissensions becoming violent.

We Love to Quarrel

But then again it is the peculiarity

of Indian society that we have too many castes and none of them is in a majority. And so ultimately, the BJP has to tie up with the BSP. And the *Dalits* who were opposed to the *Mamuwadis* have to live with them and share power with them and tolerate them. They are able to do so because they have accepted each other for hundreds of years. Without knowing it, they are used to living together. And therefore they are not so violently desirous of breaking away from the rest of the society. They want to quarrel of course. They want to have big quarrels. That is the perversity of India - there are lots of arguments, lots of quarrels but we still live together because we love to quarrel with each other! So this I think is a very peculiar factor and which always surprises me and which I certainly fail to understand.

The structure of Indian society, particularly, Hindu society, is a hierarchy of castes. There are no two sharply divided social classes - one of the exploiters and the other of the exploited. The Marxists would have loved to see such a division in this country. This is because the exploiters at one level are the exploited at another level. And therefore you find society divided into small political groups, too small or too weak to assert themselves and grab power. They of course flex muscles and declare undying hostility. Ultimately they have to team up. The Indian mind has an amazing capacity to accept contradictions. This ambivalence of the Indian mind, this capacity to accept totally opposite things which is considered a great weakness of Indian society. It seems to me also to be a great strength of Indian society. The Mandalisation of the community, has unnecessarily increased caste consciousness. I think the results which the Mandal report wanted to achieve can be achieved in other ways. But let us accept the fact that the Mandal Report has been accepted.

Where Mandal Will Fail

Still there are factors that will dilute the effects of Mandalisation. The economy which is going to divide jobs on a caste basis is the public sector economy. And this public sector is a declining sector; the expanding sector is the private sector. And the private sector is not going to accept caste as the basis for recruitment, particularly the multinationals. Take for instance, the banking sector. With the entry of foreign banks, employees find new opportunities and rush to these other private sector banks because the pay is more. So we find a number of capable people in the nationalised banks moving over to new private banks and foreign banks, getting much better salaries and prepared to take more risks. And, as time lapses and people become self assured and feel that they can compete with other, there will be a movement from the stagnant, caste-based public sector into the non-stagnant, non-caste-based private sector. I am not saying this will necessarily happen. I am saying this seems to me to be a possibility. In any case I want to see possibilities which gives me some hope. Because, as I said, this is the only country I have.

Law & Order

There are other major issues. One of them is the breakdown of law and order and corruption. Law and order is breaking up, certainly it has broken down very much in Mumbai, it has broken down in Bihar, UP and almost everywhere. Formerly if in my travels around Maharashtra - and I travel around a great deal in Maharashtra - I met an MIA, he would say somebody has grabbed somebody else's land. Now when you go around, you find people casually mentioning that there has been a murder. Murders have become an accepted fact of life in Maharashtra. It was not so earlier. Life used to be pretty safe here. And despite this terrible law and order situation,



Fifty Years After ...

you find some economic growth. This is just one of the contradictions in which this country seems to revel.

If law & order is breaking down, if there is insecurity of life and property, economic growth must take a beating. I am sure it is taking a beating. As I said, we could develop much faster. But because we are India, we also seem to be able to grow at 7% when law and order is breaking down to such a degree. It is a vast society, and its ability to suffer toxicity is very high.

Corruption

May be growth has a tendency to perpetuate itself, to accelerate itself. It creates an appetite, an appetite for growth, for change, for liberalisation. And this is happening. Things are loosening up and if things are loosening up, then *may be* the kind of corruption that we have and the background of law and order, insecurity of life and property and the red tape that we have, tend to work in a funny manner. For example, take red tape, because of which you cannot get anything done. But there is corruption, and you can get every thing done with corruption! So corruption which is a bad thing becomes a good thing in Indian society. I am not condoning it, I am not for it. But I am only putting before you a picture of reality. During the days of Pandit Nehru and Indira Gandhi, if the private sector could expand, it could expand only because of corruption. And if it could function, it could function only because of corruption. Without it all of them would have been dead by now. Let me once again assert that I am not saying that corruption is the best way of dealing with red tape.

The Bureaucracy

I am in favour of the reform of the bureaucracy. And yet you find even among the bureaucrats capable, efficient and honest people. You find

suddenly a city like Surat being cleaned up by a bureaucrat. I would never have believed that such a thing could happen, but the city of Surat has been cleaned up mainly because of the efforts of a bureaucrat. If the bureaucrat starts making this kind of contribution, then may be while he will do a lot of wrong, he may be doing some good. What is wrong will perish, because it ultimately leads to destruction. But the good things will survive because they lead to sustenance and growth. Take Mr. Seshan, the Election Commissioner. A peculiar kind of person, but he gave us clean elections which seemed impossible in a country like ours. But it happened. And it continues to happen even after he has retired. The same sort of thing is happening in the judiciary. Suddenly one finds that they can do something for this country. Of course, don't expect too much from them. They are not clean either and they are very inefficient. But they atleast are a force which puts a check on certain tendencies in society. So you find again and again factors which were written off suddenly showing strength and usefulness. And this is happening again and again in Indian society.

Commercialisation as a Factor

And you find the forces of commercialisation and modernisation bringing people together. For example, television. I have heard a lot of criticism about the programmes of Zee Cinema. But I must say that people from Tamilnadu to Kashmir watch their movies. And that is a unifying factor. If all people like the same movie, it is something good. Atleast there is one thing that is commonly accepted and enjoyed in this country. And automatically, the Hindi language also gets accepted. If you go to Tamilnadu, they will say they have nothing to do with the Hindi language. But if there is a good movie in Hindi, they will watch it. This means that India is one

market. And one market for labour, one market for enterprise, one market for goods is a powerful unifying factor. It works very silently. Then there is the apparel that an Indian wears. In the good old days, the way he clothed himself was his visiting card. Earlier you could identify an Indian - which part of India he came from - from the clothes he wore. But this is not the case now. We are becoming similar, in clothes, language, education, social habits. For example, the kind of food that Gujaratis once used to eat or the Maharashtrian ate is not the kind of food they eat today. And these factors are bringing us together. This is a hopeful factor for me - the commercial factor.

Opportunities for Liberalisation

There are many other things too which are wrong. Thus the Indian Railway system is rotten, the infrastructure is not working. But the very fact that these things don't work are, I think, an advantage! If the Indian Railways don't work, someone is bound to say 'let's have something else'. And at some point of time, we will become desperate and we will let the multinationals in because we are bankrupt, and have no dollars in our kitty. So one day we will say, our Railways a giant socialist enterprise, giving employment to a large number of people don't seem to do the work they are supposed to do, so let's give somebody else a chance. That much tolerance, that much flexibility the Indian has. He can do contradictory things at the same time very happily, which most people cannot! The failure of all the things which I have just said may carry within them the seeds of change.

Of Collapsing Societies & Revolutions

Of course there are instances of societies that have collapsed. I have read the history of societies that have collapsed and of revolutions that took



Fifty Years After ...

place such as the French, the Russian and Chinese revolutions. But many of the factors that operated there and which brought about a collapse of society do not seem to be operating here.

We have not been occupied by foreign countries for 30 years as China was occupied. We are not so stagnant that there is no hope for the poor people. They have some ground for hope. They can come to Mumbai and live in *zopadpattis* which is bad for us, but good for them. For there, they can earn their living. So there is always an escape. And if there is an escape, then people do not want a revolution. Revolutions are dirty things. Revolutions have done immense harm to society. This was the case with the Chinese revolution, the Russian revolution and the French Revolution too. Had there been no revolution, France would have been comparable to England in economic progress. In fact, their textile industry was more advanced than the British industry - before it got mechanised. So this seems to be the situation in India where nothing seems to work and yet where there is hope - at least ground for hope.

I am also a student of history. And I find that our society has survived for thousands of years with changes and modifications. If the local people were failures, foreigners came; they were absorbed into society, thus more competent people, more brave people took over society. Later on, others came and so on. There has been a continuous willingness to absorb change and to survive. And still the basic structure of society has remained more or less the same. Isn't this a strength; isn't this a factor that has made democracy survive for 50 years here, when it collapsed in no time at all in Pakistan? Why did it not collapse here? It didn't even when Nehru died, it didn't when Indira Gandhi

declared an emergency. At that time, I had given up all hope. But look at the resilience of this society. Democracy came back. Partly because Indira Gandhi herself was an Indian and partly because Indian society is Indian.

Individual Initiative & Enterprise

We always read about corruption, about law and order breakdown, failures of railways, etc. in the newspapers. But at the same time when I travel around Maharashtra, I find a lot of constructive work being done by young selfless people in almost every town and district of Maharashtra. Recently I was in Malwan and there I met a young engineer. He had given up his job as he was interested in social work. He has improvised techniques of production for the simple people - for instance, a better way of breaking up cashew nuts. He brings together children of poor people, gives them education, trains them and sets them up as self-employed people and he seems to be getting help from politicians. He told me that money was not a problem. Elsewhere, I found somebody improving the quality of grapes, somebody exporting roses, somebody manufacturing champagne.

These things never appear in newspapers somehow. I find that the face of India has changed. For example, the Krishna Valley (Sangli, Kolhapur, Satara) in Maharashtra is completely transformed. They have a shortage of labour there. They get labour from Andhra and from Karnataka, because they do not have enough labour in the state. Isn't it a big thing that agricultural activity should find itself short of labour and be able to absorb people; that an overcrowded area of economic activity should need to get people from outside. This is happening. And once these people get used to a better standard of life, once they get used to having trucks and bicycles and

motorbikes, one they get used to having banks and colleges, they are not going to look back, they are not going to give it up; they are going to ask for more.

And some of them are very enterprising. I am amazed at the number of women entrepreneurs in Maharashtra. Maharastrians are not an enterprising people at all. Still I find a number of women setting up new enterprises. So I think, there are grounds for hope. There are a number of positive factors at work.

Negative Factors

And the negative factors are that nobody wants to take over India. I don't think the army wants to take over India. Their hands are already full. Kashmir is enough for them. I do not think they would dream of taking over India and having so many insurgencies on their hands. And the Army is not in any case, a unified force as armies elsewhere. It consists of diverse people. And we internally are either too weak or too lazy or too tolerant or too willing to accept contradictions or too willing to express our anger in seminars and not let it really create problems for this society. And therefore I would say, Indian democracy will survive, seems to be able to survive - I don't know whether it will be meaningful and successful, because there will always be people at seminars who will say that it's not meaningful at all and that it has failed. It is a part of our tradition to be very disappointed with things as they are and be angry and to express righteous indignation. This is part of the Indian psyche. At the same time, all these constructive efforts that are being made, these forces that operate silently, invisibly hold promise of a society which will function and which is likely to be viable.

PROF. GANGADHAR GADGIL is Honorary Economic Advisor to Hindustan Construction Company Ltd. He is a distinguished writer in Marathi literature.



Fifty Years After ...

Time for a Reappraisal

P. R. Dubhashi

The biggest and the most appropriate golden jubilee project would be a root and branch examination of the Constitution of the "Sovereign Democratic Republic" which people gave unto themselves in 1949 in the fond hope that under it they will enjoy life worthy of free citizens of a free country.

India is celebrating fifty years of independence. It is a significant milestone in the history of a country even as ancient as India.

While we may on our fiftieth birthday congratulate ourselves that the nation state has not yet disintegrated (indeed return to normalcy in Punjab and the return of democratic rule in J&K have been most reassuring), many thinking people have expressed the fear that the nation is on the verge of collapse. All the basic national institutions - parliament at the centre and assemblies in states, the party system, cabinet government, civil service, the judiciary - have all failed. The basic premise on which we built our polity has gone haywire. Our concepts of parliamentary democracy, federalism, welfare state, secularism, and planned economic development have turned out to be fundamentally faulty. The time has come for us to undertake a comprehensive reappraisal of the basic assumption of our national life.

