

A QUARTERLY OF LIBERAL IDEAS

Freedom First

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Is Soviet Ideology Really Changing

— Milovan Djilas

On Guard — or Gorbachev will Tickle You Red

— Bernard Levin

Eastern Europe: Who's Afraid of Gorbachev

— Ramnath Narayanswamy

Soviet Reforms

— Vasundhara Mohan

Vandalising India's Democracy

— M. Varma

The Privatisation Phenomenon

— Jiban K. Mukhopadhyay

The Punjab Tangle — Time for Rapprochement

— Krishnabai Nimbkar

Not by Science Alone

— E.V. Ramakrishnan



S. P. Aiyar — A Tribute

Freedom First

A Quarterly of Liberal Ideas

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Dear Reader

This issue's theme is a discussion of Gorbachev's *Glasnost* and *Perestroika* — two words that are now being applied even to things not Russian. Our contributors analyse the significance of the movement launched by Mikhail Gorbachev.

Glasnost in India is threatened by a Government measure to muzzle the press. The unanimity with which the entire Fourth Estate denounced the obnoxious Defamation Bill, 1988 and demanded its unconditional withdrawal augurs well for our future as a democracy. One cannot recall a similar protest during the last century cutting across all newspapers and shades of opinion.

The pledge that newspaper men and women took at a rally in Delhi on September 5 to defend their rights and their profession will remain a milestone in the history of freedom of thought in our country and will take its place along with statements made by Ram Mohan Roy and others in defence of press freedom.

We consider it a privilege to reproduce the pledge (see back cover) and our affirmation of solidarity. Public memory being proverbially short, one has to cherish, foster and commemorate both the spirit and the statement.

The Bill is in Limbo

As this page is about to go to press, comes the announcement from the Prime Minister's Secretariat that in order to facilitate "a wider national debate" on the issue of defamation "the Government has decided" not to make the Defamation Bill, 1988 into law. We congratulate the Prime Minister on showing a healthy regard for public opinion and not proceeding with the Bill in the teeth of opposition.

The Bill, however is not dropped. It is in limbo and can be revived. Public pressure should continue till the Bill is withdrawn lock, stock and barrel.



Of Cabbages & Kings

Another Popular Institution Disappears
Off to a False Start

COURTESY: Indian Express

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First**
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WITH MANY VOICES

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

Reforms in Russia and China seem to be blurring the contrast between the capitalist faith in the market and the communist worship of the Plan. Both Mr. Gorbachev and Mr. Deng are telling the planners to pipe down so that factory managers can hear what the markets are telling them.

The Economist, January 30

If only we would have patience, if only, we would not make mountains of trifles, and if only our politicians would leave us alone — things would surely sort themselves out.

Indian Express, July 25

Harijans are kept out of temples. There is a Nathdwara in every village or town. We will go to all of them.

Swami Agnivesh, *Free Press Journal*, July 24

Of the human breed, politicians are undoubtedly the least trustworthy, the scum of the earth

Khushwant Singh, *Sunday Observer*, July 24

It is a sad commentary on the country's politics that the only feature the ruling party and the opposition have in common is lack of credibility.

India Today, September 15

Since inequality is inevitable, a sensible society is well advised, if not to lie back and enjoy it, at any rate to make the best of it

Peregrine Worsthorne, *Spectator*, July 23

Investing in the Indian stockmarket is like playing darts without knowing what or where the target is.

Sidney Pinto, *Business India*, July 25

If Nations consulted psychologists, North Korea would almost certainly be diagnosed psychotic

Asian Wall Street Journal, July 1-2

I don't believe in double-talk. I am not a Congressman

Jyoti Basu, *Sunday Observer*, June 5

India cannot scrap licences because somebody makes a fortune selling them.

The Economist, August 6

CAUTION: PRESS. We defame
A *Statesman* sticker for pressmen

We Invite

readers to contribute to this page. The family of *Freedom First* readers must be reading a large number of newspapers and periodicals.

When you come across an interesting comment, remark or observation on current affairs (not necessarily confined to politics or economics) which says it all, do share it with us.

Send us, preferably, the clipping, marking the lines that have impressed you. If this is not possible then send us the Quote typed or written in block letters. Please do not forget to tell us who said it, and the name and date of the publication.

OF CABBAGES AND KINGS

Another Popular Institution Disappears

Popular Book Depot, a well-known landmark in Bombay's Grant Road, has closed down. For nearly five generations this bookshop was an important place not only for buying one's book, but browsing among them, picking up the latest arrivals and acquiring a library on long-term credit. The credit facility was a boon to impecunious individuals and educational institutions. The staff had grown up with the bookshop and many had struck up friendships with their clientele. Though the bookshop catered to school and college students wherein lay the shop's bread and butter, yet they had a good stock of the latest books which were sought by the regulars.

Shri G.R. Bhatkal who founded the shop was a phenomenon even in his times and fostered not only book lovers and their needs but was a Father Christmas to authors too. As a publisher he belonged to a leisurely generation and his heart was only partly in it. But he dauntlessly published his authors — two of them in English became international figures, G.S. Ghurye and A.R. Desai. But what ought to be treasured is his fostering of Marathi writers. It is not well-known that he paid every month for the upkeep of some Marathi authors who did not have any regular source of income. This was an advance on royalties for books that were yet to be written later! One wonders how many present day Indian publishers would have a similar consideration for their authors on whom they batten most inconsiderately.

The closing down of the bookshop is the *finale* to a tradition of marketing of books that has totally changed in contemporary times. Shri Bhatkal loved books, authors and the life of the mind. The present day booksellers are a new breed who are least interested in the commodity they sell. For one thing not only are many of them uneducated but in some cases totally illiterate. They

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

— Lewis Carroll



could, as easily, switch over to selling soaps and toothpaste if more profits lay in trading in such items.

The collapse of the old type of book-selling is part of a larger malaise. It is the virtual collapse of higher education in the country. This is a topic we hope to highlight in future issues of this journal. As a regular reader we welcome your reflections on this subject.

RS

Off to a False Start

The National Front formed at the initiative of Chief Minister N.T. Rama Rao is a step in the right direction. Its basic premise, to separate national politics from state-level politics is logical and an acceptance of reality. The disintegration of the Congress Party which began when Mrs. Gandhi ousted the "syndicate" comprising the old Guard of the pre-independence Congress Party, is proceeding apace. The Congress Party now in power with the suffix (I) is the Indira faction. The other factions have dissolved largely into the Janata Party and some into the Bharatiya Janata Party. The Congress(I) is bound together by the Anti-Defection Act — till the next General Elections at least. Its longevity is based, not on its own inner strength of which there is very little but on the absence of something else to take its place. Till such an alternative emerges it will doddle on, engaging in stratagems, manipulation and a misuse of power as was seen in Nagaland and Tripura recently, to keep itself in power. It will seek to protect itself by stifling dissent, again by misusing the demo-

cratic process. The Defamation Bill is the most recent example.

But the National Front as at present constituted is also destined to die an early death because its composition is illogical. It is made up of regional parties and parties that claim a national character.

The Janata Party or the Lok Dal (B) or the Congress(S) though claiming to be national parties, are in effect confined to restricted areas of influence eg. the Janata Party in Karnataka or the Lok Dal(B) to parts of Haryana and Uttar Pradesh and the Congress(S), after Mr. Sharad Pawar's exit, a hollow shell with no base anywhere. And yet they have units in most states and will be a nuisance to strong regional parties eg. to the Telugu Desam in Andhra Pradesh or to the DMK in Tamil Nadu who are their National Front partners. On the eve of elections they will stake their claims and unseemly wrangles are almost certain, judging by past experience.

The National Front is therefore off to a false start. Fortunately it is not yet too late for the regional parties in the Front to retrace their steps (the Madras Marina beach spectacle not — withstanding) and form a Federal Party at the national level even while retaining their individual identities at the state level. A constituent member of the Federal Party must necessarily be a party confined to, and with strong roots in, any one state.

When the Congress(I) finally disappears from the Indian political scene, the days of one-party dominance would have come to an end and the era of coalition governments would have begun. The best coalition would be a Federal Party and not a 'Front'. The Federal Party would put up candidates against the so-called national parties be they the Janata Party the BJP or the CPI / CPI(M). The coming to power of such a party at the Centre would also mean a restoration of the federal nature of our Constitution.

SVR

The Hammer & Sickle — A Big Question Mark



In the euphoria generated by Mr. Mikhail Gorbachev's 'reforms' the Russian words "Glasnost" and "Perestroika" have become *mantras*. These two words have been hailed by many people the world over as marking the beginning of a new era. If these well — meaning people are to be believed the Soviet Union is on its way to becoming 'Democratic' Russia.

Khrushchev's denigration of Stalin at the Twentieth Congress of the Communist Party of the Soviet Union (CPSU) in February 1956 gave the world outside the Iron Curtain an idea of the monster Stalin was. Khrushchev and the Twentieth Congress delegates who applauded him excused themselves of any complicity in Stalin's tyranny. Stalin was an aberration and not a creation of the system, they said.

Mr. Mikhail Gorbachev has, it must be admitted, gone much further than Khrushchev. He has gone much further and enabled the rehabilitation of some of Stalin's victims — members of his party like Bukharin and Trotsky. He has attributed the ills of Soviet society to the lack of openness (*glasnost*) which put a cover on inefficiency and graft and argues that only openness can help to restructure (*perestroika*) the Soviet economy.

Glasnost thus was born not because of Gorbachev's sudden love for such 'bourgeois' beliefs as individual liberty, a free society or a pluralist political system but simply because there was no other way to rescue an economy which, even while setting world records for man's endurance in outer space, was, according to their own spokesmen, an economy of chronic shortages.

Mr. Leonard Sussman, Executive Director of Freedom House in an outstanding article on 'Openness and Censorship' put the reality of *glasnost* in proper perspective when he wrote:

"The Soviet Union is widely regarded now as having freed its citizens to learn more about their society, and play more of a role in directing future affairs. Actually, no institutional, constitutional or administrative changes have fundamentally altered Communist Party control over every aspect of a Soviet citizen's life.

And that's the point that *Freedom First* is really interested in. Mr. Gorbachev's *Glasnost* is to be practised within the parameters of the Communist Party's over-all control. The Soviet citizen can now criticize *within limits prescribed by the State*. He can write articles and even get them published *within circumscribed limits* (admittedly over a wider area than under Gorbachev's predecessors). People can go to Church without fear of being ostracised. Private farming plots are permitted and State owned enterprises must justify themselves. But there can be only *Prawda*; there can only be the CPSU. And in Presidential elections under the new dispensation will there be more than one candidate?

For long-time readers of *Freedom First*, the revelations that have surfaced about the barbarism of Stalin or the inefficiency of the Soviet system are nothing new. This journal's founder Minoo Masani, despite the calumny heaped on him by "progressives" in our country, continued to warn and educate people on the realities of international communism.

That he and the organisation he founded, the Democratic Research Service (publishers of *Freedom First*) have been vindicated by no less a person than the high priest of Soviet Communism is a matter for some gratification. Perhaps a little bit of patting ourselves on the back is justified. But the big question is — has the Hammer and Sickle come to symbolise real freedom for the Russian people? Will the Hammer and Sickle no longer signify Soviet imperialism over the people of Eastern Europe? Does the Hammer and Sickle mean that Soviet surrogates in countries outside the Soviet Union can no longer look to the Kremlin for support and sustenance?