Gandhiji Ignored

The Westminster model of parliamentary democracy which we adopted envisaged a two party system which never took shape. In the early years of independence we had one party dominance both at the centre and in the states. Nehru did not pay heed to Mahatma Gandhi's advice to dissolve the Congress party and turn it into Lok Sevak Sangh. The Mahatma felt that with the attainment of independence, the historic function of the Congress which brought Indians of all shades of opinion and ideology together in the freedom movement, was

over. If his advice had been followed, we could have started our political life on a clean slate. We could have set up two or three major political parties with clear-cut ideologies and programmes. But it never happened.

Survival Politics

One party dominance was overlaid with one person dominance and dynastic succession, with disastrous consequences on our political life and on the federal system. The end of dynastic rule saw the pendulum swinging to the other extreme - minority and coalition governments working in bizarre fashion. The minority government of V. P. Singh supported from outside by the Leftist parties on the one side and the BJP on the other; the minority government of Chandrashekar supported by the Congress party, but with its own strength of only about fifty MP's hence thoroughly unrepresentative; the minority government of P. V. Narsimha Rao which attained majority status through questionable means and which was exposed in the Supreme Court; Deve Gowda's coalition government comprising fifteen political parties and which government managed to survive

albeit under a different prime minister - Mr. I. K. Gujral.

On more than one occasion the United Front government first under Deve Gowda and now under I. K. Gujral is often seen working at cross purposes with members of the cabinet critical of their own prime minister. The prime minister is compelled to indulge in survival politics in the same manner as chief ministers have been engaged in the states since 1967 when

the coalition phenomenon emerged in several states of India. There was a chance for a two party system to emerge when the people of India in the general elections following the emergency supported the hastily formed Janata party with great hopes and expectations. But the opportunity



The Prime Ministers

was thrown away through internal bickerings caused, not by any ideological differences but by the overweening ambitions of small men. The chance of a two party system was lost perhaps, for all time.

Regional Parties

The political scene today is quite chaotic thanks to the fractionalisation of national parties and the emergence of regional parties. The break up of

Jinnah's Vision of a Secular State



You are free; you are free to go to your temples, you are free to go to your mosques or to any other place of worship in this State of Pakistan... You may belong to any religion or caste or creed — that has nothing to do with the business of the State.... We are starting in the days when there is no discrimination, no distinction between one community and another, no discrimination between one caste or creed and another. We are starting with this fundamental principle that we are all citizens and equal citizens

of one state. The people of England in course of time had to face the realities of the situation and had to discharge the responsibilities and burdens placed upon them by the government.... Today, you might say with justice that Roman Catholics and Protestants do not exist; what exists now is that every man is citizen, and equal citizen of Great Britain... all members of the Nation...

Equal Citizens

If you change your past and work together in a spirit that every one of you, no matter to what community he belonged, no matter what relations he had with you in the past, no matter what his colour, caste or creed, is first, second, and last a citizen of this state with equal rights, privileges and obligations, there will be no end to progress you will make ... We are starting with the fundamental principle that we are all citizens equal citizens of one state. Now I think we should keep that in front of us as our ideal and you will find that in course of time Hindus would cease to be Hindus and Muslims will cease to be Muslims, not in the religious sense, because that is the personal faith of each individual, but in the political sense as citizen of the State... I shall always be guided by the principles of justice and fairplay without any, as is put in the political language, prejudice or ill-will, in other words, partiality or favouritism. My guiding principle will be justice and complete impartiality, and I am sure that with your support and co-operation, I can look forward to Pakistan becoming one of the greatest Nations of the World...

All the same in this division it was impossible to avoid the question of minorities being in one Dominion or the other. Now, that was unavoidable. There is no other solution. Now, if we want to make this great State of Pakistan happy and prosperous we should wholly and solely concentrate on the well-being of the people, and especially of the masses and the poor. If you will work in co-operation, forgetting the past, burying the hatchet you are bound to succeed.

I cannot emphasise it too much. We should begin to work in that spirit and in course of time all these angularities of the majority and minority communities, the Hindu community and the Muslim community — because even as regards Muslims you have Pathans, Punjabis, Shias, Sunnis and so on and among the Hindus you have Brahmins, Vaishnavas, Khatri, also Bengalees, Madrasis, and so on — will vanish. Indeed if you ask me this has been the biggest hindrance in the way of India to attain the freedom and independence and but for this we would have been free peoples long long ago...

But the question is, whether it was possible or practicable to act otherwise than what has been done... A division had to take place. On both sides, in Hindustan and Pakistan, there are sections of the people who may not agree with it, who may not like it, but in my judgement there was no other solution and I am sure future history will record its verdict in favour of it. And what is more it will be proved by actual experience as we go on that that was the only solution... Any idea of a United India could never have worked and in my judgement it would have led us to terrific disaster. Maybe that view is correct; maybe it is not; that remains to be seen."

Excerpts from the address of Quaid-e-Azam Mohammed Ali Jinnah to the Constituent Assembly of Pakistan in Karachi on August 11, 1947.

Rajaji's Independence Day Reflections



Gandhiji waged a campaign for the substance of freedom and said he would accept it, even if Britain were not willing to grant Independence in the strict legal sense. Today, he might reverse the proposition and ask the question whether, although we have Independence, we have the substance of freedom. ...

That the organisation going by the name 'State' is necessary for modern human existence and progress must be conceded. But it is erroneous to assume that the modern expediency demands the omnipotence of the State. Its power must be strictly limited if the citizens should feel and enjoy the sense of freedom. Ultimately in that sense, felt and enjoyed, lies true happiness; not in the 'standard of life' which can be achieved, and enjoyed even in a servile State.

In a socialist polity the State claims all power and what may remain untouched is left to the citizens. In a free polity the citizen has freedom and what power is needed for orderly cooperation is given to the State to be exercised against the citizen. These two conditions may, when put in word, seem very much alike, but in reality they are poles apart. In fixing the limits of power between the State and the citizens, the citizen should be the primary and the State the secondary concern. If we proceed on the opposite basis we shall have minimum freedom for the citizen and maximum power for the officials and the ministers elected to power. But if we follow the proper rule, viz., that the citizen's freedom should be the primary concern as the Father of the Nation wanted, we should have a free economy and a free polity, and minimum power vested in the State for necessary control and check of anti-social elements.

Not only was the Father of the Nation interested in minimum government, but the Constitution-makers who gave us the law in 1950 laid down the frontiers very clearly, when they wrote down the directive principles for a welfare State and at the same time an obligatory chapter of fundamental rights. The ruling party has decided that India should be a socialist State, which means that in the disputes between the citizen and the government the decision should be in favour of the latter. The Constitution has been amended in several respects to this end. In many matters even the Constitution as amended is being roughly handled and there is a slogan that the courts should march with the times, in order to allow this rough handling.

The administration has deteriorated in efficiency, sense of justice and integrity. This deterioration is due to the improper intervention of party bosses and under-bosses in order to deflect the course of just and impartial administration. The services have lost their old strength of character and are unable to stand up to the pressure put upon them by political managers.

The citizen's freedom is at its lowest ebb after thirteen years of Independence. The ruling party in India can ruin any man or group of men engaged in any trade or industry, a thing that is inconceivable in America or England. Whatever be the displeasure provoked, the ruling party has devised an 'ism' to cover up all faults and failures. The 'ism' serves to raise undefined hopes and confuses and deceive the people, and to cover up intimidation, injustice and tyranny.

August 13, 1960.

Rajaji writing in *Swarajya*, on the eve of the 13th anniversary of India's Independence.

Issued by the Rajaji Foundation, Mumbai



Fifty Years After ...

the Indian National Congress which started with Indira Gandhi accelerated in Narsimha Rao's regime. This bug of fractionalisation has bitten other parties too. The phenomenon of regional parties which started with the DMK in Tamilnadu has now spread to so many states that the talk now is to end all national parties which it is contended are out of touch with local situations and problems. But can regional parties ever provide a national perspective so important for the survival and prosperity of the nation-state?

The disintegration of national parties has been accompanied by the absence of persons who can provide leadership to the nation as a whole - Jawaharlal Nehru, and with all their deficiencies, Indira Gandhi and Rajiv Gandhi could provide such a national leadership. They had a national charisma. But that cannot be said of their successors.

Though political parties are participants in a democratic process, they themselves pay little heed to inner democracy. They do not hold regular party elections to elect their office bearers nor do they let the local party members select candidates for general elections to parliament and state assemblies. Most candidates are selected by the 'High Command'. This has certainly stifled the vibrancy of democratic politics in this country.

This is reflected in the character of Parliament. The quality of debate is abysmal. What most members excel in is in the use of lung power, behaving in a disorderly manner and creating pandemonium often making it impossible to conduct the business of the State. The televising of parliamentary debate has reduced the prestige of the highest political institution of the country in the eyes of the ordinary people of India.

Criminalisation of Politics

The election process itself has been

vitiating by money power, muscle power and the misuse of government machinery; though thanks to the strict implementation of the rules by the then Chief Election Commissioner Mr. T. N. Seshan there was a marked improvement which, however, may not last long unless Seshan's successors follow his example. The criminalisation of politics has been proceeding apace and political parties have no compunction in setting up candidates against whom criminal cases are pending. Free and fair elections are the *sine qua non* of democracy. Survival in politics has become impossible for people of integrity. On the other hand, criminals and corrupt elements in politics, business and the bureaucracy have joined hands to loot the public exchequer.

The last few years have seen an explosion of corruption cases. We no longer think in terms of petty corruption involving junior civil servants at the counter level where common citizens come in contact with the administration. Bofors opened up a new chapter in corruption soon followed by the sensational securities scandal, the hawala scandal, the urea import scandal, the sugar import scandal, the fodder scandal and telecommunications tender scandal running into crores of rupees. Liberalisation, far from eliminating corruption seems to have opened the floodgates for it. Ministers seem to have lost all sense of standards in public life - take for example the way in which the Minister for Urban Development went about allotting public accommodation and the Minister of Petroleum allotting petrol pumps; above all, the way in which the Minister of External Affairs went about pressuring a diplomat to authenticate a forged document. The chief minister of a state saw nothing wrong in accepting hundreds of crores of rupees as birthday gifts. No wonder complete disenchantment with politics and

public administration has set in amongst the citizens of the country.

Meanwhile the judiciary has become aggressive and has started holding executive agencies accountable to itself than to its superiors. This has undoubtedly disturbed the balance between the three organs of the State viz. the legislature, the executive and the judiciary. Judicial despotism is no substitute for good government.

Widespread Cynicism

What all this has led to, is complete loss of faith in the political class, the political process, in the rule of law and democracy itself. People seem to feel that government cannot be run without corruption and the rule of law exists only for the common people and not for those in power and authority. Indeed, the concept of "public good" itself seems to have disappeared from public life. The mood among the common people is one of widespread frustration, cynicism, helplessness, sullenness and anger. They throw out one set of rulers only to find another set equally corrupt, incompetent and unconcerned with the public good. They are now looking for another system of government, another set of public institutions which can save them from the depredations of the present-day rulers.

Golden Jubilee Project

The biggest and the most appropriate golden jubilee project would be a root and branch examination of the Constitution of the "Sovereign Democratic Republic" which people gave unto themselves in 1949 in the fond hope that under it they will enjoy life worthy of free citizens of a free country. All right thinking people in the all walks of life should join hands in this golden jubilee project to seek ways to usher in good governance in the country.

DR. P. R. DUBASH is a former Secretary to the Government of India and recently retired as Vice-Chancellor, Goa University.

The whole fabric of the moral quality of modern nations is being undermined by the destruction of a sense of moral responsibility in the individual.

- Sri K. M. Munshi.



**LAKSHMI
MILLS LIMITED**

1100, AVANASHI ROAD, COIMBATORE - 641 037.

Netaji Subhas Chandra Bose

The Star-Crossed Hero

D. Anjaneyulu



Netaji Subhas Chandra Bose

It is at least fifty years since the nation and the world lost track of the whereabouts of Netaji Subhas Chandra Bose (born on 23 January 1897). Nobody seems to be certain whether he died of injuries sustained in an air crash or found his way to Stalin's Russia from where he was not able to come out, let alone return home.

There are certainly quite a number of his ardent admirers, even devotees, especially in Bengal, who would like to believe that he is still alive somewhere. If that is accepted as a fact, he should now have completed 100 (some nine months older than Nirad C. Chaudhuri, a resident of Oxford for about 25 years now). It is not clear if the report of the one-man commission by Justice G. D. Khosla had any defi-

We are all familiar with Pandit Nehru's will and testament. But, not many may be aware of the 'political testament' of Subhas Bose. It reads:

"What greater solace can there be than the feeling that one has lived and died for a principle? What higher satisfaction can a man possess than the knowledge that his spirit will beget kindred spirits to carry on his unfinished task? What better reward can a soul desire than the certainty that his message will be wafted over hills and dales and over the broad plains to every corner of his land across the seas to distant lands? What higher consummation can life attain than peaceful self-immolation at the altar of one's cause?"

"Hence, it is evident that nobody can lose through suffering and sacrifice. If he does lose anything of the earth, he will gain much more in return by becoming the heir to a life immortal.

"This is the technique of the soul. The individual must die, so that the Nation may live. Today I must die, so that India may live and may win freedom and glory.

"To my Countrymen I say, 'Forget not that the greatest curse for a man is to remain a slave. Forget not that the grossest crime is to compromise with injustice and wrong. Remember the eternal law you must give life, if you want to get it. And remember that the highest virtue is to battle against inequity, no matter what the cost may be'.

nite or definitive to say on a matter of great national interest.

The INA

It is equally doubtful if any of the governments of free India, beginning from the one under Pandit Nehru for 17 to 18 years, had done anything in right earnest to get to the core of the matter, beyond paying lip sympathy to the armed struggle of the Indian National Army (INA) now and then, may be once in five or six years. Not that we should celebrate the exploits and achievements of the INA as a hardy annual, like Independence Day or Republic Day. Undeniable, however, that adequate justice has not been done to the adventurous story of the brave soldiers, overtaken by adverse circumstances.

Calculated Injustice

Even more true it is that Subhas Bose, years before he escaped from India under mysterious circumstances, had been a victim of calculated injustice not so much at the hands of the British rulers as at the hands of the powerful Congress establishment deeply entrenched in the party organi-

sation. The media, especially the electronic media, betray a shabby mixture of ignorance and indifference on the subject. In reporting the death of Sheelabhadra Yajee (of Bihar) the other day, TV described him only as a freedom fighter, aged 90 and more. The fact that he was a follower of Subhas Bose and President of the Forward Bloc, founded by Bose in 1939, was not mentioned at all. By oversight or ignorance, it is not clear. But that is not the only instance of its kind.

Early Years

This has, in fact, been going on since 1921, when Subhas Bose passed the ICS examination after less than a year's stay at Cambridge (Fitzwilliam Hall) for his Mental and Moral Science Tripos (fourth in the list and first in English essay). Worth noting that he lost no time in deciding to quit the service even as a probationer; and writing to that effect to Deshbandhu C. R. Das and his elder brother Sarat Bose. Notwithstanding the fact that he did not belong to a very affluent family like that of Nehru ("The only son of a rich man"). He was the sixth son and

ninth child of a family of 14; his father Janakinath Bose, was a reasonably prosperous lawyer, at Cuttack. And yet one doesn't hear much of his personal sacrifice compared to that of the Nehru family, hailed as a byword for sacrifice for the country's cause.

After schooling at Cuttack, he joined Presidency College, Calcutta, where he did quite well in his studies. But there was an incident in which he was involved in an attack by a group of students on Professor Oaten, who is known to have made some disparaging remarks on Indian students. The result was that he had to leave Presidency and join Scottish Church College, from where he graduated with Philosophy as his main subject, in 1918 or so, after losing a year or more.

Cambridge Tripos

In 1919, he left for England, where he secured a seat at Cambridge for the Mental and Moral Science Tripos (or Philosophy as we now call it). His contemporaries at Cambridge were: K. P. Chattopadhyay (later Professor of Philosophy in Calcutta), Dilip Kumar

Roy (disciple of Sri Aurobindo), and C. C. Desai, who joined the ICS and rose high in the bureaucracy, becoming Commerce Secretary and occupying other important positions.

Quits ICS

In the shortest possible time available to him, he not only passed the ICS examination, but also completed the Tripos though he had to wait much longer to take the M.A. Degree by paying the required fee of Pounds 15/- or so. But he lost no time in quitting the ICS (in 1921) even before officially entering it. We don't know whether he was inspired by the example of Aurobindo Ghosh.

The year, 1921, (when Bose joined the band of young man under the leadership of C.R.Das who died in 1925), marked a turning point in the career of Subhas Bose. That he didn't decide on a mere impulse is evident from his thoughts about making a living either as a teacher in a National College or an editorial assistant in a nationalist newspaper. As it happened, he came close to Das, as Chief Execu-

tive Officer, when the latter was mayor of Calcutta. After the latter's death, he kept his tradition alive, and was captain (or GOC) of the Volunteer corps at the Calcutta session of the Congress in 1928. He became Mayor himself sometime later, i.e. in 1931.

Complete Independence

From then on, his political career was eventful - detention in Mandalay Jail, organising the Congress movement in Bengal (with some rivalry from the Sen Gupta group and so on), visits to Europe in collaboration with Vithalbhai Patel, (elder brother of Vallabhbhai Patel), stay in Vienna for medical treatment, among other things. His commitment to complete Independence was always uncompromising, openly expressed at the Lahore session of the Congress in 1929, presided over by Jawaharlal Nehru, son succeeding father.

Even at the Calcutta Congress of 1928, Subhas Bose pleaded that complete Independence and not Dominion Status, as proposed by Mahatma Gandhi, should be the national goal.

Olympus Lifts Service and Technology



Bharat Bijlee Limited

501/502 Swastik Chambers, 5th floor,
Jn. of CST & Station Road, Chembur, Bombay 400 071,
Tel:022-5228772 / 73 Tlx.:011-61062 BEBE IN Fax:022-5225870

OLYMPUS

His plea was rejected then, but was accepted next year at the Lahore Congress. He was supported, in his stand, by Jawaharlal Nehru, S. Srinivasa Iyengar, among others. They also formed the Independence League.

Realist

He did not prevaricate on his Leftist leanings, pleading for Left Unity (Congress Socialists, Royists, and other groups) till the end. He did not quite see the rationale behind Gandhiji's claim to be out of the Congress and yet dictating its decisions through his loyal devotees. But somehow in 1938, the rightist group, i.e. Sardar Patel and others, blessed by the Mahatma, chose Subhas Bose to preside over the Haripura Congress. Everything seems to have gone on smoothly.

It is not, however, recognised widely enough that Bose had made a few important points that did not raise any controversy at that time. One was his emphasis on a 'Mass Contact Programme', to bring in the youth to vitalise the party ranks. Another was to promote national integration in all possible ways, one of which was to adopt the Roman script for Hindi and other Indian languages. A third was to intensify the propaganda abroad for the freedom movement in India.

The concept of economic planning has been invariably associated with the initiative of Pandit Nehru. But let us remember that it was during the Presidentship of Subhas Bose that the National Planning Committee was set up (with Nehru as Chairman) and Prof. K. T. Shah as Secretary. Members included leading economists, scientists, industrial experts, notable among whom was Sir M. Visveswaraya. Bose had clear-cut ideas on economic development though he did not call himself a communist or a socialist, unlike Nehru. He was a hardheaded realist, pragmatic in his approach to problems.

Congress President

Signs of trouble began to show up in 1939. For no other reason except that Bose had announced his intention to stand for the Congress Presidential election. It was considered an act of

political blasphemy that a Congressman should have had the temerity to do such a thing, without the approval of the High Command and the blessing of the Mahatma. The latter had proposed the name of Dr. Pattabhi Sitaramayya (historian of the Congress, member of the working committee and a known rightist). The contest could not be avoided; and Bose won with a comfortable majority. And to the discomfiture of the powerful rightist leadership. But, as it happened, it turned out to be a pyrrhic victory.

Gandhiji's Disapproval

Not a little surprising it was that Mahatma Gandhi, who used to declare in public, every now and then, that he was not even a four-anna member of the Congress, identified himself with one of the contestants, to the extent of stating:

"Pattabhi's defeat is my defeat". That queered the pitch for Bose, whose main purpose was to galvanise the youth and complete the mass contact programme which he could not do during the previous year.

Obviously, he counted without his host. The rightist leadership was in no mood to allow him to do anything, though he was the duly elected President. The annual session was due to be held early in the year (1939) at Tripuri (Vishnudutt Nagar) in Madhya Pradesh. As ill-luck would have it, Bose was taken ill and running high fever. But his opponents in the AICC were in no mood to extend any human consideration to an ailing President. After the strenuous journey from Calcutta, he had to be carried on a stretcher to the Congress *pandal*. His brief address, which was read by his brother Sarat, called for issuing an ultimatum to the British Government for Independence.

He was welcomed in the strangest way imaginable. Seth Govind Das (well known as a Hindi fanatic), the Chairman of the Reception Committee, said in no uncertain terms that he was not welcome, as he had been elected against the wishes of Mahatma Gandhi. Meanwhile, as if to add fuel to the fire, the Mahatma had under-

taken a fast in Rajkot as a protest against some policy of the Dewan of that State, which had the effect of attracting all sympathy towards him and adding to the hostility to Bose.

Resigns Presidentship

The position of the President was becoming progressively untenable. The old Working Committee had resigned, Pandit Nehru playing hot and cold with his pusillanimity under the cover of idealism. Bose knew that the die was cast and he chose to resign at a meeting of the AICC in Calcutta in April, amidst scenes of public protest at the raw deal given to him. Dr. Rajendra Prasad became the new President. The bulk of the Bengal Provincial Congress Committee, including party legislators, were on Bose's side; but it was suspended, in due course on grounds of indiscipline. The high command didn't seem to mind that it was undermining the interests of the party until the situation was to change after the partition. Not necessarily for the better.

Forward Bloc Formed

The parting of ways was final. Bose formed the Forward Bloc, comprising the youthful and more forward-looking elements within and outside the Congress, to prepare for a fight to the finish with the Imperialists rulers. Left consolidation was one of the main planks of his programme. But it cannot be said that his success was remarkable, unqualified or even substantial. His personal charisma was unparalleled. But in practical terms his objects were unfulfilled, as the grip of the Mahatma and the right wing of the party cadres was unaffected.

On 3rd September, 1939, when Bose was addressing a mammoth meeting at the Madras Beach, just at that moment, a copy of the evening newspaper was brought to him, splashing the news that Britain had declared war on Germany. In a dramatic gesture, he appealed to the Mahatma to let bygones be bygones and offered to follow his leadership, for a fight with the British Government. But Gandhi was not the man to be so easily moved.

As early as the Haripura Con-

gress (early in 1938), Bose declared in his Presidential address: "Ours is a struggle not only against British Imperialism but against World Imperialism as well, of which the former, is the keystone. We are, therefore, fighting not for the cause of India alone, but of humanity as well. India freed means humanity saved".

World War Opportunity

As a perceptive student of World affairs he had been anticipating the outbreak of a World War in or around 1939 and wanted India to prepare for it, without prevarication. At the Anti-Compromise Conference held early in 1940, Bose reiterated the stand he had earlier taken: "In India we are now ringing down the curtain on an age that is passing away. The age of imperialism is drawing to a close and the era of freedom, democracy and socialism looms ahead of us. India stands today at one of the crossroads of history". While the Government was agitated about his line of thinking, the Congress leadership chose to ignore him.

Escape from Jail

He was arrested in July 1940 to prevent him from campaigning on the lines indicated and arousing the Youth of the country in particular and the masses in general. He thereupon undertook a 'fast unto death' and was released after a week, to be kept under house arrest. He was also elected to the Central Assembly, in the meantime, though he had hardly the time to take oath or take part in its proceedings. How he escaped from home later, reaching Germany and Japan and organising the Indian National Army reads like an exciting story of mystery, adventure and romance.