Even if the answer is 'not just yet but this is the beginning of the end of the most terrible tyranny known to man' people like us would be satisfied. For, we accept that a half century old system cannot be dismantled overnight. Like our own Permit-Licence-Quota-Raj, it will have to be undone gradually or else the architect of change could himself be swept away.

Is Soviet Ideology Really Changing?

Milovan Djilas



Changes in China and the Soviet Union are being made by the ruling oligarchy — the changes are of too limited a character to be able to serve for a generalising about the change of the system: communism has always been changing, remaining in essence always the same.

Changes in the communist system will naturally depend on international circumstances and the effect of outside forces being more forcible and more direct, as a result of greater international ties than was the case with earlier, different systems. International communism has disintegrated, but the Soviet imperialistic and expansionistic power has grown stronger by leaning on revolutionary movements and totalitarian governments and tying them to itself politically and economically. There is no sure sign, except the stereotyped declarations about "equal cooperation", that the present day Soviet leadership will abandon their interventions, like, for example, those in Eastern European countries.

To the end there will always exist in communist movements currents which gravitate towards the monopoly of power. They will not relinquish power — because for them it equals self-destruction — to keep such power or to grab it, they will motivate themselves with the "faultless", "scientific", totalitarian ideology. Those currents will have

to be removed, by pressure or by force, sooner or later.

Teaching about a state — especially law and the legal role of the state — have been neglected already with Marx: if the state — organ of class suppression — unavoidably withers away in a classless society, it is also logical that the explanation of its importance is irrelevant. Lenin reduced the state to naked oppression: the state equals the stick. Stalin needed only to consistently use the stick.

And although in "socialist" countries — in all of them, without exception — the state and the bureaucracy grow stronger uncontrollably, Lenin's vulgar theory, now even more vulgarized, of the state comes in handy to justify party monopoly of power.



Milovan Djilas

This fact is today so completely evident it barely deserves any proof.

To me, therefore, it is more important to look at the problem of property in communist states.

Property in communist states is not legally defined. And this is not by chance. Definitions such as "property of society", "socialist property", even "state property" are in a party state too fictional for any objective, minimally scientific analysis. From such property have developed and are based privileges by the very fact that the party has a monopoly over managing and handling the national economy. Power is tied to the economy, to property — hence the "total power" of communists, hence unfreedoms, and stoppages, squandering, and hopelessness.

The combination, vital to the idea and the movement, is what communists are upholding: "socialist property" is a sacred thing as is monopoly of power by the party. Both are abandoned only if absolutely necessary — just so they can be continued when an utopian, mindless, powerless and propertyless future arrives.

In this lie the secrets of why "socialist" economies cannot open up and embrace a free market — I mean the market in the contemporary sense — in which a democratic country also has to play its role. A free market would give

birth to free property and free initiative — and this is already negation and undermining of "deals" and monopoly of power.

Therefore, changes in communism have to be assessed and measured not only by liberalization in spiritual and legal spheres, but also by changes in power and property, or, more correctly, by power-property. Without fundamental changes in these foundations all is insecure, superficial and unfounded.

Contemporary communism is the product of the industrial era. It established its revolution in countries where the industrial revolution arrived late (Russia, Yugoslavia, China, etc.) — and in the Eastern European countries the Soviet Empire has forced similar power because of its hegemonistic motives. Power and society in communist countries are late, backward in comparison with the West — they are just now joining the new, technological revolution. And those societies are in their bureaucratic-totalitarian nature unfit to join that process. So it does not seem probable that they will be able to keep their present structures.

However, I want to repeat, that such conclusion one has to interpret only as probable: logic and theory in politics and society serve more often as a means and not as reliable truth. What form that rationalization of irrational impulses will take is difficult, if at all possible, to foresee. So, if it happens that the combination of modern technology and the monopoly of power comes about, mankind would face a new phase of totalitarianism, more powerful and more penetrating than those that marked the 20th century as one of the most cruel and darkest centuries.

Of course, the efforts of communist leaderships to adjust themselves to the computer revolution have an utopian component. But utopia for totalitarians and totalitarianisms is not what it is for others — an inspiration for solidarity and nobleness. No, utopia is for communists an inspiration for a total, monopolistic power, an inspiration which they are realizing by unthinkable, powerful practicality and stubbornness. They will try to introduce into technological compulsivity the enthusiasm of both the persons who think like they do and of the people. I am of the opinion that neither time, realizations nor productions will be in their favour, at least not in the way and in the quality they

Changes in China and the Soviet Union are being made by the ruling oligarchy — the changes are of too limited a character to be able to serve for a generalising about the change of the system: communism has always been changing, remaining in essence always the same.

would like.

It looks as if the appearance of Gorbachev and his reformism in the simplest and also most correct way can be expressed as the end of Stalinism or rather Stalin's model of the state. But let's make this clear: in historical reality Stalinism has never existed and does not exist today, except as only a journalistic and propaganda aid for a simplified characterization of the ideological order introduced by Lenin. "Stalinism" is only a variation of Leninism — just as, by the way, Leninism is one of the variations of Marxism. "Stalinism" is a phase of Leninism and it is not by chance that all the communist parties were "Stalinized," i.e. they became "Stalinistic".

And just as Krushchev was forced to reveal the destructive force of Stalin's tyranny upon the leading party, Gorbachev is forced to reveal the destructive force of Brezhnev's bureaucratism upon the Soviet economy. The reformism of Krushchev and Gorbachev is the expression of fermentation and movement in the ruling elite, i.e. in the very social order.

The movement is useful and liberating for certain ruling strata and for the system itself and therefore, even if it were merely crumbs, for the people themselves. But that's no more or no less, so there is no reason for euphoria or belittlement.

In the economy Gorbachev has, to a degree, only made legal forms which are tolerated as illegal: personal and family activity are allowed. But this already represents something: the necessity of the "socialist" economy itself and the ruling elite will force a widening of legal and illegal private activities.

Although modest, too modest, and also non-legalized and non-institutionalized, the most important attempts and the most important achievement of Gorbachev is publicity ("glasnost"). Together with this is tied the announced reforms and improvement of the legal system.

In a society which is under the monopoly of ideologic-police apparatus, there can be nothing more important than publicity — even partial and personal. Without the description of monstrosities of inherited reality, it is impossible to rebuke conspirators of that reality, and it is impossible to mobilize enthusiasts who want change. That publicity was curtailed, curtailed in the framework of concrete individual examples of corruption, bad working habits, bad efficiency, squandering, etc. However, some fresh ideas and achievements are becoming noticeable in particular realms such as economic theory and art. The border line of exposing of different, "non-socialist" concepts and programmes was never crossed, and there are no signs that it will happen. And although there are initial signs of limitation, even that limited publicity — Gorbachev said at the XXth Congress of the Komsomol "democracy is not the same as anarchy" — of things that are achieved with permission are not to be put down. Exposition and understanding of facts, as well as the whole situation, opens up some possibilities for bold, creative spirits to make theoretical, and even political generalizations. Such creative spirits are already appearing in literature and sociology, although they are still limiting themselves by sovietism and "socialism".

As opposed to Krushchev, who was characterized more by boldness than by wisdom, Gorbachev gives an impression of being a bright, intelligent leader.

At the XXth Congress of the Komsomol he stated that "we don't have political enemies", and he added that in the "existing mechanism of restraint" there are "the concrete wrongdoers on the level of the Central Committee and government, in ministries, republics and oblasts (regions)".

"Restraints", resistance and disagreements are, then, in the top echelon: the masses and ordinary party members are receiving, as before, policy from the

leadership.

But from this one can conclude that Gorbachev will meet resistance in the middle, the most inert and most conservative bureaucracy: the press does not hide the slowness of reconstruction ("perestroika") and resistance to the reconstruction.

I am of the opinion that this resistance can be overcome, by the assimilation of new things with inertia, the way it has been with all reforms and reformists in Russia.

And the Army? There are no facts for conclusions. It is not probable that there would be in the Army bigger complaints, taking into consideration that Gorbachev does not abandon imperial politics and consequently subtract from the role of the Army in those politics.

I believe that the Gorbachev regime will stabilize. And even if it were toppled, traces of Gorbachev's efforts will not be erased, just as Krushchev's efforts were not lost.

Moreover, I believe that Gorbachev will succeed in the modernization of production, to a certain degree, without reaching the production of the West. Production will be modernized, but not the economy: in the Soviet Union, exactly as it was according to Marx, production forces and labour are in conflict. First fundamental differences in the system will appear during and after technological changes — it will be clear that the system of power and distribution does not fit and is not capable of realizing gigantic investments in a rational manner.

I would point out that ideology is a specific problem which Gorbachev cannot circumvent if he wants in earnest to reform it. And not because the official ideology, Marxism-Leninism, plays a decisive role, but because of it, the conscience of Soviet society is perverted. Without underestimating anybody's work and contributions, I believe that after Marx there are no essential, monumental achievements in so-called scientific socialism...it is an unrefutable truth that after Lenin, Marxism became in fact codified and it is today a fossil. Simultaneously with the codification and the fossilization of the official dogma, out of the social positions and privileges of the Soviet-Russian bureaucracy, officially and non-officially, grew strongly the very real, hereditary and live ideology: the state,

the homeland.

But even fossilized, Marxism-Leninism suited Stalin and Brezhnev, i.e. cocoon-like, hardened opinion — as a ritual rule about the behaviour of followers and as a means to drug the naive and the uneducated. And if the new leaders have in their heads intentions about a new "phase" of ideologies — perhaps even about a "new ideology" — those illusions are that much bigger as the power is more totalitarian: for everything new, especially ideas, it is necessary to have a combination of unforeseeable conditions and personal genius.

However, every reform in the Soviet Union has to face the backward, fanatic conscience, a fact which will be expressed most drastically in clarification and in rewriting past history. And the rewritten history will be the history of even of all mankind and pre-revolutionary Russia, because even in these histories the ideology has been falsified. But even more acute and decisive is clarification of the history of the party, revolution and the "building of socialism", because in that issue falsifications do not originate only from a schematic world view (that happens also with other systems) but from the deliberate, evil-minded falsifying zeal of leaders and ideologists.

Alas, clarification in that sphere and opening of the archives from these times cannot remain without destructive shocks to the routine-minded, frozen conscience. It is not only the work of scholars, but also of politicians. It cannot happen without "shocks", shocks to the ruling elite, but not so much to the people because they suffered from an ideological power but never themselves personally or emotionally lived by that ideology.

In foreign policy — as far as I can see — Gorbachev has shown incredibly more flexibility than his predecessors. I would not be surprised if Gorbachev, for instance, blankets the West with new offers of disarmament, directed towards a balance in both conventional arms and the number of divisions. And why not when nobody threatens him, and nobody is capable of threatening him, and when he vitally needs the means for reconstruction?

Gorbachev proclaims equality of the communist parties, without insisting on Marxism-Leninism, or more correctly:

on Soviet ideological priority. But this is only recognition of the *status quo*. A similar position is taken in relations toward the countries of Eastern Europe. It is insisted there be a "union", more on a technological and economic, than on an ideological basis.

Gorbachev's diplomacy has been active in strengthening ties not only with the communist regimes outside of Eastern Europe but also with the so-called non-aligned governments — with the former in order to remove suspicions that somebody in Moscow might think that "liberalization" means a decrease in interest in the "brotherly countries"...