Bose and Nehru

It is strange to note that Jawaharlal Nehru and Subhas Bose didn't see eye to eye, in their socio-economic ideology, in spite of the similarity in educational background, nearness in age and interest in world affairs. Nehru is reported to have said in a press statement in December 1933:

"I do believe that fundamentally the choice before the world today is one between some form of communism and some form of fascism, and I am all for the former, that is communism. I may not agree with everything that the orthodox communists have done. But I do think that the basic ideology of communism and its scientific interpretation of History is sound".

Bose didn't mince words in his comment on this view, which he described as "fundamentally wrong". Explaining his stand, he added:

"Unless we are at the end of the process of evolution or unless we deny evolution altogether, there is no reason to hold that our choice is restricted to two alternatives. Whether one believes in the Hegelian or in the Bergsonian or any other theory of evolution - in no case need we think creation is at an end. Considering everything, one is inclined to hold that the next phase in world history will produce a synthesis between Communism and Fascism. And will it be a surprise if that synthesis is produced in India"?

Bose on Gandhiji

Whether Bose was a great political thinker could be a matter of de-

struggle and the social struggle will have to be conducted simultaneously. The party that will win political freedom for India will be also the party that will win social and economic freedom for the masses. Mahatma Gandhi has rendered and will continue to render phenomenal service to his Country. But India's salvation will not be achieved under his leadership".

We are all familiar with Pandit Nehru's will and testament. But, not many may be aware of the 'political testament' of Subhas Bose. It reads:

"What greater solace can there be than the feeling that one has lived and died for a principle? What higher satisfaction can a man possess than the knowledge that his spirit will beget kindred spirits to carry on his unfinished task? What better reward can a soul desire than the certainty that his message will be wafted over hills and dales and over the broad plains to every corner of his land across the seas to distant lands? What higher consummation can life attain than peaceful self-immolation at the altar of one's cause?

"Hence, it is evident that nobody can lose through suffering and sacrifice. If he does lose anything of the earth, he will gain much more in return by becoming the heir to a life immortal.

"This is the technique of the soul. The individual must die, so that the Nation may live. Today I must die, so that India may live and may win freedom and glory.

"To my Countrymen I say, "Forget not that the greatest curse for a man is to remain a slave. Forget not that the grossest crime is to compromise with injustice and wrong. Remember the eternal law you must give life, if you want to get it. And remember that the highest virtue is to battle against inequity, no matter what the cost may be".

DR. D. ANJANEYULU is a well-known author and journalist.



bate. But he certainly had clear cut views of his own on the future of India. In his book, 'The Indian Struggle' he discusses the role of Mahatma Gandhi in Indian history, with no sentiment or inhibition. He writes:

"The logic of history will ... follow its inevitable course. The political

Nani Palkhivala

Recipient of the Dadabhai Naoroji Memorial Award 1997

M. R. Pai



Seen in the photograph at the August 12 function are:

(l to r) : Mr. M. V. Kamath (Trustee), Mrs. Nurgesh N. Palkhivala; Dr. M. S. Gore (Trustee), Dr. P. C. Alexander; Mrs. Ackamma Alexander; Mr. Nani A. Palkhivala, Mr. Adi. B. Godrej (Chairman), Mr. J. G. Kanga, I.A.S. (Retd.) (Trustee); Mr. M. R. Pai (Trustee) and Mr. Anand G. Mahindra (Trustee) of the Dadabhai Naoroji Memorial Prize Fund.

Nani A. Palkhivala, was awarded the prestigious Dadabhai Naoroji Memorial Award for the year 1997 at a function in Bombay on August 12.

Born in 1920, Mr. Palkhivala took his M.A. Degree with Honours in English from the Bombay University. He stood First in the 1st LL.B. (1943), as well as in the 2nd LL.B. (1944), and again First in the Advocate (Original Side) Examination of the Bombay High Court in 1946.

His public assignments have included membership of the first and second Law Commissions in 1955 and 1958 respectively. Also in September 1977, Mr. Palkhivala was appointed Ambassador of India to the United State of America, which assignment he held till July 1979. During his tenure, his learned lectures on Indian heritage,

Constitution and the economy, in different parts of the U.S.A. were appreciated for their scholastic content and oratorical skill.

His public lectures on the Union Budget of India from 1958 for about four decades in Mumbai and other parts of India were an annual event drawing thousands of people from all walks of life, from housewives and office clerks to top industrialists and members of the diplomatic corps.

Mr. Palkhivala is the author of several books on law, taxation and public affairs which have attained the status of best sellers. They include: "The Law and Practice of Income-Tax", the standard reference book on the subject and which has run into several editions; "Taxation in India", published by Harvard University in the World Tax

Series; "The Highest Taxed Nation" which created history with its first edition of 5,000 copies being sold within 2 days, and another 5,000 being sold within the next 3 weeks; "Our Constitution Defaced and De-filed"; "Our Constitution and the Common Man"; and "India Priceless Heritage".

In 1984, he published "We, the People", which contains extracts from his speeches and writings of over three decades. This volume also includes extracts from his speeches on the Union Budget, and an incisive analysis of the public policies of India. In 1994, he published

"We, the Nation" which is a companion to "We, the People". Both have run into several editions. In addition, he has authored many booklets on the Budget, Taxation and Constitutional issues.

He has argued a number of historical cases in the Courts of India, and abroad. He fought the Bank Nationalisation case, successfully challenging the Government's order nationalising the 14 largest banks of India. When the Government sought to take away the Privy Purses of Princes by unconstitutional methods, to establish that a government should maintain the sanctity of contracts, Mr. Palkhivala succeeded in having the Government's order struck down. The Government's order arbitrarily putting restrictions on newspapers was also challenged by Mr. Palkhivala and declared unconstitutional by the Court.

The historic *Keshavanand Bharati* case, popularly known as the Fundamental Rights Case, was argued by Mr. Palkhivala in 1973 before a bench of 13 judges of the Supreme Court over a period of five months. The Supreme Court ruled that Parliament cannot, in exercise of its amending power, so amend the Constitution as to alter or destroy its basic structure.

Justice H. R. Khanna of the Supreme Court of India, while presiding over the Second Bhai Parmanand Memorial Lecture delivered by Mr. N. A. Palkhivala in New Delhi, commented on Mr. Palkhivala's legal acumen as follows:

"If a count, were to be made of the topmost lawyers of the world, I have no doubt that Mr. Palkhivala's name would find a prominent mention therein. There have been occasions when his advocacy has reached great heights, and long after we have heard him we find his words echoing in our memory and leaving a trail of pleasant remembrance. One such occasion was when a bench of thirteen judges was convened (in December 1975) to consider the correctness of the majority view expressed in *Kesavanand Bharati's* case that Parliament as a result of the amendment of the Constitution cannot change its basic structure. The height which Mr. Palkhivala touched that day in his address has in my opinion rarely been reached, and I am glad to say that my opinion in this respect was shared by a number of my colleagues. After hearing Mr. Palkhivala the attempt to have the majority view reconsidered was given up and the bench was dissolved".

The impact made by Mr. Palkhivala on the common man through various cases fought in the Supreme Court is reflected in the following letter written to Mr. Palkhivala by a peon in the Supreme Court:

"Respectful salutations to
Shri Palkhivalasaheb

"You are truly a great man. By the special grace of God, He has given you enormous wisdom. You are the true friend of the common people and the poor of this country. By exerting yourself very much for the last few months,

you are trying to get justice for the common people. You will definitely succeed in your efforts. Whatever new laws are made by our Government or plans are started, they have all proved useless. The common people are loaded with new and new taxes. But still the rulers do not understand the difficulties of the common people. I seek your pardon for writing this letter. I pray on behalf of the public of this country and myself to God that you win in your efforts. Otherwise, the people of this country will have to face very great difficulties. I pray to God to grant you great wisdom and continue to seek justice for the people".

During the Emergency, Mr. Palkhivala argued the case for the right of the Members of the Bar to hold their meeting to protest against the Emergency and secured a judgement against the Government. He also argued the case of Mr. Ram Jethmalani who was sought to be arrested and detained because he addressed a meeting of lawyers in Kerala against the Emergency.

Mr. Palkhivala successfully argued before the Supreme Court the cases which affirmed the Fundamental Rights of minorities to establish and administer educational and religious institutions of their choice, and to choose the language in which education should be imparted.

Barring some exceptions, the above cases were all fought by him without charging any fees and as a service to the nation.

When the U.N. appointed the Special Tribunal in Geneva to adjudicate upon Pakistan's claim to certain territories in Kutch, Mr. Palkhivala was the Counsel for India before the Tribunal (1964-67). Pakistan's claim to 90% of the territories was rejected.

Some time prior to the formation of Bangladesh, the Indian Government had denied to Pakistan the facility of overflying India. Pakistan filed a complaint before the International Civil Aviation Organisation (ICAO) at Montreal. Mr. Palkhivala presented India's case before ICAO and also before the World Court at The Hague where the matter was carried in appeal.

He has been in the forefront of defending and promoting individual freedom and enterprise. In June 1977, Mr. Palkhivala founded The Jayaprakash Institute of Human Freedom. It is named after Jayaprakash Narayan who played an outstanding role in regaining freedom for India after the Emergency. The purpose of the Institute is to strengthen the roots of Indian democracy and to carry on the epoch-making work of Jayaprakash Narayan. A sum of Rs. 5,37,000 representing the entire profit from Mr. Palkhivala's Seventh Edition of "The Law and Practice of Income-Tax" accrued to this Institute.

Mr. Palkhivala has been associated with the Forum of Free Enterprise from 1960, and has been President since 1968 (except for 2 years when he was in U.S. as Indian Ambassador). He is Chairman of the Leslie Sawhny Programme, which trains people in leadership. Over the years, he has been associated with several public causes despite his unrelenting schedule as an Advocate, Director and Chairman of some of India's leading companies.

Possibly the best summing up of Mr. Palkhivala's talents and personality was by the late Justice M. C. Chagla, former Chief Justice of Bombay.

"Today, Palkhivala is undoubtedly the most brilliant advocate we have in India. He has an unrivalled command over the language which he uses with mastery and skill and which he combines with vast knowledge of law and great powers of advocacy. Apart from being an outstanding authority on income-tax, on which he has written what is truly a monumental book, he had also acquired a mastery over the principles of constitutional law. Indeed, he can handle with consummate skill almost any aspect of law. And it must finally be said to his credit that with all this he has remained essentially modest and humble. Success has not gone to his head, something that is rare with human beings."

MR. M. R. PAI is Vice President of the Forum of Free Enterprise; campaigner of the Bank Depositors' Association, Consumer Rights Association and a close associate of Mr. Palkhivala in his public activities for the last 40 years.

An Economist as Liberator

Honouring Ludwig Erhard on his 100th Birth Anniversary

Siegfried Herzog



Ludwig Erhard 1897-1977

After the epic collapse of socialism, there is a basic consensus that the market mechanism is needed to organise a successful economy. Most countries agree on the need for further economic liberalisation. The debate has shifted to issues of detail: One is the debate between proponents of gradualism vs. those of a "big bang": Should liberalisation proceed gradually so as not to upset social harmony, avoiding mistakes, or should it proceed fast to avoid prolonged periods of uncertainty, to reap results earlier and to avoid clashes between reformed and unreformed parts of the economy. Another debate can be termed the rearguard action of state interventionism: What role is left for the state in the economy, and what policy instruments can it still employ?

When grappling with these issues, a historical analysis of how policy makers have dealt with these questions before is a helpful guide. This year, Germany remembers the so-called "Father of the Economic Miracle", Ludwig Erhard, who, more than anyone else, shaped the post-war economic system of Germany. The sweeping market-oriented reforms that he implemented from 1948 onwards laid the foundation for Germany's astonishing economic resurgence, demonstrating that a market economy

Ludwig Erhard played a key role in putting the concept of a social market economy into political practice. Very few people have ever bridged the gap between academic thinking and political practice as effectively as he did, being both an academic of note and an effective politician.

can deliver both economic efficiency and social harmony. His achievements are not just of historical interest. When East European reformers were faced with the task of transforming their bankrupt socialist command-and-control-economies into market economies, they turned to Ludwig Erhard's example for guidance. This was most notably so in the case of Leszek Balcerowicz, the former finance minister of Poland, and Vaclav Klaus, the Prime Minister of the Czech Republic. So who was this man who is remembered with gratitude by a whole generation and what was his message that has remained topical for 50 years?