The Soviet Union is a military-ideological emporium. Domestically it is a multinational country politically neutralized by the apparatus of one single party. Such an emporium and such an order do not change either easily or overnight, even if there were not unequal development of nationalities (slavs in a relative decrease, muslim nations in a total increase). The Soviet social order, economic and governmental, is undoubtedly in a latent crisis, I would say in a state of rotting. But the ruling class still has vitality, and the state has riches and cadres — actually enough to improve the situation and to postpone the outcome. It resembles the Turkish Empire: although the imperial power outside and inside was evidently decreasing after the fiasco at Lepant and Vienna — it was nevertheless producing Sultans-reformers.

What I want to say is, that it would be wise to observe and understand the Soviet Union in long blocks of time, in decades if not in centuries.

Condensed from a speech delivered at the Politische Akademie, Vienna, Austria on May 6, 1987

Mr. Milovan Djilas is a former Vice-President of Yugoslavia and author of the "The New Class". A dissident for many years, Mr. Djilas has spent long years in Yugoslav prisons.

CONTEMPORARY COMMUNISMS

International communism no longer exists, societies under communist power are stratified, and in them the ruling parties are also layered: those are the most important, essential characteristics of contemporary communism, or more correctly: contemporary communisms

Milovan Djilas

*“WE MUST REBUILD
OUR LOST ARISTOCRACY,
NOT OF BIRTH OR NOT OF
WEALTH OR EVEN OF
INTELLECT, BUT OF
CHARACTER”*

Rajaji



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On Guard — or Gorbachov will Tickle You Red

Bernard Levin



It was Karl Marx who observed that the massive reputation enjoyed by John Stuart Mill among British philosophers of the 19th century was due less to Mill's own eminence than to the flatness of the surrounding countryside, and that is where I may as well start my own first consideration (it is very unlikely indeed to be the last) of Mr Gorbachov and his wonder product *glasnost* with the new, improved formula, which is now widely believed to leave your dishes sparkling clean and, in addition, to relieve backache, kill flies and reduce engine wear.

Nobody seems to have noticed that the most striking difference between Mr Gorbachov and his three immediate predecessors is not that they had a very slight inclination towards authoritarian views, whereas he is a Jeffersonian democrat to his fingertips, but that he is the only one of the four with any intelligence. With the possible exception of the younger Duvalier in Haiti, Brezhnev must have been the stupidest man in modern times to wield supreme power over an entire nation; when he died (almost his last official act was to award himself the Lenin Prize for Literature),

his successor was hailed as the man who would transform Soviet society ... new broom ... breath of fresh air ... Augean stables. Unfortunately, Andropov turned out to have learned nothing at all since, as the imperial governor-general in Hungary in 1956, he carried out the crushing of the Revolution; a bureaucratic jobsworth, his reign was as useless as it was mercifully brief. As for Chernenko, he holds a record that is unlikely ever to be broken; he is the only man in history to be appointed to high political office after being dead for several weeks, if not months.

Gorbachov, you see, didn't have much competition. Yet when he revealed that the Soviet Union was in an advanced stage of economic and political Alzheimer's disease, and that something had to be done about it, he was hailed in the West as a thinker more profound than Socrates, just as Mao was elevated to beatification (by many of the same people, incidentally) for saying things like "power comes out of the barrel of a gun".

None of that mattered very much. What matters much more is the Gadarene rush to believe that Gor-

bachov favours freedom and is about to give it to the Soviet people. The rush in question is by no means confined to the gaggle of geese whom he recently invited to Moscow; the sight of such savants as Claudia Cardinale, Gregory Peck and Peter Ustinov mopping up the caviar in furtherance of Glasnost Chic did make the stomach heave, but the hoots of derision back home supplied a welcome corrective.

More serious figures, however, some of whom should know better — some of whom, indeed, do know better — have gone as far or further. For a time, I compiled a *sottisier* of the more egregiously ridiculous remarks on the subject committed to print or speech; there were so many that I soon had to confine myself to those which declared, without qualification let alone quotation marks, that what Mr. Gorbachov was doing was introducing democracy; a little later, I threw the lot away, having found that it would be easier to spot the references that did not announce the overnight liberation of the Soviet people from Communist rule, together with the equally abrupt introduction of all those civil rights so long denied.

It is overwhelmingly unlikely that Mr. Gorbachov is the man who has come to set his country free. But it is not impossible. What is essential for us, while we wait for evidence (and we may have to wait a long time for evidence that is truly unambiguous) is not to give him the benefit of the doubt.

For the doubt is colossal, and the benefit he stands to gain even more so.

Here, however, I must stake a claim of my own. For at least 25 years, I have been insisting that real change will come to the Soviet Union, though not by revolution, war or economic collapse. It will come, I have said, through the system, from below. I postulated a candidate-member of the local Politburo in Uzbekistan, or one of the assistants to the Third Deputy Minister of Heavy Industry; in other words, a safe man, who gets on with his job, queries nothing he is told by his superiors and carries out whatever duties are given to him, including, whenever required, the denunciation of dissidents, Christians or refuseniks. Such men are very numerous in the Soviet political and bureaucratic machine; but it is inconceivable that among their ranks there is none who knows in his heart that the system is rotten beyond repair, and must be destroyed totally and replaced with something both efficient and decent.

One day, when such men have worked their way up through the system they despise and hate, they will find themselves sitting round the table of power looking at each other; after a long, a very long, pause, one of them will clear his throat and begin to speak.

I dare say you think that that is a romantic fantasy. I have to tell you that I was describing, in detail, what actually happened in Czechoslovakia. The leaders of the Czech Spring had, to a man, come up through the system (so, incidentally, had Imre Nagy and Pal Maleter in Hungary); for all the obvious differences, I am simply unable to believe that no such process is taking place in the Soviet Union, or that it will never come to such fulfilment.

But the question which has to be answered at the moment is not "Will the avatar come to Russia?" but "Has he just arrived?" Is Gorbachov convinced that the Soviet Union needs not modernizing but abolishing?

Obviously, I don't know; nor does anybody else. So far, his behaviour, announcements and decisions are perfectly consistent with his being a tyrant as ruthless and criminal as his predecessors but more intelligent. The talk of competition, of the rewarding of private effort, of having more than one candidate (from the same party, of course), for political office — these ideas could have come from any Soviet leader since the death of Stalin, and what is more he

would not have had to be as clever as Einstein, Aristotle and Shakespeare rolled into one, for a man would need an IQ of no more than 85 to see that such developments were necessary; Russia's tragedy is that from 1964 to the accession of Gorbachov she was ruled by men whose combined IQs ran clean off the scale on the minus side.

Efficiency, then: Mr Gorbachov is clearly in favour of it. What about freedom? He has released a few political prisoners; good. (When they are massively compensated for their wrongful imprisonment, it will be better, but it is still good.) That, too, however, needed only intelligence. Gorbachov had the sense to realize what I have been telling his predecessors since the death of Genghis Khan, without them taking a blind bit of notice; that the cost of the damage to the Soviet Union from keeping the political prisoners in is enormously greater than the cost of any dissident activity they might indulge in if they were let out.

THE PRAGUE SPRING

The (Communist) Party must not create among the non-communists an impression that their rights and freedoms are limited by the role of the Party. On the contrary they must see in the activity of the Party, a guarantee of their rights, freedom and interests.

Action Programme of the Communist Party of Czechoslovakia, April 5, 1968

Arms control proposals; the skilful parading of his wife (the only First Lady of the Kremlin whose face doesn't look like a vegetable marrow that has been bombarded in a cyclotron for a fortnight); the sacking of a drunken blackguard like Grigori Romanov, and a good many sober blackguards as well; the homely references to God, and the careful references to Lenin; the unprecedented publication of news of disasters such as the ship that sank in the Black Sea; all these signs, and more, are consistent with both hypotheses — that Gorbachov is determined to free his country altogether from totalitarianism, and that he is determined only to modernize the country and the totalitarianism alike.

If it is the first, he has some way to go. He may have released 140 political prisoners, but when I last counted, there were getting on for 280 million more left inside — for what else than a political prisoner is a man or woman who lives

under a system which maintains arbitrary law, a meaningless constitution, torture, censorship, anti-semitism, religious persecution, hunger, exploitation, the grossest inequality, a vast and abominably administered empire, the extirpation of art on the one hand and all attempts at trades unionism on the other, the whole ramshackle structure of evil and stupidity run by a tiny, corrupt clique answerable to nobody and nothing other than themselves?

It is overwhelmingly unlikely that Mr. Gorbachov is the man who has come to set his country free. But it is not impossible. What is essential for us, while we wait for more evidence (and we may have to wait a long time for evidence that is truly unambiguous) is not to give him the benefit of the doubt.

For the doubt is colossal, and the benefit he stands to gain even more so. I have watched too many of my own countrymen, these past few months and weeks, rolling over on their backs to have their stomachs tickled; it has been a sickening sight. The man who is doing the tickling is the heir to 70 years of slaughter and oppression, and it is very much too soon for any of us even to hope, let alone believe, that he is about to renounce his legacy. Very much too soon; and if we give him the benefit of the doubt before he has plainly earned it, it will be very much too late.

That evil empire has wished us harm for many decades, and done us a great deal of harm, too. That is nothing to the harm it has done its own people, who have perished in their millions, and hungered — for the things of the spirit even more than the things of the body — in their scores of millions. If we listen to those among us who have rushed to roll over, who have rushed to believe the most unlikely news the world has seen for centuries, we may find that we have not only betrayed the hecatombs of the murdered, but made it much more likely that we shall one day join them, whether in the Gulag or in the nuclear holocaust.

I shall finish with the last line of Brecht's *Arturo Ui*, which is a parable of the Nazi totalitarianism, both pupil and teacher of the Soviet one: "It is too soon to triumph; the womb from which this crawled is fecund still."

COURTESY: The Times (London) and Mr. Bernard Levin

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Glass Nose Anyone?

Geeta Doctor

The manufacturers of vodka and borscht, the icy drink and the fiery soup, beloved of the Russians, have come up with a new product, with a catchy slogan that is on everyone's lips, "Perestroika and Glasnost".

There has been dancing in the great capitals of the world. Speech-writers and scribes have hammered out the virtues of Perestroika and Glasnost in letters of lead if not gold. A letter writer to the prestigious South Indian newspaper *The Hindu* has commented that in his opinion what the planet Mars needs, is a good dose of Perestroika and Glasnost. Because according to him, the Martians or what can be made of them, clearly display authoritarian tendencies.

The editorial board of your esteemed paper was a little left out of all this excitement. Probably because it meets in a small room tucked away on the fifth floor of an old building, from where it can only study the mating habits of certain pigeons. One of the members offered to go down and ask the *paanwala* at the *Kala Ghoda* intersection if he could furnish any information.

"Certainly" the *paanwala* beamed, the red juice squelching out in small spurts of excitement as he spoke, "It's the latest in *paan masala* technology. It cools the brain, it regulates the system and helps you to digest anything unpleasant you might have swallowed in the past. "He proffered a neatly rolled package of betel leaf. On it there was a peel off sticker with a clenched fist and a slogan in Marathi.

The editorial team was more than a little puzzled. Would the Russians have given up Afghanistan, would they have reeled in their fishing rods and stopped looking for troubled waters, would they have thrown communist ideology to the winds, just to promote *paan masala*? It seemed a trifle unlikely. A decision was taken. An agent would be sent to investigate. He would travel to all the major cities of the world to find out what was the meaning of Perestroika and

Glasnost.

At New York our agent could barely get out of the Airport. There were banners, balloons, stickers and T-shirts all the way to Central Park. A pair of giant pandas had just given birth to twins. As the newspapermen and TV cameras watched, the President's wife christened the pair, what else, "Perestroika and Glasnost". At Radio City Music Hall a new musical had been advertised. A hundred Rockettes would kick their heels to the tune of "There will be a wonderful world after all" and the peep shows around Times square promised a new openness that would stun the viewers.

"Excuse me, but could you explain what the words mean?" asked the agent timidly.

"Hey there's a guy here who doesn't know what P and G means" yelled the mob. Two blonde girls stopped just long enough to give him a sticker for his briefcase which read, "NY loves PG" with a small heart between the letters. "Better send him to the UN" advised a balloon seller. The agent soon found himself in the visitors booth at the Security Council. He felt more confused than ever. No matter which language he tried the two words were repeated in the original Russian. The words were apparently untranslatable. There was a video tape of the Russian President mouthing the words and looking pleased with himself. A commentator wondered aloud what the Chinese would do, would they repeat a Russian phrase or would they invent their own version. The Russian looked puzzled, they had not heard of the Chinese. The Chinese looked calm, they had simply not heard.

Kurt Waldheim was interviewed outside his chalet in the Austrian Alps. "I have always advocated the restructuring of history and an openness when dealing with plain facts" he said tapping his nose that rang like a glass bell. He was offered the post of the Conductor of the Tel Aviv

Philharmonica but he declined the honour. He was re-writing his memoirs, he said.

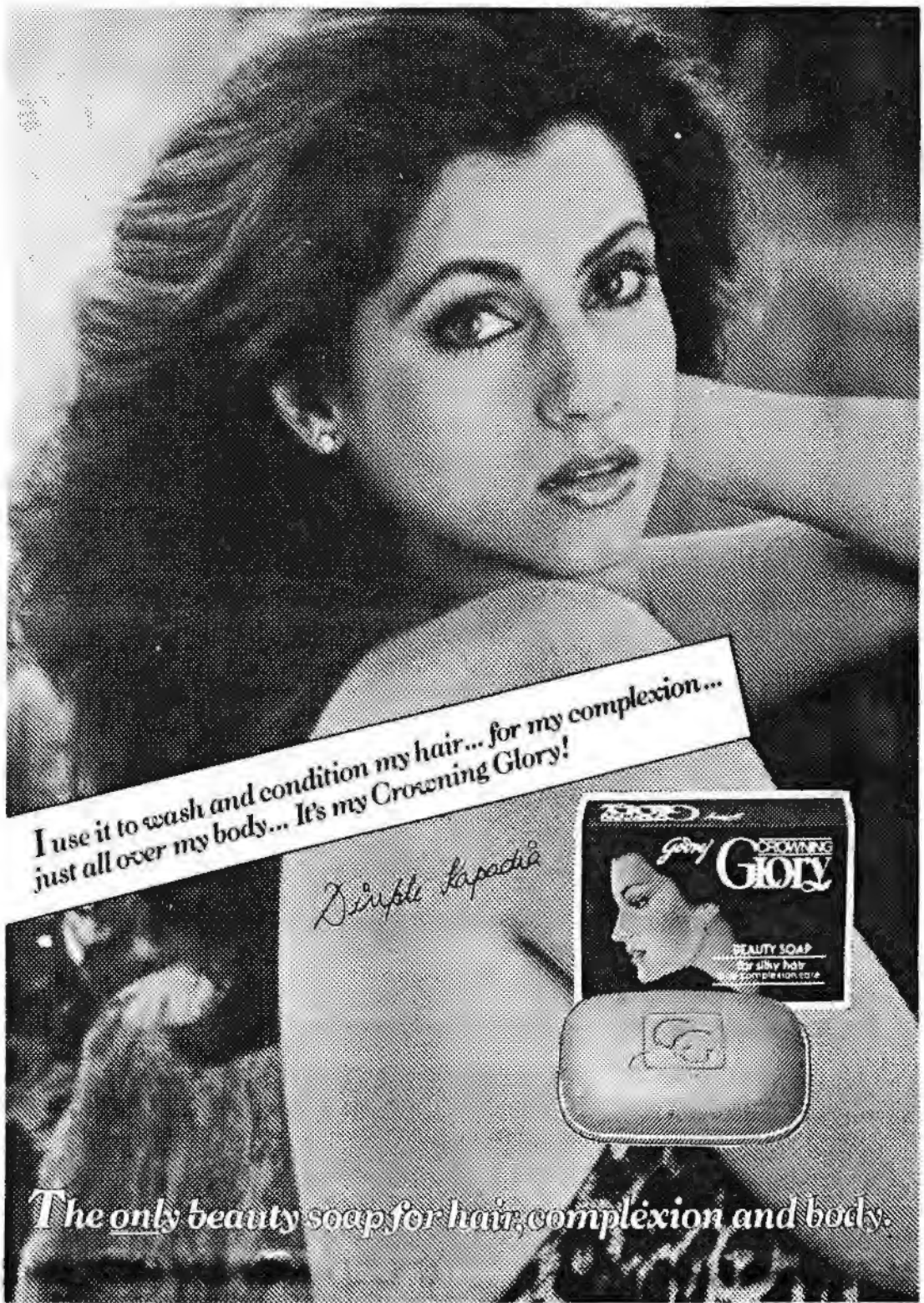
When our agent reached Paris, he found President Mitterand just about to set out for the Presidential Palace. In the few moments he had he explained his view of Perestroika. It meant he said, "*Pour restorer les rois*" which means "For the restoration of royalty." In view of the close bonds of history between the two countries, the Russian revolution following the French, the French communists following the Soviets, he had taken it upon himself to restore the monarchy. His motto would be "*Grace a nous*" which means "Thanks to us" and his symbol would be a red rose. Taking the rose out of his lapel, the President inhaled deeply, his nose gleaming like cut glass.

Finally our agent found himself in the Russian capital. Everything was as glum as usual, only more so. People were not allowed to get drunk in the streets anymore, or in the subways, so they stayed at home. Women did not wait in lines for the meat anymore, only the hairspray that Raisa used. Not surprisingly their hair was a mess. Our agent was about to return, his question unresolved, when he ran into the archetypal Russian.

"Ho, Ivan," said our agent running after him as fast as his legs could carry him.

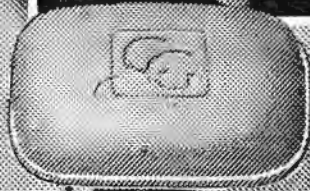
Ivan was wearing a dark hat pulled low over his face but as he stopped our agent could see that tears were streaming from his eyes and nose. Our agent quickly pulled out his handkerchief and gave it to Ivan, who took it gratefully from him and blew and blew. But there was no sound at all, until Ivan tapped smartly at the side of his re-structured proboscis and uttered the phrase in plain English, "Perish the thought of a Glasnose."

GEETA DOCTOR is Contributing Editor of *Freedom First*



I use it to wash and condition my hair... for my complexion...
just all over my body... It's my Crowning Glory!

Deepika Kapadia



The only beauty soap for hair, complexion and body.

Eastern Europe: Who's Afraid Of Gorbachev?

Ramnath Narayanswamy

'The last mirage in which people believed was the solemn promise in the sixties that the present generation of Soviet citizens would live under communism. And they solemnly believed it as I can testify, as I believed it myself. The perestroika is not a revision of the idea of socialism as some total destroyers think, but a bold return to reality, the elimination of the conflict between the idea and the real human being on earth'.

Vladimir Bondarenko
in *Literaturnaya Gazeta*, May 20, 1987.

That Mikhail Gorbachev proposes to replace several pages that had mysteriously disappeared from the national history book can longer be either in doubt or dispute. Just how substantive the process of *glasnost* and *perestroika* can prove to be in the Soviet context can be gauged from the fact that a Soviet newspaper recently went to the extent of not only publishing the powerful long-suppressed Bukharin 'testament', but also made a strong case for the political rehabilitation of one of Lenin's closest comrade-in-arms of the twenties, who was shot in 1938 on ludicrous charges of murder, espionage and other trumped up charges. It may be recalled here that Bukharin wrote his 'testament' a couple of days before his arrest by the Stalinist secret police in early 1937 — the text was destroyed after his wife, Anna Mikhailovna Larina learnt it by heart. Reposing his trust in a future generation of party leaders to exonerate him, Bukharin wrote: 'I've never been a traitor. I'd give up my life without a second thought for Lenin. I was fond of Kirov and I have not schemed against Stalin ... You should know comrades, that there is also a drop of my blood on the banner which you will carry on your triumphant march towards communism'. Fifty years is surely a long time to make amends but the fact that there is today a willingness to acknowledge the criminal offences of the past and the chronic deficiencies of the present is, in the Soviet context, a refreshing precedent.

It may therefore be useful to begin this exercise by pointing out that the Gorbachev initiative is by no means unique in the communist world. Despite

some new features (introduction of contract brigades in agriculture, decontrolling prices, dismantling centralised supplies) there is in fact very little that is remarkably original in Gorbachev's campaign for radically overhauling the economic mechanism. In effect, the programme is little more than a tentative exploration for new solutions to tackle old problems. Unlike Hungary, Yugoslavia and China, who have departed from the traditional centralised model of the Stalinist type to evolve their own unique versions of combining the plan and market to improve economic performance, Soviet economic reform has traditionally been restricted to improving the centralised model without ever challenging the premises of the planning system itself. What is new in the Gorbachev reform is the explicit acknowledgment by the political leadership of the compelling limits of partial reform. The Gorbachev initiative is therefore radical only if it is judged ex-

clusively by Soviet standards but it can hardly be described as substantive when compared to the reform experiences of other countries as China and Hungary in the communist world: the Soviet Union has still to go a long way towards implementing a programme of reform that begins to resemble even remotely the kind of transformations ushered in as a result of substantive economic reform in these two countries.

USSR: An Acid Test

From all accounts, the present and coming years might well be remembered for the making or breaking of Gorbachev. The big question is whether this consummate politician will succeed in achieving a breakthrough — which will include the ousting of his major adversary, Yegor Ligachev, a good grain harvest of 240 million tons, a successful Moscow summit which would cut strategic missiles by fifty percent and an equally successful party conference which will give his reforms a resounding mandate — or will he be content with merely holding the fray?

But the larger key to the future lies in the outcome of the party conference recently held in June. Its agenda included virtually every major aspect of the Gorbachev reform: implementation of the decisions taken at the Twenty-Seventh Party Congress, a review of the first half of the twelfth five year plan, spelling out tasks for party organisations in 'deepening the process of *perestroika*' and the announcement of measures for the 'further democratisation of the economy and society'. The increasing influence of Ligachev in the wake of the



Nikolai Bukharin

Yeltsin affair makes much of Gorbachev's eventual standing overwhelmingly dependent on his ability to push forward his proposals. The Soviet Union has known at least four major unsuccessful attempts to reform the economic mechanism under both Khrushchev and Brezhnev. The Gorbachev attempt is the fifth and unlike its predecessors, this is a gigantic attempt to articulate a new model of socialism by trying to reconcile what in principle is irreconcilable: the socialist market and socialist democracy. While the question whether he will succeed or fail is an open one, there is no gainsaying the fact that the socialist cause will be advanced by its success and retarded by its failure. At the time of writing, this continues to be indeterminate, though the odds certainly appear to be in his favour.