Preparatory Years

Ludwig Erhard was born on February 4, 1897 into a merchant family in Fuerth, Germany. He was drafted into the military during World War I and returned with grave injuries. After the war, he studied commerce in Nuremberg and took his PhD under the supervision of the liberal economist Franz Oppenheimer. He then embarked on an academic career at the university for commerce in Nuremberg. He maintained his distance from Nazism, and in 1942, he had to resign from his university post because he refused to join one of the Nazi mass organisations. With the help of leading industrialists, he founded his own economic research institute, where he started to work on questions of economic reconstruction after the war. As such, Erhard was part of a loosely connected group of liberal German

economists who foresaw the downfall of Hitler and who devoted a lot of energy to the question of how Germany could overcome the material devastation of war and the moral and intellectual devastation of Nazism. Some of them had gone into exile, like Wilhelm Röpke and Alexander Rüstow, others had worked quietly in Germany, like Walter Eucken, Franz Böhm, Gerhard Ritter, Alfred Müller-Armack and Erhard himself. The latter group had loose links to the German resistance movement against Hitler, and the failed coup of July 20, 1944 put them in danger; only Gerhard Ritter was arrested, however, but he survived.

'Ordo-Liberalism'

The school of thought that emerged from these men is termed Ordo-Liberalism. It is concerned with the basic order of the economy, and seeks to create an alternative to the totalitarian systems of Nazism and Communism where the state exercises a stifling control over the economy. Although it shares the fundamental beliefs of classical Liberalism, it differs from a pure *laissez-faire* Liberalism in one important aspect: *Ordo-Liberalism does not believe that the free interaction of individuals will automatically produce the optimum results.* Individuals work for their own interests, and they will try to concentrate and use power to avoid competition. Hence a strong state is needed to forestall such concentration of power, to enforce the rules of the game and

to keep markets open; competition becomes a process that is organised and upheld by the state. The economic order envisaged by the Ordo-Liberals has been most comprehensively spelt out by Walter Eucken. It is characterised by the following constituent principles: free and open competitive markets; monetary stability; private ownership of the means of production; freedom of contract; liability/responsibility for the consequences of one's own economic decisions; stability of economic policy. Added to this are regulating principles: anti-monopoly policy; some correction of income distribution; correction of market failures.

Social Market Economy

Alfred Müller-Armack coined a catching phrase for the new economic order that these people sought to build: the Social Market Economy. While Ordo-Liberals agreed that some form of transfer payments are needed to provide a safety net for the poor, the extent of this social policy has been hotly debated among them - and this debate continues today. But they agreed that a competitive market economy is in itself already a major element of social policy due to its openness, its dynamism, the opportunities it offers and the wealth it cre-

ates. Additional measures of social policy might be needed, but they should complement, not supplant, the market economy. They should be designed in such a way that they use the market mechanism as far as possible to achieve maximum efficiency, and they should not interfere with or even suppress existing markets. Using this yardstick, one can evaluate policy choices; the problem of housing the poor is better addressed through direct payment of housing subsidies to needy families who then can pay market rents instead of blanket rent controls; providing pensions is better done by requiring people to choose a private pension scheme (for which the state sets minimum standards) instead of a state-administered pension system financed by compulsory contributions.

Post-War Ruin

How to put this vision into reality was the burning question after Hitler's regime had finally been destroyed. The economic and social situation in Germany after the end of World War II was extremely grim. Millions of ethnic German refugees flooded in from the eastern parts of Germany and other East European countries, millions more were homeless due to the extensive bombing of German cities, and food became extremely scarce. The country was divided into four zones of occupation (Soviet, American, British and French) with the respective military commanders exercising dictatorial powers of government in their zones. The military governments continued with the war-time rationing system of food and consumer goods, industrial raw materials were distributed by administrative orders, imports and exports were controlled tightly. Moreover, the allied powers demanded reparations in the form of a part of industrial production and of industrial machinery that was dismantled in German companies and shipped abroad.

The result of this was a paralysis of industrial production. Money lost its role as medium of exchange and storage of value. A thriving black market grew, with cigarettes, coffee

and butter taking the role of new "currencies". While production and exchange deteriorated into primitive forms of subsistence production, the growing black market threw economic planning and control into confusion. Faced with mounting chaos, the British and American governments decided in 1947 to merge their German zones of occupation economically. They installed an Economic Council, drawn from members of the legislatures of the newly created federal states who had been elected in 1946 as a first step towards re-democratisation of Germany. The French and Soviet Governments declined to join, with the Soviet zone drifting rapidly away from the rest of Germany due to the ruthless imposition of communist institutions there by the Soviet authorities.

Currency Reform

Apart from the Economic Council, an expert committee was formed under the leadership of Ludwig Erhard to prepare a blueprint for a currency reform. This plan was submitted to the allied powers, who had already drafted a similar concept of their own.

The currency reform for the American, French and British zones that was proclaimed by the Allied authorities on June 16, 1948 introduced the new Deutsche Mark (DM) in place of the virtually worthless Reichsmark (RM), giving everybody 40 DM to start with and regulating the conversion of RM-claims into DM. It also set up a central bank system.



"The Face of the D-Mark" *

Decontrol

In March 1948, Erhard was installed as Director of the Economic Council for the joint Anglo-American

On people's expectations from the state:

"The state is not an abstract construct, divorced from the community of a people ... When, as a result of the political process, the state is required to provide national defence and public safety, entrusted with the promotion of education, science and health care, enjoined to keep air and water clean, to organise traffic and transport, continue to provide housing; when increasingly expensive social transfer payments are demanded from it, while the demands for subsidies and special assistance do by no means decrease; then the citizen has to realise that he is addressing in effect himself ... There are no provisions by the state that are not based on sacrifices made by its people."

Ludwig Erhard

* COURTESY : Ludwig Erhard, *Wohlstand für Alle*, Düsseldorf (Icon), 1957.

Zone of Occupation. He, in conjunction with the academic advisory board of the Council (containing *ordo-liberal* economists like Eucken, Miksch, Müller-Armack and Böhm) had long argued for a simultaneous reform of the system of economic controls, replacing administrative price and quantity controls by free markets. Otherwise the currency reform would not be able to achieve its goal of restoring the function of money in the economy. They knew that the move to a market economy had to be taken in one go and in a coherent fashion in order to succeed. In a dramatic session of the Economic Council during the night of June 17/18, 1948, Erhard won agreement for his draft law concerning the system of economic control after the currency reform, which would allow him to free production and prices of most goods from controls and subject them to the principle of competition (with the main exceptions of basic food; coal, iron and steel; transport and housing).

Even though the assent of the Allied powers had not yet been obtained, Erhard went ahead and used his new powers to abolish the quantity and price controls of most goods on June 20, 1948, the day the currency reform took effect. He was convinced that the two steps had to happen simultaneously, and in a passionate radio address to the German people on June 21, he explained the necessity of his reforms, the basic principles of a market economy, and he appealed to the German people's dynamism and will to move forward to make the new market economy a success.

A Daring Decision

Erhard took quite a risk. His predecessor had been dismissed by the occupation authorities for criticising their policies, and here was Erhard, abolishing price controls without taking their permission. When asked by Gen. Lucius D. Clay, the head of the American zone, why he had not taken their permission even though each price change had to be sanctioned by them, Erhard explained that he hadn't changed the administered prices but abolished them. Despite his annoyance

with Erhard's tactics, Clay backed him up and the decision was retroactively sanctioned.

This step was considered extremely daring in a situation where the country was still marked by the devastation of war and was struggling to accommodate millions of refugees. Moreover, the political climate of the time favoured a more interventionist role of the state. Among the major political parties, the German Social Democrats and a lot of Christian Democrats as well as many economic experts believed in some form of central economic planning and state ownership of "strategic industries". Such policies were followed by Britain and France after 1945, although not by the USA, and herein lay one factor working in Erhard's favour, which is why Clay backed him. The Americans strove to build an open, market-based world economy to prevent a recurrence of the protectionist nationalist climate in Europe after World War I which had caused permanent economic instability, ultimately contributing to the rise of Nazism. This offered the vanquished nations Germany and Japan a way to reintegrate themselves into the community of nations, making it politically attractive.

Decision Vindicated

The success of Erhard's measures vindicated him: almost overnight, goods reappeared in the shops, the black market disappeared and people said that their new money was "working". Industrial production which had

fallen to 39% of that achieved in 1936 doubled in 1948 and rose by another 24% in 1949. The initial burst of inflation was checked by December 1948, and Erhard as minister for economic affairs from 1949 onwards then kept the economy on a path of low inflation and high growth, resisting initial demands for a Keynesian policy of inflationary credit expansion. By 1958, Germany had achieved full employment.

Erhard's Genius

Thus Ludwig Erhard played a key role in putting the concept of a social market economy into political practice. Very few people have ever bridged the gap between academic thinking and political practice as effectively as he did, being both an academic of note and an effective politician. He went ahead with a policy he believed in and set out to convince the German people of the rightness of his approach, helped by his considerable oratorical skills. He was believable because he knew what he was doing, was respected for his intellectual brilliance, but he also had the ability of explaining economic policy to the people in words they could understand and relate to. Against all expectations, the Christian Democratic Union (CDU) with whom he had teamed up got more votes than the Social Democrats in the first free national elections of 1949. This was chiefly due to the success of the radical market-based economic reforms which were identified with Erhard.

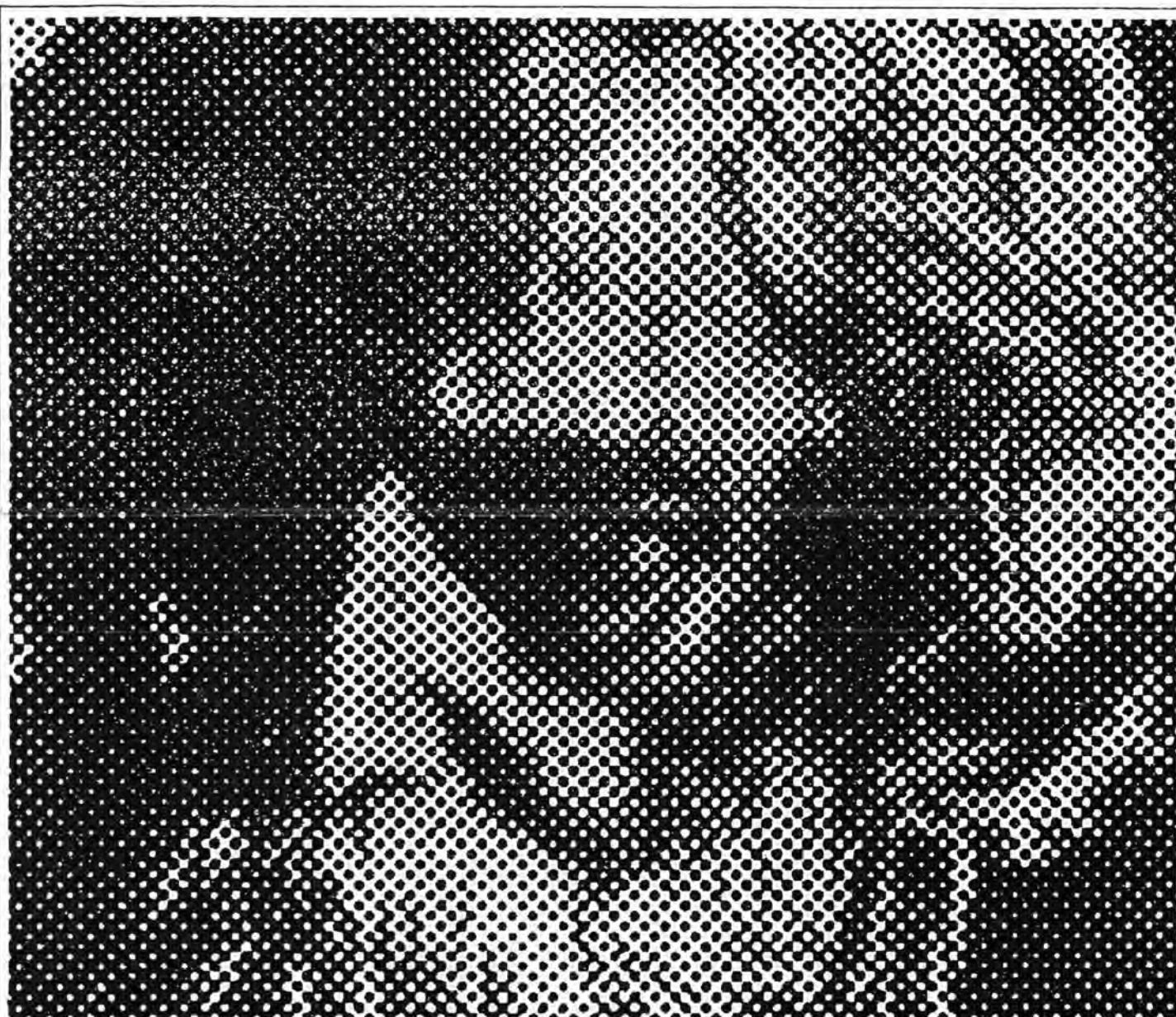
The CDU went on to form a

On the Social Market Economy

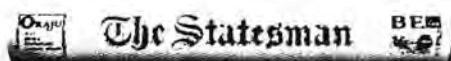
"Systems of political and economic order do not live solely from the ideas on which they are founded but principally from the people and with the people, whom they have to serve after all ... The Social Market Economy is much more than an efficient economic system. We have always understood it and implemented it in a broader sense, and this has enabled it to enrich the material side of our lives in a way that could not be calculated beforehand. That a lot of people make a rather primitive use of the material opportunities offered to them can on no

account be blamed on this economic system. The causes for that will rather be found in certain basic conditions of human nature, and it is the task of the family, the educational system and the churches to influence these. The Social Market Economy will be able to enrich the life of the individual and to meet the growing public needs as long as we understand it to be a part of a larger holistic order of our existence which is also oriented on non-material, spiritual values."

Ludwig Erhard



If there is anything that could overshadow
the close association we had with the great thinkers
of our time, it could only be the close association
they had with us.



Why settle for anything less?

coalition government with the liberal Free Democratic Party (FDP). Erhard had actually been unsure for a while which of the two tickets he should join - he had got the job as Director of the Economic Council due to the Free Democrats - and he decided in favour of the Christian Democrats more for reasons of political effectiveness than of ideological closeness. In fact, he remained as an independent on the CDU ticket until 1963, when he formally joined the party before being elected chancellor. Throughout this period, he held the post of minister for economic affairs while keeping in touch with the *ordo-liberal* "family" of economists. He brought Alfred Müller-Armack into the ministry as secretary of state, and others like Eucken joined the official academic advisory board of the ministry, which consequently became a bastion of *ordo-liberal* thinking with great influence on the establishment of the remaining economic institutions in the 1950's like the anti-monopoly office. It continues to play the role of the *ordo-liberal* conscience in the German government, resisting more interventionist policies pushed by other branches.

To keep Germany on the path of fiscal rectitude, Erhard fought hard - and ultimately successfully - for the independence of the central bank, the Bundesbank, to be enshrined in law. Free from political interference, its chief task is to ensure monetary stability. It has performed that task so well that the laws reforming new central banks in Eastern Europe and the law for the new European central bank that will take over monetary policy under the common European currency have been drafted along the lines of the Bundesbank law. In other fields, he was less successful, though. The labour market continued to be dominated by the cartels of trade unions and business associations which were protected by law; the pension system set up in 1958 did not apply market principles; and agriculture remained in a world of its own, dominated by subsidies and price controls. Powerful interest groups and the substantial lobby of welfare-minded politicians in

the CDU were too strong to overcome.

Erhard as Chancellor

In 1963, Erhard took over the reins of government from Konrad Adenauer, West Germany's first post-war chancellor who had ruled since 1949, much against the latter's wishes. At first, he did well and the CDU achieved 48% at the federal election of 1965 under his leadership. But he never got a grip on his own party, not the least due to Adenauer's intrigues, and this proved fatal when a minor recession in 1966 led to differences about the right economic policy. Erhard lost the support of his own party and was forced to resign. His aloofness from party politics and his lack of ruthlessness when dealing with rebels in his own ranks proved to be his undoing. The qualities that had made him a respected and effective shaper of economic policy were inadequate for the task of managing a coalition government and a faction-ridden party.

With historical distance, however, the political failure of 1966 is outweighed by the crucial role Erhard played in setting up the Social Market Economy in Germany. He demonstrated that a radical approach to economic liberalisation works - even in the most difficult of circumstances: When people are faced with deprivation, they don't have the time to

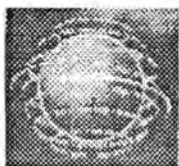
On the economic system

"He who wants a market economy because he wants to keep the economic efficiency and the adaptability to changing conditions of this system - characteristics of the market economy which are basically not doubted by anyone - must not at the same time degrade the entrepreneurs to mere recipients of commands or relegate them to a barely tolerated existence within the framework of a quasi-governmental apparatus. He also must not denigrate their drive for achievement, which includes the opportunity to realise material profits, too. Too much of governmental interference will always be evil. Entrepreneurial activity needs to be given the widest possible scope in all areas of our economy. A market economy cannot work otherwise."

Ludwig Erhard

wait for the slow fruits of gradual change. No less intriguing is his political success: he had the courage of his convictions and strove hard to explain his policies to the people - and they listened to him. He did not follow public opinion, he led it. Both these lessons remain important and valid for policy makers today.

MR. SIEGFRIED HERZOG is a Project Director of the Friedrich-Naumann-Stiftung (a German Foundation promoting Liberalism) at their India and Regional Office in New Delhi.



Humour on the Internet

Surfing on the Internet could land you in the midst of smut or rewarding humour, such as the one on 'Euro English'.

'Euro English'

The European Union commissioners have announced that agreement has been reached to adopt English as the preferred language for European communications, rather than German, which was the other possibility.

As part of the negotiations, Her Majesty's Government conceded that English spelling has some room for improvement and has accepted a five-year phased plan for what will be known as EuroEnglish (Euro for short).

In the first year, "s" will be used instead of the soft "c". Certainly, Sivil servants will reseive this news with joy. Also, the hard "c" will be replaced with "k". Not only will this klear up konfusion, but typewriters kan have one less letter.

There will be growing publik enthusiasm in the sekond year, when the troublesome "ph" will be replaced by "f". This will make words like "fotograf" 20 per sent shorter.

In the third year, publik akseptanse of the new spelling kan be expekted to reach the stage where mor komplikated changes are possible. Governments will enkorage the removal of double letters, which have always been a deterrent to akurate speling. Also, al will agre that the horrible mes of silent "e"s in the languag is disgrasful, and they would go

By the fourth year, peopl wil be reseptiv to steps such as replasing "th" by "z" and "w" by "v".

During ze fifz yer, ve vil hav a reli sensibl riten styl. Zer vil be no more trubls or difikultis and evrivun vil find it ezi tu undertstand ech ozer.

Ze drem vil finali kum tru.

Liberalism in India

Dr. Gail Omvedt

As a new subscriber to *Freedom First* I was fascinated to read the article of Sharad Joshi and the reply to it by Dr. Anjaneyulu.

Dr. Anjaneyulu is correct in saying that liberalism essentially includes a focus on individual rights and in this sense cannot be found in the Vedantic tradition or in Gandhism. A caste society which binds individuals to a group, a profession and a place in the most stringent hierarchy found in the history of world societies is absolutely inimical to liberalism. I have already argued this with Sharad Joshi; but in the good liberal tradition of public debate, there is no harm in debating this publicly. I feel that in spite of all his immense contribution, this particular orientation is in danger of brahminising liberalism.

I also feel that if there is an enlightenment and liberal (not necessarily libertarian) tradition to be located in the India of the last two centuries, it is to be found in the movement and current of thought represented by Phule, Ambedkar and the anti-caste tradition. This was at odds in crucial aspects with both Gandhism and Nehruvian Socialism.

What about the roots of liberalism in pre-British India? Here I would be more inclined to look to Buddhism, to the nationalist tradition of Charvaka and other non-Brahminic movements and religious currents. But I say this tentatively, however. I would not be as pessimistic as Dr. Anjaneyulu about finding these roots or forerunners. After all, in the so called

"western" tradition also, liberalism and the Enlightenment might have been able to draw on some aspects of Judaism, Christianity and the Greek tradition but it had to make a decisive break with others and in this sense it was a new thing in Europe also.

I also do not share Dr. Anjaneyulu's belief that urbanisation is the answer or that city people are more liberal than villagers. True, anonymity helps provide spaces and in this sense the "city air makes one free", but some of the worst forms of communalism and collective hate has found its base in the cities before moving to the countryside. The "cowbelt" and the jats are a somewhat special case. Dipankar Gupta's recent study, *Rivalry and Brotherhood*, provides a fascinating comparison of the atmosphere in Tikait's BKU and Maharashtra's Shetkari Sanghatana. Local traditions and social structure are different and also leadership - Tikait *versus* Sharad Joshi - has played a significant role. There are important differences in every region in India. But, in taking a partial step to give women land rights is an important material base which constitutes them as individuals. Maharashtra farmers have done what no comparable urban section has achieved.

Finally, as a new reader I should frankly admit I am still exploring liberalism and libertarianism and among the great revolutionary values of "liberty, equality, community" (to go beyond the sexist "fraternity") am not as yet ready to put "freedom first" - but contemporary India very much needs your voice.

DR. GAIL OMVEDT is Professor of Philosophy, Pune University.

POWERING INDIA'S GROWTH FOR MORE THAN FIFTY YEARS

Thermal • Hydel • Nuclear • Diesel • Gas • Wind

A leading Engineering Company offering a wide range of products

- Medium & Large Pumps
- Hydro-Electric Generating Systems
- L.T. & H.T. Alternators and Motors
- Special Rotating Electrical Machines
- H.T. Switchgear & Switchboards
- Electronics Control Systems

And undertaking Turn-key Projects with a single - source responsibility

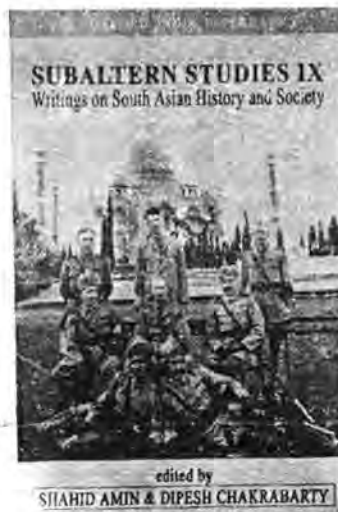


Jyoti Ltd.

P. O. Chemicals Industries
Vadodara-390 003 (India)
Fax : 0091- 265 - 381871

BOOK REVIEWS

SUBALTERN STUDIES IX - WRITINGS ON SOUTH ASIAN HISTORY AND SOCIETY, edited by Shahid Amin and Dipesh Chakrabarty; Oxford University Press, New Delhi, 1996; pp.294; Rs. 475.



**Reviewed by
Professor S. V. Kogekar**

The writing of history has been dominated by those who play a dominant role in and/or who benefit the most from the successful conflicts in various aspects of social and political life. Such historiography does not convey the whole truth of the role played or hardships suffered by the mass of people who are either ignored or merely mentioned as inconsequential elements in the making of history. Against this elite history is posed the non-elite or people's history in which an attempt is made to expose the one-sided narrative of the elite and to bring out the contribution of the non-elite to the making of history. Underlying this attempt is the belief that history, like beauty, lies in the eye of the beholder; that bias, one way or another, is impossible to overcome in the writing of history, and that any "true" history is only partially so. By the same token, non-elite history too can be only partially true and, therefore, much of the righteous indignation displayed by the writers of this brand of history against elite histori-

ans is somewhat misplaced. Ultimately one must despair of being ever able to write or read the truthful history of mankind so long as it harbours different viewpoints of looking at the past!