Hungary: A Return to the Cold

It is a time for reflection in Hungary. After two decades of partially successful reform, Hungary entered the new year in a state of virtual crisis. This will prove a tough year for most Hungarians. The country's external debt increased by nearly 1 billion dollars in 1987 and now stands at 18 billion dollars. While official inflation is forecast at 15 per cent, the real figure will be much higher if private

services, the secondary housing market and the free market for fruits and vegetables are taken into account. The budget deficit for 1988 is forecast at 20 billion Forints, compared to 47 billion Forints in 1986 and 35 billion Forints in 1987. It is reported that the IMF wants a 1988 figure of 10 billion Forints, a request which the government has managed to accede to by creating a 'stand-by' credit of 10 billion Forints. A large part of this credit is likely to be spent in bailing a number of big state companies that are on the verge of bankruptcy as a result of the tax reform — Hungary is the first country in the communist world which has introduced a progressive system of taxation. Even while the unions have been vigorously pushing forward a defence of the living standards of their members, they have already approved the government's austerity programme; under the circumstances, there is little they can do.

The political arena is divided by the conservatives led by Janos Berecz and the radicals led by Imre Pozsgay. In practical terms, this would mean that Karoly Grosz, the Prime Minister will continue to walk on a tightrope. While the Prime Minister's influence has been steadily growing, the recent stepping down of Janos Kadar as first secretary and the vacuum that has been created

as a result of the latter has contributed to put the question of economic reform once more upon the forefront though its direction is as yet unclear.

Poland: No *Glasnost* This!

The critical economic situation will largely contribute to a gradual rather than dramatic implementation of reform. This can be expected to proceed at a cautious pace throughout the year. Poland today displays all the classical symptoms of crisis and the prospects of these being substantially reduced are rather bleak. It currently has a staggering external debt of 36 billion dollars and this is likely to grow by another 1 billion dollars by the end of this year. A number of unpalatable measures are urgently needed but whether the government can muster the requisite political will and social sanction to implement them remains an open question. The government will find it difficult to maintain its promise of more democracy and that real incomes will not fall. Official predictions estimate an inflation of 33 per cent this year compared to 26 per cent last year. Since the Jaruzelski regime clearly enjoys Gorbachev's support, problems caused by party hardliners to thwart the reform programme will be less severe than was the case earlier.

Along with Hungary, Poland is one of

Let's We Forget



German youths against Soviet tanks in June 1953

the few countries in Eastern Europe which has extended open support to the winds of change sweeping over the Soviet Union. Indeed, this is hardly surprising: both these countries have traditionally enjoyed a greater degree of *glasnost* than what Gorbachev is labouring to offer his own people. But the real problem lies elsewhere: while the reformed economy in Hungary lends itself well to Soviet initiatives in the same domain, the reforming echoes reaching Warsaw from Moscow stands in sharp contrast to the conspicuous lack of significant political or economic change in Poland. No dramatic improvement for the better can be expected the long march to communism will prove to be even longer.

GDR: Divided over Perestroika

A curious country in most respects, not the least because it is openly hostile to the Gorbachev reform, the GDR is perhaps the only country in Eastern Europe which has clearly distanced itself from the process of reform among its centralised neighbours. This resistance to decentralisation is not only explicable from the security situation in which the country finds itself in but also because it is one of the most efficiently managed economies in Eastern Europe and has impressive results to show for its economic development under centralisation.

Yet growth rates have been declining. East Germany has been falling in the world's industrial league table from number ten to eighteen. Curiously, there are no signs of any radical reforms being contemplated. Consequently, reform attempts will be limited but will be accompanied by no far-reaching political changes. Recent reports also suggest that progress made in areas like computer technology and machine tool engineering are not likely to have an appreciable impact on the domestic market because most quality products are to be exported to the USSR. Despite indications (some even official) that there is a growing body of party opinion in favour of reform, these will remain symbolic unless the higher echelons of the leadership are significantly reconstituted.

Pressure on Erich Honecker, the party leader, to step down will increase following Gustav Husak's retirement in Czechoslovakia and Janos Kadar's retirement in Hungary this year. However,

for political reasons Honecker is unlikely to step down until a successor has been selected. Potential candidates include district party secretaries Ernst Timm, Gunter Schabowski, Herbert Krolkowski and Joachim Hermann.

Bulgaria: Greater and Greater Disorder

The leadership of the Bulgarian Communist Party will expend a large part of its efforts to restore some semblance of order on the chaos unleashed by its reform initiatives which were introduced by Todor Zhivkov last year. The tension between reformers and conservatives within the party apparatus is likely to grow and the Soviet Union can be expected to play an influential role in shaping the eventual course of economic reform in Bulgaria as Bulgaria has traditionally served as a laboratory for experiments in Soviet economic policy.

It would not be an exaggeration to state that the reforms announced by Zhivkov last year have resulted in unparalleled chaos. This was partially because the proposals themselves were inconsistent and contradictory and partially because the precise mechanisms through which the reform objectives were to be translated into reality were left unclear. The Bulgarian leadership has recently reiterated its intention to reorganise the professions, educational institutions and the media with a view to make them independent of party control. But these moves must not be confused with a programme of *glasnost* Soviet-style. In fact, the Bulgarian leadership has been markedly reluctant to endorse *glasnost* as an essential instrument of government.

Despite recent misunderstandings with the Soviet Union, there appears to be no serious challenge to Zhivkov's leadership. His successor remains even more elusive than ever. In the economic domain, the government will be compelled to stem the decline in the energy industry and agriculture. Limited financial incentives will be introduced to raise labour productivity and improve services. New policies on wages, taxes and credits are likely to be announced this year.

Czechoslovakia: Reforming under Pressure

The recent stepping down of Gustav Husak as general secretary of the Czechoslovak Communist Party in

favour of Milos Jakes provides some indications of things to come as Czechoslovakia approaches the twentieth year of the Prague Spring. It may be recalled that along with Romania, Bulgaria and the GDR, Czechoslovakia too had until recently, been reluctant to endorse Gorbachev's campaign for *glasnost* and *perestroika*. Nevertheless, the Husak leadership had been coming under increasing pressure from Moscow to step up the pace of reform. Husak's stepping down appears to have been preceded by a dispute between a group of radical reformers led by Prime Minister Lubomir Strougal, and another group of hardliners led by Jakes. Despite the latter's victory, it is however illogical to expect the resignation of Strougal as Prime Minister.

The election of Milos Jakes as general secretary raises a number of questions concerning the prospects of a Czech version of *perestroika* emerging in the near future. Currently there appear to be two sharply divided views. The first essentially views Jakes' election as a compromise, as a result of which economic reform will be oriented towards effecting minor adjustments and modifications of the existing system and maintaining a semblance of *glasnost*. The other views the election as a prelude to a more substantive reform. As of now, it is difficult to predict the direction in which the tide could turn. The new general secretary has no particularly strong credentials as a reformer. He is reported to be close not only to Gorbachev but also his economic advisor, Abel Aganbegyan. The country has an uncertain future ahead.

Romania: Its the Same Old Story

From all accounts, the Ceausescu regime can consider itself fortunate if it is able to survive the year in office. The country is in turmoil and has been for some time. Living conditions in Romania are some of the harshest to be found in Europe. The intelligentsia lives in a state of permanent intimidation and attempts to organise internal opposition have been systematically squashed. Despite a system of rationing, supplies of essential commodities are infrequent and sometimes even unavailable. The country is run by a maverick who periodically asserts an independent stance from Moscow — Romania has not permitted Soviet manoeuvres on its territory — and this policy had earned the regime some limited economic di-

vidends from the West. But most Western countries have since been disillusioned by the regime's feudal style of functioning and its appalling human rights record.

For reasons that are hardly surprising, the Ceausescu regime is violently allergic to Gorbachev. During his visit to Bucharest in May last year, the Soviet leader had singled out nepotism, corruption, decisions by personal rule and difficulties encountered by Romanians on the everyday level as some of the major problems that needed to be tackled on an urgent footing.

However, the Soviet leader had no opportunity for walkabouts in the capital and the few Romanians whom he did meet were handpicked. In the midst of chronic food and energy shortages, the populace is forced to heap praises of Ceausescu and is fast developing a siege mentality. As a recent report observes: 'For the population, it is merely a means of survival; for Ceausescu, it is a method of isolating his country and shrugging off mounting foreign criticism'.

Under the circumstances, diplomatic pressures from both East and West will tighten in the coming months, while the economy will continue to decline as a result of both gross mismanagement and lack of investible resources. Due to the effective emasculation of political life in Romania, it is difficult to identify either individuals or groups who could play an influential role in developing an alternative to the present regime.

Yugoslavia: Growing Signs of Crisis

The coming years are likely to be some of the worst years in the history of post-war Yugoslavia. Along with Poland and Romania, Yugoslavia is one of the three countries in the throes of an economic as much as a political crisis. Its future is indeed precarious. The government's capacity to control the situation has become so weak that since June 1986, no less than five economic programmes have been introduced and none of them have proved to be effective. Despite repeated requests to the Prime Minister, Branko Mikulic, to accept advice from Branko Horvat, one of the country's eminent economists, the Prime Minister has so far shown no inclination to accept such advice. However, before substantive changes can be introduced, it is necessary that political and ideological problems prevailing among the different states be

solved. But this does not appear to be even remotely on the horizon.

This has not prevented the emergence of several reform proposals. Notable among them is the document submitted by the two economists, Marijan Korosic and Slavko Gudstein in December last year, which argues that Yugoslavia must rapidly move towards a free market economy. Its major recommendations include the introduction of multiple forms of ownership, a normal accounting system, liberalisation of imports and exports, liberalisation of prices, constitutional reforms, fiscal discipline, abolition of the Associated Labour Act and its replacement by a new Company Law and the movement towards a pluralistic socialist democracy.

There has been a sharp rise in social unrest and traditional absenteeism and go-slow strikes are being compounded with still other strikes by workers demanding increase in pay and management purges which undermine party control. Politically the situation is even more precarious with serious differences not only within the communist party but also among the regional parties. The country's future prospects are remarkably bleak.

Albania: A Classic Dilemma

Traditionally known for its strict isolation from the outside world, the Albanian leadership headed by Ramiz Alia has been soft-pedaling its commitment to reform in sharp contrast to its earlier moves to introduce a momentum of reform. This had been reflected in the planned introduction of a reform in prices, wages and credits, an unusual expansion of diplomatic activity in Europe and increasing rhetoric on radical economic reform. The Albanian leadership is caught up in a dilemma which can well be described as classic: how can substantive reforms be introduced to prevent economic stagnation without eroding either the party's ideology or authority?

Yet the economic situation could force the pace of reform caused by production shortfalls in agriculture, mining and oil extraction. There is an urgent need for technology but this can only be met through foreign trade. While increasing exports could be an answer, this cannot be achieved without radically restructuring the domestic economy and its largely outmoded style of management. The terms of the Albanian

constitution prohibit borrowing from abroad. But this will surely have to be scrapped in the near future. For example, diplomatic relations have now been restored between Albania and the FRG, which in practical terms will mean that Albania will now have access to FRG credits. The Albanians have already accepted a six million DM grant from the FRG. Further credits to develop the industrial infrastructure will be contingent upon the extent to which political changes are effected.

Considering the above, specific reform measures can be expected during the year but in the long run, there is little doubt that the process will result in a trade-off between political conservatism and economic necessity.