Be that as it may, the series of writings called 'Subaltern Studies' is intended to bring out non-elitist writings on South Asian history and society. Though it is perhaps too late in the day to raise the issue in the context of the ninth volume in the series, the reviewer must question the propriety of using the word 'subaltern' in its title. To anyone familiar with English literature that word brings to mind a young man, not infrequently belonging to the aristocracy, newly recruited to the elite officers' cadre of the Army. By training and experience he climbs to higher and higher ranks though he is at the lowest rung of the ladder when recruited. It passes one's imagination why such a word is associated with an avowedly non-elite series of writings. One remembers that way back in the thirties, during the heyday of Marxism in the West, the need for such writings led the publisher Victor Gollancz to bring out "People's" histories. That was a good enough and far more expressive title for the new non-elitist writing of history. One cannot imagine a more inappropriate, and indeed misleading title than 'Subaltern'.

The book under review, the ninth in the series started in 1982, apart from bringing together non-elite writings, sets out to enlarge its focus so as to include contemporary issues of gender, oppression and lumpenization in metropolitan modern India. The volume contains nine essays written by different contributors headed by Ranjit Guha who edited the first six volumes. His lecture on the new historiography delivered in 1993 is reproduced as the first essay and is in the nature of a keynote address. Traditional historiography, he says, is statist, hierarchical and male-dominated. Other voices such as that of women,

for instance, are not allowed to speak in it. He makes a plea for new historiography to give voice to deprived elements outside the state-dominated perspective. Among the other writers are academics in the field of History, English, Political Science and Anthropology in various institutions/universities in India and the USA, while one is an Engineering Consultant. Their essays cover such varied topics as the Tribal Dangs in Western India, gender attitudes, partisan violence in Mewar, Science and its relation with modernity and tradition, caste conflict and *Hindutva*, and 'Rowdy-Sheeters' in the police records in Andhra Pradesh. Going outside South Asia, the concluding essay deals with new Irish histories influenced by non-elite studies and is written by a Professor of English in the USA. It is probably included here to emphasise the importance of non-elitist writings.

It is difficult to comment on such diverse topics within the space of a review. But there is a common strand which runs through most of the essays in spite of the involved and clumsy style of writing in many places. That is the desire to forge a new historiography suited to the current developments emphasising the new awareness among the non-elite castes and communities of their own rights and strengths in our democratic polity. In this attempt to debunk the old colonial rulers and their native henchmen also lurks the danger of going to the other extreme and condemning all that is associated with past history: The fostering of national unity; the propagation of modernising, progressive thought; the emphasis on science and the scientific temper; and the deliberate breaking down of caste barriers consciously undertaken by social reformers.

The extension of historical studies to the discussion of contemporary non-elitist movements is likely still further to compromise the objectivity of the historian even to the limited extent to which such objectivity is possible. As an example one may cite

To find out whether you're using
the best Powder Hair Dye,
place it next to ours.



Now take this simple test.

	Godrej Powder Hair Dye	Any other
* Is it shampoo based?	☒	☐
* Does it spread easily?	☒	☐
* Is it convenient, non-messy, easy to use?	☒	☐
* Are the shades natural? (i.e. no one can make out you're using a hair dye)	☒	☐
* Is it long lasting?	☒	☐
* Is it safe?	☒	☐
* Is it from a reputed company?	☒	☐
* Finally, what is the price?	Rs. 32/- for 10 gms.*	Rs. _____ for 6 gms.



Godrej Powder Hair Dye. So much more for so much less.

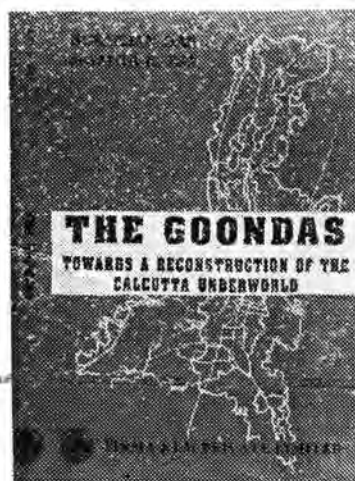
* Max retail price as on 1st Jan. 1993 (inclusive of all taxes)

Mudra GS 1458

a recent report appearing in the *Economic and Political Weekly* (February 22-28, 1997, p-398) of a congregation of more than a hundred Tamil intellectuals to discuss the subaltern studies project. One view presented at the meeting was a passionate critique of subaltern studies as a Brahmanical project dominated by Brahmins from Bengal and elsewhere. The writer complained that 'even where subalternists analyse caste, they distance themselves as outsiders and conduct research in a clinical fashion'. He feared that this could only lead to "neo-Brahmanism". The dividing line between history on the one hand and propaganda or active politics on the other is very thin indeed!

PROFESSOR S. V. KOGKAR is a retired professor of political science and former Principal, Fergusson College, Pune.

THE GOONDAS: TOWARDS A RECONSTRUCTION OF THE CALCUTTA UNDERWORLD, by Suranjan Das and Jayanta K. Ray; Calcutta; Firma KLM Private Ltd.; 1966; pp.111; Rs.175.



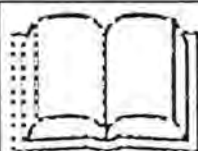
the criminal activities of goondas and films is inseparably intertwined. Every goonda has provided raw material for film-makers; often the film director's innovative brain has provided goondas with ideas to improve their operations. The nexus between the goondas and film makers in real life was established by the recent attack on Mr. Rajiv Rai by certain goondas for alleged non-payment of protection money and more recently the murder of Mr. Gulshan Kumar.

Goonda activities have also attracted the attention of two well known academics of Calcutta University: Professor Suranjan Das, a historian and Professor Jayanta Kumar Ray a political scientist. In the book, under review these two professors have studied 123 newly declassified files at Calcutta Police headquarters throwing light on some of the activities of Calcutta's goondas.

Reviewed by
Dr. P. M. Kamath

The Goonda - a Hindi term for criminals has been a fascinating theme for film producers. The nexus between

The word Goonda is used as an umbrella term covering all nefarious activities. It covers undesirable activities ranging from petty theft to mur-



Books Received

- *...And Pine for What is Not* by Suneeta Deshpande (translated from the Marathi by Gauri Deshpande) an autobiography - Disha Books (an imprint of Orient Longman), Mumbai
- *Aryans and British India* by Thomas R. Trautmann - Vistaar Publications (A Division of Sage Publications) New Delhi.
- *Bangladesh - Mujib to Hasina* by M. G. Chitkara - API Publishing Corporation, New Delhi
- *Critique of Hinduism and Other Religions* by Tarkteerth Laxmanshastri Joshi (Translated from the Marathi by Suman Oak) - Popular Prakashan, Bombay
- *Collected Poems, 1952 - 1988* by Nissim Ezekiel - Oxford University Press, Bombay
- *Decentralised Governance in Asian Countries* edited by Abdul Aziz and David D. Arnold - Sage Publications, New Delhi
- *His Holiness the Dalai Lama: Speeches, Statements, Articles, Interviews: 1987 to June 1995* - Department of Information & International Relations, Central Tibetan Administration, Dharamsala
- *India, The Third World: Why? God Made Only One? Can India Overtake the USA?* by Rakesh Wadhwa - IMI, New Delhi
- *Judicial Process in India. Limitations and Leeways* by N. K. Jayakumar - API Publishing Corporation, New Delhi
- *Law of Maintenance: An Empirical Study* by Jaya Sagade - for ILS Law College by N. M. Tripathi Private Limited, Mumbai
- *No Great Europe Without Russia - No Great Russia Without Europe*, edited by Galina Sidorova and Irene Karaganova - Commission for the Greater Europe, Vienna
- *Nuclear Weapons - Do We Need Them?* by N. Junju - Reliance Publishing House, New Delhi
- *Planned Progress or Planned Chaos - Selected Prophetic Writings of Prof. B. R. Shetty* edited by Prof. Mahesh Bhatt and Prof. S. R. Melita - East West Books (Madras) Private Limited, Chennai (Madras)
- *Sardar Patel and Indian Muslims* by Rafiq Zakaria - Bharatiya Vidya Bhavan, Mumbai
- *The Book Without a Title* by Shantli Zaveri (Essays regarding God and Religion) - Vishv Books, New Delhi
- *The Decolonization of Imagination*, edited by Jan Nederveen and Bhikhu Parekh - Oxford University Press, Mumbai
- *The Rape of Bailadila. Looting the Nation - A Statesman Publication*, Calcutta
- *The Uncolonised Heart* by Lou Ralte (A study of Bengali and English language criticism of Bengali Literature in the 19th and early 20th centuries) - Orient Longman, Mumbai
- *The Tribunal System in India* by S. P. Sathe - N. M. Tripathi Private Limited, Mumbai
- *Upholding the Common Life. The Community of Mirabai* by Parita Mukta - Oxford University Press, Mumbai.

ARMAYESH

The Finest Hand Embroidery - Forever

ARMAYESH, world leading Manufacturer-Exporters of the finest quality of exquisite Hand Embroidered designs and products supplied around the world, NOW INTRODUCES the same guaranteed international quality and timely delivery FOR THE INDIAN MARKET.

You can select from many existing international designs or order any design of your choice for your Sarees (Ghararas are our Speciality), Dupattas, Ghagras, Cholis, Jackets, Vests, Handbags, Cushion covers and other products which will be exclusively hand embroidered for you.

Please telephone

Mr. Arun Palkhiwale or Mrs. Sheila N. Aga

on 308 42 83 / 307 23 30

to finalise the date and time of your visit to our DESIGN STUDIO AND SHOWROOM.



ARMAYESH FASHIONS PVT. LTD.

Design Studio & Showroom
513, Veena Killedar Estate
Pais Street, Byculla (West)
Mumbai 400 011.

der. Suranjan Das in his Introduction, says: "The *goondas* were perceived as a community whose mode of living and codes of behaviour posed a challenge to the existing socio-political order and provoked fear amongst the established sections in the society." These are the unwanted people who are considered unfit to live among decent citizens. The legitimacy to the term comes through government's recognition of a person as "*goonda*" and its decision to intern him has made the term part of our lexicon.

A perusal of the case studies by J. K. Ray, answers many disturbing questions: What makes one a *goonda*? No one is a born criminal. It is often circumstances that turn a person into a *goonda* or a criminal. Some become *goondas* because of the times they passed through before partition. Such a *goonda* - one Gopal Mukherji raises a private force 'Bharat Jatiya Bahini' to protect Hindus during the great Calcutta killings of 1946. Some joined him because they wished to escape to safety from Muslim majority areas; while others did "to avenge the humiliation suffered by the community at Muslim hands." Some others joined to train themselves in the use of explosives. After Calcutta settled down, Bahini members were looked down, hence some turned to criminal activities. Other factors which drove humans to criminal activities were poverty; bad company; living in areas infested by criminals, prostitutes and smugglers; broken homes or marriages or migration.

The *goondas* indulge in a variety of activities: "snatching, extortion, theft, murder, robbery, dacoities, wagon breaking, smuggling, gambling

"Democracy is perhaps the most promiscuous word in the world of public affairs. She is everybody's mistress and yet somehow retains her magic, even when a lover sees that her favours are being in his right, illicitly shared by many another."

Bernard Crick
In Defence of Politics, 1982.

and black marketing." Other activities include blackmail, throwing out tenants, providing "protection" and as bodyguards.

Often, politicians brand activists from rival parties as *goondas* and that itself may eventually lead a person into goondism. After independence the Calcutta Police called them 'political *goondas*' to segregate 'lawbreakers' having political connections from those belonging to a political party or a faction. As the files studied here belong to the period from 1946 to 1971, most of these concerned activists belonging to the CPI(M), CPI, or CPI(ML). It would be interesting to know whether the practice has been continued by the Left Front government in West Bengal by using this technique to brand Congress or BJP activists as '*goondas*'.