Seventy Years after October

The Soviet Union has successfully completed seventy years of its existence as a socialist state. These have been difficult but no less instructive years, whether this refers to the tumultuous years of war-communism, the equally turbulent and positive years of the NEP, the devastation unleashed by the forced collectivisation of agriculture in the thirties which still weighs heavily over the Soviet economy — even now agriculture still remains the weakest sector of the economy, the cost borne by the Soviet Union for its victory in the second world war as a result of which over twenty million perished, (a comparable number perished during collectivisation), and the recurring attempts to reform an economic system which has proved to be so remarkably resistant to partial changes effected from above. As the Soviet Union gears its human and material resources towards the pursuit of modernisation as a preparation to meet the demands of the coming century, its manifold experiences in what has euphemistically come to be known as 'socialist construction' and the heavy price it has paid in the process, can easily lend itself to the view that the revolution has gone too far. In retrospect however, it might be more legitimate to maintain that it has perhaps not gone far enough.

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Reforms in the Soviet Union

Vasundhara Mohan



In the context of the on-going changes in the Soviet Union, the recently concluded 19th All-Union Conference of the CPSU (June-July, 1988) is very significant. Not only has such a conference been held after a lapse of 47 years (the 18th conference was held in February, 1941) but the outcome is clearly an endorsement of Gorbachev's perestroika and glasnost. The conference also showed up the dissenters for the General Secretary's benefit. This article is intended to briefly touch upon the important points emerging from the resolutions adopted at the Conference.

The 19th CPSU Conference

The delegates to the Conference were elected by the Central/Regional party committees. Unlike the Congress which addresses itself to and passes decisions on fundamental problems, the Conference represented by Soviets of the CPSU of the various Republics was competent to consider "practically all questions the Party Congress is empowered to decide, including cadre issues" and is instructed to formulate policies thereon. Gorbachev's policies of perestroika and glasnost introduced three years ago have brought about cognizable changes in every walk of life in the Soviet Union. Perestroika was intended to cure the ills of the Soviet economy, declining rates of investment, underdevelopment of infrastructure, scattering of resources, labour indiscipline, paucity of consumer goods, over-

employment of workers for a unit work on the one hand and shortage of labour on the other, low-competitiveness of Soviet manufactured goods in the world market, a highly centralised command-and-administer system of management, lack of accountability etc. As Gorbachev pointed out in his address at the 27th Party Congress, the prime task of the Party and the people was to "resolutely reverse the unfavourable tendencies in the development of the economy and to impart it the due dynamism".

A critical examination of the reasons for such lack of dynamism pinned the blame on the years of stagnation under Brezhnev. What followed were various measures, including the policy of glasnost and democratisation. Enterprises were asked to become self-financing and the managers to show initiative and become accountable instead of waiting for orders 'from above'. The wages of workers were linked to productivity and they were empowered to elect their own directors, shop superintendents and team leaders. A system of strict monitoring of quality was introduced in a number of industries. Under the policy of glasnost the Press was given more freedom to write on the past mistakes of Soviet society, show the causes of failures, report the misdeeds of even high-ranking officials and instances of infringement of the rights of citizens. Thus, neither a discussion of Stalin's

ruthlessness nor speaking about Trotsky and Bukharin favourably are any longer a crime today. It were reports in the Press that brought Yuri Churbanov, Brezhnev's son-in-law to book for corruption.

In the three years that Gorbachev has been in power, many heads have rolled in the higher echelons of the Party and thousands in the bureaucracy have been sacked or demoted for non-performance, the Press playing an important role in this regard. Though not spectacular, the economy has been showing an upward trend and the country's stature in the world arena has improved. Attempts at reforms under Khrushchev, Kosygin and Brezhnev failed because they were not broad-based, did not pervade to all levels and did not involve the people. Attempts which contemplated reforms without a change in the work culture were bound to fail. And that is where Gorbachev succeeded.

Voices of Dissent

While the results of Gorbachev's perestroika are beginning to show and Soviet citizens have started to take interest in the deliberations of Party meetings and giving vent to their feelings in public, opposition to perestroika and glasnost is also brewing. The bureaucracy particularly find that the new work-culture is a threat to their

jobs.

Even at the Party level, there emerged three categories : those who wanted perestroika to be implemented with much more vigour; those who welcomed perestroika but did not want it go hand in hand with glasnost; and the *status quoists* who, however, did not dare to openly oppose Gorbachev's policies. Boris Yeltsin, the Moscow Party chief, belongs to the first category.

Impatient at what he considered as the slow pace of perestroika, Yeltsin bitterly criticised bureaucratic obstructions and called for a thorough overhaul of personnel in the Central ministries. He took drastic steps within his own jurisdiction to the embarrassment of Gorbachev. In assessing Yeltsin's behaviour, Gorbachev said at the 19th Party Conference : "At first Comrade Yeltsin set about his work actively and launched a struggle against the negative phenomena that had accumulated in Moscow ... Comrade Yeltsin, instead of relying on the Party organisation, on people and on collectives, adopted peremptory attitudes and command methods that was followed by an endless shifting of personnel." Thus, he

When implemented the proposals approved at the 19th CPSU Conference will change the very face of the government. Talk of reforms in the Soviet Union will no longer be termed *paradnost* (window dressing)

was in fact, endangering the concept of perestroika by resorting to methods that would have undermined the aims. Yeltsin was demoted and stripped of his Candidate Membership: Disapproving Yeltsin's methods, Roy Medvedev, the Soviet historian, commented : "If you start going too fast, it will lead to the end of perestroika rather than its success. In our conditions, it is possible for perestroika to move forward quickly but not by leaps."

To the second category belonged Y.K.Ligachev, Secretary of the Central

Committee of the CPSU. Conservatives who did not like the unfettered freedom granted to the Press under glasnost included Vladimir Karpov, Head of the Official Writers' Union, Filipp Popov, Party chief of the Altai region of Southern Siberia, even Andrei Gromyko, Victor Chebrikov the KGB chief and Vladimir Shcherbitsky, the Ukrainian Party chief. (The protagonists of perestroika and glasnost in fact sought the resignation of Gromyko for his role during the period of stagnation). This group turned out to be bitter critics of glasnost, particularly the freedom now enjoyed by the Press and held that the Press was painting the country's past exclusively in black, writing 'absurdities and downright lies.' Interestingly, they were taking advantage of the permission granted by glasnost, to criticise glasnost! Although they were applauded by a small section of the delegates attending the Conference, delegates like Mikhail Ulyanov, the head of the Theatre Workers' Union, criticised the bureaucracy and the local party bosses who were still gagging the Press. Ultimately, the voice of the opponents was drowned by the majority at the con-

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ference, who supported Gorbachev.

The Conference appreciated the important role played by the mass media in expanding glasnost and admonished those who tried to block critical publication, and declared that "without glasnost there is no perestroika, no democracy". The conference gave a full go to glasnost and Press freedom, as long as the publications are not detrimental to the interests of Soviet society and the rights of individuals or do not preach war and violence, racism and racial and religious intolerance, propagate cruelty or disseminate pornography. The conference also called for a full-scale war on the bureaucracy "at all levels of management in all spheres of the society's life."

The resolution adopted by the conference thus spelt a severe blow to those who were trying to cover up the shady past, inefficiency and indifference to the call of the changing times; either on their own or on behalf of the bureaucrats and party functionaries.

Political Reforms

Dwelling on the role of the Soviets and the delineation of authority for better management, Gorbachev said: "Not a single question concerning the State, the economy or the social fabric can be decided if the Soviets are by-passed. The Party's economic, social and ethnic policy should be carried out, above all, via the Soviets of the Peoples' Deputies as the organs of popular government." He also proposed the first secretary of the party to head each Soviet, thereby maintaining the importance of the Party.

The major reforms proposed by Gorbachev at the higher echelons of the party and the government took everybody by surprise. He proposed expanding the peoples' representation to the Congress (from 1500 to 2250) to be called the Congress of the People's Deputies of the USSR (CPD). The CPD would elect the Supreme Soviet (400 to 450 members), which would consider and decide all legislative and administrative questions, control and direct the activities of the bodies accountable to it, including the lower-level Soviets. He also proposed ending the "current functional anonymity of the Supreme Soviet".

What, however, is considered the most sensational reform proposed by

Gorbachev is the creation of the post of the President of the Supreme Soviet, with a view, among other things, to "improve the representation of the Soviet Government in World affairs". Such a President, Gorbachev proposed, shall be vested with "sufficiently broad State authority of powers" and "could decide on the key issues of foreign policy, defence and national security, chair the defence council..." To ensure democratic functioning of the Soviet government, Gorbachev also proposed a Constitutional Review Committee which would "verify the constitutionality of our own legislation and other legal institutions ... and ... would be an additional guarantee of democratic control over the activities of all officials, including those in top levels."

The Conference of 5000 delegates endorsed Gorbachev's proposal (with 209 dissenting votes) for creating a stronger Presidency and unanimously approved limiting the term of elected Party officials to a maximum of two terms of five years each.

By convening the All-Union Conferences of the CPSU, Gorbachev received a wider mandate of the Party to his far-reaching proposals. The overwhelming support that he received at the Conference (subsequently approved by the Central Committee of the CPSU) has stifled voices of dissent particularly in the higher echelons of the Party and bureaucracy. The tongue-lashing that the latter received at the Conference should stir them into action and keep them in line with the policies of perestroika and glasnost. The Conference has thus strengthened the hands of Gorbachev. It now remains to be seen whether Gorbachev gets elected as the first President under the new Constitution in April 1989. While there is little doubt that he would, will he relinquish the post of General Secretary of the CPSU? There is also little doubt now that those opposed to perestroika and glasnost will be slowly eased out of the Party and government. When implemented, the proposals approved at the Conference will change the very face of the government. Talk of reforms in the Soviet Union will no longer be termed *paradnost* (window dressing).

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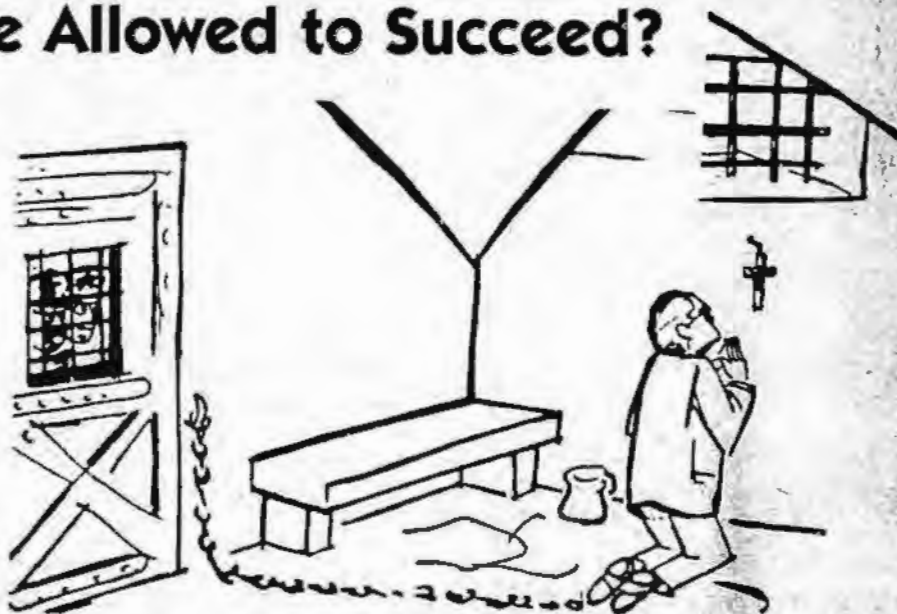
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Will Gorbachev be Allowed to Succeed?

Louella Lobo Prabhu



What conditions under the Stalin dispensation were like, can be deduced from a "black-humour" joke, with which people relieved their pent up frustration. Apparently a bookseller was sent to Siberia, for stocking approved contemporary best sellers. They were titled "We Want Freedom"; "Far From Moscow"; "In The Shadow Of the Skyscrapers"; "Under a Foreign Flag". His crime — stacking the books in that order, when he put them in the display window! Seriously however, the interdict which prevented a Soviet Winner of the Nobel Prize from accepting it in person; the trial of Yuri Daniel and Andrei Sinyavsky; the exile of Solzhenitsin; the curbs, even on scientists like Sakharov who fought for human rights, were notable features of the old order.

Religion

Followers of the Eastern Rite, the Soviet people were fundamentally religious, giving to their splendid churches, in Wordsworthian parlance, "All thou canst; high heaven rejects the Core, of nicely calculated less and more". The gold leaf for which the churches and icons of Old Russia were famous, represented the gifts of people who gladly parted with their little mite, for the faith of their fathers. Religion went underground, when government put paid to the practice with the Marxist dictum that religion is the opium of the people. Religion, agnosticism, or atheism, are personal matters between Man and God — if he believes; between Man and his conscience, if he does not. The State has no call to curtail people's freedom, either by promoting a particular reli-

gion, or preventing individuals from worshipping as they choose.

A Big But!

However, while a great deal of prominence has been given to Gorbachev's Catholic rapprochement, two areas of faith have not yet yielded signs of significant change. Few people realise that most of Asiatic Russia is Muslim. Under Gorbachev's immediate predecessor, reports regarding persecution of Muslims surfaced. There is no brouhaha of change on this front. It also remains to be seen, whether Gorbachev will allow a — relatively — open door for Jews who wish to emigrate, and prevent discriminatory treatment, suffered by "refuseniks". (This is the term used for Jews who tried to emigrate, but having failed to get clearance, were harassed in their jobs, and in the exercise of their rights as citizens.)

Agriculture

It remains to be seen how the economy will respond to measures of far-reaching reform, especially in agriculture. It is well known that the giant-collectives are inefficient and that this sector was saved from disaster, only through the handkerchief plots personally cultivated by peasants on the "Collective". Will Gorbachev go so far as to de-collectivise totally? If not, will limited reforms have the desired effect?

Industry

Here again, a "black-humour" joke, sums up the plight of the consumer goods industry in the Soviet Union, which (naturally, no doubt), had to take

second place, in the race for defence preparedness on land, by sea, and by air. The joke runs, that a foreign visitor calling at the house of an astronaut was told he would be back from space at a particular hour. The child was not equally well informed, about the time her mother would return from a queue for an unexpected issue of shoes!

This is probably an exaggeration. But the fact is, that centralised planning has led to curious bottlenecks of supply and demand. In the new atmosphere of freedom and also in the "Underground Press" prior to glasnost the white elephant of Soviet consumer industry, was always a target for attack. The opening up of collaborations with Fiat and other multinationals, even in the pre-Gorbachev era, tells its own story.

However, commentators writing about the Soviet economy, all agree that dismantling the apparatus of controls will lead to a confrontation between Gorbachev and a well-entrenched bureaucracy. This class enjoys power, and a degree of discretion, which — as always — has made for corruption. It appears to be rampant, even under a system, in which there is at least theoretically, no private property — collective ownership being vested in the people. Along with high Party functionaries, the bureaucracy constitutes what Dijas described as "The New Class." Marx was wrong in thinking that the liquidation of the "ancien regime" would abolish the cleavage between the classes. It only replaced one with another. As pictured in Dr. Zhivago, idealists disappeared, and the Komarovskys of the new elite

survived.

The Party Machine

It still remains to be seen whether Gorbachev can carry the Party machine with him, all the way. Even at the Conference where he announced his reforms, murmurs of dissent rippled, but were apparently swamped by the more overwhelming tide of support for a new order of things. Nonetheless, it is not only in the pages of spy novels, that there is a constant tug-of-war between hard liners propounding the original brand of the Marxist dialectic, and the pragmatists who would like to change certain practices and institutions, which have demonstrably failed to perform as they should.

Another fundamental question which arises, is whether economic change of a radical variety, can be effected without a similar political exercise. Despite the internal Party reforms mooted by Gorbachev, one major feature of the political system remains unchanged: the Soviet Union is a single-Party polity. Thus even what appear to be far-reaching reforms, can go thus far, and no further.

Incidentally, the Chinese experience is illuminating. With economic reform which proved successful, came a demand for yet more and more political freedom, which eventually made the ruling coterie back-track on the tentative movement towards political liberalisation.

The USSR is in its essence a military empire, the only one of its kind in our time. Actually, it arose as an empire, predominantly ideological and "inter-nationalist" in form ... The rapid democratization of such a state is impossible. A very long time is needed to free the warped human consciousness from the consequences of nearly a century of ideological obscurantism and find new roads and creative solutions.

Milovan Djilas

Economics Needs Time And Patience

Unfortunately, it takes some time for stagnant, state-controlled economies to revive. Britain is an example. Nigel Lawson's recent exposition of "Thatcherism", documented the travails of the "make-over". Every proposed change faces opposition; every positive gain is balanced by perceived losses of a tangible or intangible kind. Whereas Nigel Lawson recounts with pride, the results of privatisation, (as reflected in the

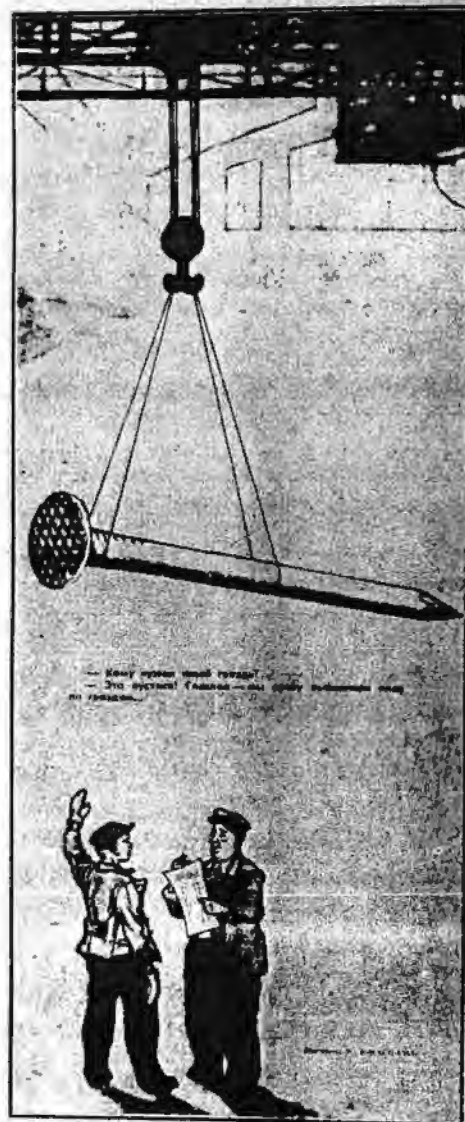
burgeoning ranks of house owners and share holders), David Knightley invariably castigates a rat-race society, in which the weakest go to the wall. Ms. Thatcher apparently commanded sufficient confidence, to win a mandate long enough, to make her socio-economic philosophy work. Whether Gorbachev will get enough time to prove that the law of the market works better than centralised planning, is questionable. If the short-term results are not so dramatic, that they quell opposition from the die-hards, there is an even chance that both the singer and his song, will be removed from the scene: politically (perhaps even physically).

International Implications

The international implications, even in the short term, have been obviously beneficial. The U.S.S.R., has for the first time, acknowledged the premise that at least the original State of Israel has a right to exist. The United States and U.S.S.R reached a tacit agreement to keep off active intervention in Angola. There is also talk about reducing the armed personnel committed to Eastern Europe, under the Warsaw Pact, no doubt to be matched by a similar reduction of NATO forces in Western Europe. Moreover, although it is a small matter, it is a straw indicating the direction in which the wind blows: the daredevil pilot, who landed in Red Square, has been released, after serving only about a fourth of his prison sentence.

The Reforms And India

The reforms have created a flutter among communists of all hues in India. Only 'comrade' Ranadive disapproves of the crimes laid at Stalin's door. He also opines that stiffening Party morale, rather than releasing free market forces, would better serve the Soviet economy. It is generally believed, that what bothers India's communists most is the prospect of dissent being permitted in the rank and file of the Party. Prior to Gorbachev's appearance on the scene, Indian communist leaders (who rejected religion as "the opium of people"), tended to function like the sovereign Pontiff of Catholicism in Rome. Their views and rulings were offered as ex-Cathedra pronouncements: that last word on the subject. If communism must remain a one-Party polity in those countries where it is the government, dissent plays the role which would normally be that of an opposition party in a pluralistic demo-



— Who needs a nail as big as that?
— Who cares? The important thing is we fulfilled the plan for nails at one fell swoop.
Krokodil (Moscow)

cracy. Hence, in India, where communists are running some state governments, it is similarly a good thing, if internal democracy replaces the autocracy of the indigenous "Politburo."

Contemporary history often has a disconcerting habit of overtaking the commentator who dons the robes of a prophet. Gorbachev has accomplished astonishing changes in a short time, with a combination of firmness and finesse. Nonetheless, there are also powerful factors operating against him, at present dormant, but capable of being activated, to cause his downfall, if his reforms do not go as planned. One can therefore but wish and pray, that he will succeed and go down in history as the man who brought the Russian people out of their misery.

MS. LOUELLA LOBO PRABHU is
Associate Editor of *Insight*

Perestrioka through Indian Eyes

Lionel Fernandes

Developments in the USSR have scandalised Indian communists

Marxists in wonderland
Sakharov speaks up for perestroika
Move for perestroika in USSR hailed
Indian-style Stalinism
From Lenin to perestroika
'Indian communist leaders are blissfully unaware of what perestroika is all about'
'Perestroika' in Bihar

The newspaper coverage in India of Gorbachev's glasnost and perestroika campaign has been both extensive and intensive and has been sustained over a fairly long period of time, revealing the widespread interest in Soviet developments among Indian newsmen and readers. For the most part, the coverage has been positive and appreciative, and only occasionally negative in the sense of disapproval of perestroika and glasnost.

The Issues

The *Times of India* of January 13, 1988 carried an article by Abel Aganbegyan, a key economist from the Novosibirsk Institute and Secretary of the Economics Department of the Soviet Academy of Sciences. In that article, Aganbegyan, who is a close advisor to Gorbachev on matters of economic reform, argues that "perestroika means more socialism." It is the same spirit that informs the famous Zaslavskaya Report of the Novosibirsk Institute. While opponents of perestroika argue that the economic re-structuring that is taking place bodes ill for socialism, those advocating it contend that the old-style socialism finds itself in a bind and has less and less to offer its adherents. It therefore requires to be rescued from the bureaucratic stranglehold that it now finds itself in if it is to deliver the goods promised by the socialist millennium. Or else, in the world-wide competition with capitalism, it will come a cropper.