Today the entire nation is exercised over the nexus between criminals and politicians. What was the situation during the period covered by the book under review? The nexus did exist even then, though it was on a somewhat smaller scale. One, Harilal Pandey, for instance, generally escaped arrest as he was the 'favourite' of a 'Congress MIA'.

Gopal Mukherjee, about whom mention was made earlier, claimed close links with none other than West Bengal's illustrious Congress chief minister, Dr. B. C. Roy. A faction of his *Bharat Jatiya Bahini* had developed a close association with the Congress Party. The authors also show that persons of any religion, caste or class could be involved in crime. History sheets examined by them show that landlords, the educated and middle class families also became *goondas*. Even men from the police and the armed forces were found in the *goonda* category.

An interesting fact that emerges from their study is the thin line dividing people who turn leaders and

people who turn criminals. Today leaders are often charged with inspiring riots as was the case with Veerendra Patil in October 1990 or Chenna Reddy in 1991. But the beginnings of the technique can be traced to the period under review. Thus for instance, one Punit Goala in 1955 "fomented a riot in order to enable the Chingrihata Bone Mill Workers Union to subdue a rival union."

The authors interviewed some of those mentioned in the history sheets in *goonda* files but are now leading settled lives. This in itself proved it was possible to come out of the criminal world even if extremely difficult. What do they feel today about political leaders? They feel angry that they were utilized by these leaders for their own 'sectarian interests'.

The book will be useful to all those interested in learning why people become *goondas*. Similar studies need to be undertaken to study the period after 1971 as also *goonda* activities in other cities. A subject index could have made the book more useful.

DR. P. M. KAMATH is retired professor of Politics, University of Bombay.

SURANJAN DAS is Professor and Head of the Department of History, University of Calcutta.

JAYATAKA K. RAY is Centenary Professor of International Relations, Department of History, Calcutta University.



"I was against deregulation from the beginning ..."
Courtesy : National Review.



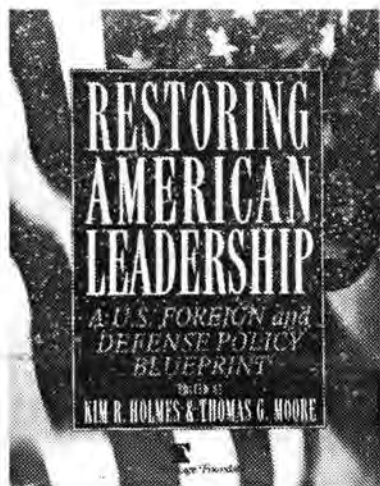
Complete joy.



THE COMPLETE MAN

raymond
SINCE 1925

RESTORING AMERICAN LEADERSHIP: A U.S. FOREIGN AND DEFENSE POLICY BLUE PRINT edited by Kim R. Holmes and Thomas G. Moore, Washington, DC; The Heritage Foundation; 1996; pp.288; price not stated.



Reviewed by Dr. B. Ramesh Babu

This collection of essays is a strong plea for coherence and direction; clarity of purpose, perspective and prioritization; and integration between the long term and short term strategies in American foreign and defense policies. The burden of the argument is that the United States needs such a "blueprint" for restoring its primacy in the post cold war world, and that the Clinton Administration is deficient and incapable of providing the necessary leadership. It seeks to offer an alternative "model" to President Clinton's foreign policy, which suffers from "a form of dyslexia"! In fact, it is argued that even his predecessor, President George Bush, also "never came to grips" with the need to create a new strategy for the post cold war era. Even the Republican Leadership in Congress was found wanting in finding "a strong and consistent voice" in foreign policy, according to the authors.

Such a negative assessment of the country's foreign and defense policy should be of interest to observers of the American scene, especially because

the American Heritage Foundation is saying so. It is a leading champion of a conservative and right wing approach to life in general and economy and military strength in particular. Its "mission", in its own words, "is to formulate and promote conservative public policies based on the principles of free enterprise, limited government, individual freedom, traditional American values and a strong national defense." The launching of such right wing "think tanks" in the 1970s and afterwards is itself a significant phenomenon in American politics and public life. Historically such "think tanks" were the preoccupation of liberals and left-of-centre circles. However fascinating it may be, the story cannot be told here in a brief book-review.

Declaring that vague phrases like "engagement and enlargement", "new world order" will not do, Edwin J. Feulner, Jr., President of the Heritage Foundation, points out that for the first time in US history, Americans are being asked to support "a global foreign policy strategy in the absence of a clear and present danger." Hence, a frank and clear headed discussion of American interests and principles is all the more necessary. Feulner asserts that the purpose of the Heritage Foundation's "Blue Print" (the third book in the series) is to offer "a rational and coherent" national strategy. It is claimed that what is being offered is not an ivory tower discussion of "grand strategy", but a practical "one stop shop" for what to do in foreign and defense policy. It is an action plan to make America once again "a world leader", according to him.

A national strategy, chapter one explains, is the plan by which the "moral and physical resources" of the nation are mobilized by the federal government to "protect, preserve and promote" American interests and values. In the absence of clarity and compelling principle to guide its foreign policy, the Clinton Administration has been treating the United States as an "emergency room of the world!" Instead of being selective in stamping out the most dangerous threats, the

Do A Favour

to your friends
send them
a sample copy of
Freedom First
with your compliments.

Freedom First

3rd Floor, Army & Navy Building,
148, Mahatma Gandhi Road,
Mumbai 400 001.

Please send a sample copy of *Freedom First* to the following, with my compliments:

Name: _____

Address: _____

Pin: _____

Name: _____

Address: _____

Pin: _____

Name: _____

Address: _____

Pin: _____

Name: _____

Address: _____

Pin: _____

Name: _____

Address: _____

Pin: _____

(Sender's Name & Address)

Name: _____

Address: _____

Pin: _____

The measure which the whole world treasures

"After B.A., M.A. then I.A.S.
and now he's also
acquired a PSPO!"



PSPO; the one and only true measure to choose a fan. With the most advanced technology like, special ribbed blades, maxi-torque motor and an aerodynamic design, to give:



More Air



Over
More Area



Less Electricity
Consumption



Mudra OF 134

President is wasting the nation's energy and resources on peripheral issues like Somalia, Haiti and Bosnia. America's national interests are classified hierarchically into three broad categories: vital, important and marginal. They are prioritized further and analysed briefly. Chapter two offers an analysis of and recommendations on "how" to make the world safe for America. After a brief prologue, the authors go on to elaborate on appropriate regional strategies around the globe. It is interesting to note that out of 15 pages devoted to Asia in a chapter of over 60 pages less than one page is devoted to South Asia!

The why and how of promoting global economic prosperity in tune with America's economic interests and values is discussed in chapter three. Chapter four expands on how to sharpen "the tools" of American foreign policy. It is interesting that the United Nations heads the list of "instruments" of the country's foreign policy! Foreign aid, public diplomacy and the intelligence community are the others discussed at some length. Chapter five, by far the longest, is devoted to the vital task of how to keep America safe and strong. Each chapter ends with a detailed summary of recommendations and the book ends with a brief "conclusion".

The idea that each country should have a well thought out and well defined national strategy is indeed "self-evident". But, what is actually offered in the near 300 page analysis is neither novel nor inspiring in any way. What the American Heritage Foundation advocates is a well orchestrated plan for an even more militarily powerful America playing a global leadership role in terms of narrowly conceived national interests. The declared purpose is to promote a global capitalist economy that is in tune with her brand of a "free market" philosophy. Countering terrorism and organised international crime, are seen as important new concerns. Controlling military technology exports (so that America's unchallenged global supremacy in warfare continues into the far future) and maintaining the scien-

tific and technological lead of the nation especially in information and computer technologies and weapons related R & D are given pride of place in the scheme of things.

Fortunately, the real world is a lot more dynamic, unpredictable and yes, chaotic to be "managed" by individual nations, however big or mighty they may be. This does not mean that nations should not have well thought out long term and short term plans to deal with the world in their own way and for their own benefit. But, best plans are those that also provide for the unexpected and unforeseen! The most successful ones will be those that do not see the whole thing as a zero-sum game, but, seek the good of others even as they plan and scheme for their own advantage. As the book unfolded its blue print for "Making World Safe for America," the reviewer became more convinced of the need for the other nations to develop their own national strategies to "Make America Safe for the rest of the World".

DR. B. RAMESH BABU is a Senior Academic Fellow in International Relations, American Studies Research Centre, Hyderabad.

KIM R. HOLMES is Vice President and Director of Foreign Policy and Defence Studies at The Heritage Foundation.

THOMAS G. MOORE is Deputy Director of Foreign Policy and Defence Studies at The Heritage Foundation.



Courtesy : National Review.

ACC

cement

FOR

RELIABILITY

STRENGTH

AND

QUALITY

ACC

THE ASSOCIATED CEMENT COMPANIES LIMITED

For the last 55 years we've been making products

*Irons ✦ Water Filters
✦ Room Heaters ✦ Storage Water Heaters ✦ Toasters ✦
Immersion Heaters ✦ Round Ovens ✦ Domestic Ovens ✦
Mixers ✦ Gas Appliances ✦ Bulbs ✦ Fluorescent Tubes
Fluorescent Tubes ✦ Miniature Lamps ✦
✦ Mercury Vapour Lamps ✦ Sodium Vapour Lamps ✦
Vapour Lamps ✦ Metal Halide Lamps ✦
Commercial Fittings ✦ Industrial Fittings ✦
Fittings ✦ Decorative Fittings ✦ Street
Street and Public Lighting Fittings ✦
High Mast and Mobile Mast Lighting System. ✦
Total Turnkey Lighting Project Services ✦ Ceiling
and Table Fans ✦ Ventilation Equipments ✦ 2500
dealers and 20 branches ✦ 4 Regional Offices and
100 service centres reaching out to over 10 million Indian
households. ✦✦✦ *history... and sense.**



bajaj electricals limited
WE DELIVER WHAT WE PROMISE

Heros BE-109/94

OUR MISSION

Freedom First speaks for the silent majority - the majority that wants to be left in peace to pursue its goal of improving its quality of life, but has been suffering in silence, the indignities heaped on it by insensitive governments who have arrogated to themselves the right to decide what is good for the people. In the process, the whole country has been turned into a cesspool of corruption. Public morality and character have reached an all-time low.

Freedom First affirms that much of the unrest and ferment in our society is a direct result of excessive State intervention in the day-to-day lives of our people. While the people's initiative has been stifled, the economy is in shambles. The journal believes that while India needs a strong government that ensures the rule of law, what India does not need is a meddlesome government - the system so far that has led to impoverishment, insecurity and instability.

Freedom First therefore stands for minimum government and maximum freedom, tempered by a sense of individual responsibility, in which the people's genius has a fair opportunity to develop and grow.

Freedom First rejects any ideology, movement or policy that sets one group of citizens against another, be it based on class, caste, religion or envy.

Subscribe Today

To,
Freedom First,
3rd Floor, Army & Navy Building,
148, Mahatma Gandhi Road,
Mumbai 400 001.

I wish to enter a Subscription and enclose my cheque*
in favour of **Freedom First**.

(Please type or write in block letters)

NAME : _____

ADDRESS : _____

PIN : _____

*Subscriptions can also be sent by MO/DD. No Postal Orders please. On outstation cheques, please add Rs.10 for bank charges).

For Subscribers in India

☐ Life Subscription - Rs.500

☐ 3 Years' Subscription - Rs.125

☐ 2 Years' Subscription - Rs.90

☐ Annual Subscription - Rs.50

Single Copy : Rs.15

For Overseas Subscribers

(By Second Class Airmail)

Annual Life

\$10 \$100

£7 £70

AIRFREIGHT LIMITED

**Meets All Your Transportation Needs
From Door to Door Across the World**

An enterprise with over 80 offices in India.



EXPRESS DIVISION OF
AIRFREIGHT LIMITED



DOMESTIC EXPRESS
CARGO



TRAVEL & TOURS



AIR & OCEAN
FORWARDING



Regd. Office: Neville House, Currimbhoy Road, Ballard Estate, Bombay 400038.

To contact us, please refer to your local Telephone/Yellow Pages Directory.