The *Telegraph* of December 9, 1987 carried an interview with Gorbachev

himself in which the rationale for perestroika was put across with characteristic candour. In a later address delivered at a meeting with media executives and the heads of ideological institutions and professionals' unions held at the Central Committee of the Communist Party of the Soviet Union on May 7, 1988 in preparation for the Nineteenth All-Union Party Conference, Gorbachev had the following to say:

"The main thing that is to be done in every area, including spiritual, is to overcome alienation which, deplorably, takes place under socialism when it is deformed by authoritarian - bureaucratic - aberrations. And it is only on the roads of democracy, glasnost, on the roads of moral purification of our society that alienation, bureaucratism, formalism can be overcome. In this work, we are aware of the vigorous involvement of the enhanced political, intellectual, cultural potential of the entire people."

These are indeed remarkable words to emanate from the apex of the Soviet Marxist-Leninist political system. There is an explicit admission that socialism, no less than capitalism, can be corrupted by 'authoritarian - bureaucratic - aberrations' and that there is need for 'spiritual' and 'moral' purification. So it is not only material factors of production under capitalist auspices that produce alienation but also professedly non-capitalist, nay anti-capitalist, arrangements that can produce the same results. And it is unusual to hear a Marxist-Leninist speak of the need for

spiritual and moral purification, when the received orthodoxy would have it that expropriation of capital and socialisation of the material means of production are both necessary and sufficient means to reform society in its totality and on a permanent basis.

An Ambitious Agenda

It is not that socialism itself is to be given the go by in the name of perestroika. As Gorbachev explains in the course of the same address, "it is necessary to rid socialism of everything pseudo-socialist, distorted and deformed in the period of the personality cult, command system, stagnation, and restore the truly Leninist sense to socialism. And the role of the media in this cannot be overestimated." Gorbachev contends that socialism has got burdened with harmful accretions that have disfigured it and deprived it of its pristine Leninist integrity. A fairly drastic surgical intervention is called for to restore it to health and vitality. Indeed, a new revolution is necessary since "the aim of perestroika is Man the means of perestroika is a mobilisation of the human potential." We have echoes of M.N. Roy's radical humanism here.

Such an ambitious agenda could not have been taken in hand by a single individual, however powerfully placed. Gorbachev has been laying the groundwork for perestroika carefully over the past three years. He has involved the broadest cross-section of the people and the Party in the ongoing debate and has used his considerable persuasive

skills to convince his comrades and compatriots rather than bulldoze them into compliance. The agenda for perestroika has been filtered and refined as it were through many crucial stages right from the Plenary Meeting of the Central Committee and the Twenty-Seventh Party Congress of the CPSU held in April 1985, through the Plenary Meetings of the CPSU Central Committee held in January and June of 1987, the celebrations of the seventieth anniversary of the October Revolution and the Central Committee Plenary Meeting of February 1988, down to the historic All-Union Party Conference convened on the 28th June 1988.

Ten Major Theses

At the last named event, ten major theses were presented to the delegates and they epitomized the total scope of perestroika: 1) The need to base perestroika on the Leninist approach; 2) economic reorganisation; 3) intellectual and spiritual development through science, education and culture; 4) self-criticism and unbiased analysis of social phenomena; 5) the re-vamping of Party roles and structures; 6) the strengthening of the Federation through the

right handling of the question of minorities and nationalities; 8) the firm establishment of socialist legality in maintaining rights and curbing crime; 9) the securing of a legal basis for public organizations, voluntary societies and independent associations; and 10) the extension of glasnost and perestroika to international relations.

Indian Press Coverage

The various dimensions of perestroika and the main controversies associated with it have attracted considerable attention in the Indian Press as stated earlier. The frequent intervention in the perestroika debate by Bhabani Sen Gupta, Achin Vanaik, Nikhil Chakravarty, Dev Murarka, S. Nihal Singh and N.L. Chowla, to mention a few of the more prominent journalists, have ensured that the principal themes of Soviet political concern have permeated the consciousness of large sections of the Indian reading public.

These themes had made hot copy all over the world with the speech delivered by Gorbachev at the Kremlin on November 2, 1987 on the occasion of the Seventieth Anniversary of the Octo-

ber Revolution. That speech presented a broad historical survey of developments both positive and negative, in the Soviet Union, criticised the distortions, excesses and aberrations of the Stalinist period and enunciated the doctrine of perestroika in some detail. Understandably, not all have been happy with the denunciation of the Stalin era and with the announcement of far-reaching reforms that would threaten many a vested interest in the present set-up. A certain section of Stalinist diehards within the Party could be counted upon to offer overt or covert resistance to de-Stalinisation and perestroika. Dev Murarka has dealt with Gorbachev's daunting task of dealing with the no-changers within his party in a number of articles that have appeared in the *Times of India* in March, April and May of this year. *The Indian Post* of May 12, 1988 also carried an article on the same topic by Martin Walker, under the title "Fighting the Conservative Left."

Setting Right the Past

For Gorbachev, setting right the present and steering it towards a brighter socialist future requires a correct under-

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standing of the past — both of the genuine Leninist legacy and of the later Stalinist and post-Stalinist deviations. This requires a bold re-writing of Soviet history, the de-bunking of myths into which Party members and common citizens have been brainwashed over the years. This also calls for the re-assessment of the role of other revolutionary leaders who may have dissented from and even fallen out with the mainstream leadership of the Revolution, but whose contribution to revolutionary theory and practice cannot be brushed aside as inconsequential. Thus those who had been deliberately downgraded, denigrated or even liquidated by Stalin and his minions are now sought to be rehabilitated and given significance in history books and official documents. This task is a sensitive one in that un-learning what has passed for truth over a couple of generations and re-learning some unpleasant truths always presents problems and can never be a smooth affair.

Setting right the past involves an analysis of policies that have led to the present stagnation in the economy and to the bottling up of people's initiatives by excessive regimentation within the 'command economy'. The latter has failed to provide the goods and services that other market economies have produced in super abundance. This failure is a poor advertisement for socialism and is bound to lead to demoralisation, disillusionment and unrest among the people. Even basic necessities of life such as milk, flour and meat need to be subsidised at staggering cost to the exchequer. Writing in the *Hindustan Times* of May 28, 1988, Gary Lee states that while a loaf of bread costs 25 kopecks (the equivalent of 40 cents) in Soviet shops, the government spends no less than 75 kopecks to produce it. The current pricing system in existence since 1962 permits factories to order raw materials from central ministries at rates well below cost. He further mentions that government subsidies on consumer goods drains the State of some 80 billion roubles a year.

The top-heavy Soviet bureaucracy makes for sluggishness and waste of both resources and entrepreneurial talent that could have otherwise been tapped to generate a more vibrant economy. There are some 100 ministries

or agencies at the national level and another 800 at the level of the Republics. There are some 18 million civil servants representing a full 15 per cent of the total labour force. A typical automobile factory might be required to feed no less than 2000 odd indicators to the ministry concerned as part of its routine transactions. To cut down much of this red-tape, a new law has been made operative from January 1, 1988, under which some sixty per cent of Soviet industry has been entrusted with greater autonomy in regulating itself in relation to market demand rather than to centrally issued directives. The Hungarian model would seem to have influenced the Zaslavskaya Report of the Novosibirsk Institute — which inspires much of Soviet perestroika — with its flavour of 'market Socialism'.

Another area in which greater 'glasnost' has led to a 'perestroika' of past policy is the official attitude to religion in the Soviet Union. Quite a few items have appeared on this subject in the Indian press, among them a feature article in the *Deccan Herald* of May 20, 1988, another feature article in *The Indian Post* of June 9, 1988 on the millennium of Christianity in Russia, and a news item in the *Hindustan Times* of June 9, 1988, in which Pope John Paul II is reported to have written a personal letter to Gorbachev appreciating his policy of perestroika and hoping that this policy affords 'new spaces' to religious believers in the Soviet Union.

Light and Shadow

As is inevitable in all human enterprises of any scope and consequence, the enterprise of perestroika-cum-glasnost reveals intriguing patterns of light and shadow in its implications both within the Soviet Union and abroad. The 'lighting' up of perestroika by its supporters must be seen along with its 'shading' by its opponents. The Indian press again brings out the light-shadow contrast very graphically. A very interesting illustration is the news item appearing in *The Indian Post* of June 7, 1988 in which Sakharov, a famous 'victim' of the pre-perestroika Soviet system comes out strongly in favour of perestroika, in contrast to the critical feature article written in *The Times of India* of November 6, 1987 by Vladimir Bukovsky, another 'victim' of the same system. As the editorial in *The Times of India* of July 19, 1988 brings out, Indi-

an Communists are at loggerheads in their appraisal of perestroika and glasnost, the CPI being generally appreciative while the CPM is critical and even denunciatory. In his articles in *The Statesman* of March 28 and 29, 1988, M.A. Latif dismisses glasnost as counter-revolution, while B.T. Ranadive does the same in his interview given in the CPM organ *Ganashakti*, and in his articles in *People's Democracy*.

In East Europe which is the immediate and most crucial socialist neighbourhood of the Soviet Union, the regimes in Poland, Hungary and Czechoslovakia are enthusiastic about perestroika whereas those in East Germany, Bulgaria and Rumania are less than so. And within the Soviet Union itself, one can never be sure how many camouflaged opponents of perestroika there may be across the length and breadth of the country in various state organs and in various echelons of the party hierarchy. While the rank and file seem to be enthusiastic, some of the higher-ups whose privileged positions are in jeopardy under the proposed reforms in the party and the economy, can be expected to sabotage the process of perestroika at crucial stages. To out-measure these potential trouble-makers, the new political dispensation requires all elective posts in the party to be decided by secret ballot and that no official, not even the General Secretary and President of the Supreme Soviet, should hold office for more than two terms or ten years unless he has secured a 75 per cent vote of confidence of the constituency concerned. One can only hope that the far-reaching reforms launched by Gorbachev with so much fanfare succeed in good measure in transforming the erstwhile Gulag Archipelago into a Glasnostland.

Stalin's was the dialectics of catastrophe — in which the thesis and the anti-thesis violently clashed — while the Soviets are returning to the dialectics of balance as advocated by Bukharin, in which the synthesis lay in a new balance being found after the conflict between the thesis and the anti-thesis. It is the same kind of balance which Buddha preached. He said wisdom can't be found in either excessive wealth tax nor in excessive poverty. Balance brings wisdom.

Mohit Sen
The Sunday Observer



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Vandalising India's Democracy

M. Varma

In Britain a personal peccadillo of a Profumo brought down a government but with us things have progressed from the pathetic to the bathetic. Exposures and scandals of a serious nature are sought to be brushed aside with the remark: "We have a five year mandate", as if during this period the party could do what it liked.

Jawaharlal Nehru was, mentally, a split personality. By upbringing he was an admirer of the British type of democracy but having read Marx in his youth, during the Fabian years in England, he became, temperamentally, a 'Leftist'. As a result of his own *penchant*, and the mature deliberations of the Constituent Assembly "We, the people of India" gave unto ourselves a Constitution which envisaged a truly Westminster type of parliamentary democracy. In course of time it became clear that we as a people were not yet ready to work such a system quite satisfactorily.

Firstly, our electorate was immature (it still is) and worse, those who went into politics were largely the old 'freedom fighters'. The freedom struggle was a negative movement to throw the British out but it gave our 'freedom fighters' no idea of how to conduct themselves as representatives of the people. The first generation of our MP's were comrades-in-arms and the Prime Minister was, at worst, still *primus inter pares*, but Gandhiji's long shadow was on us and very soon we reverted to our old style of adulating one leader at the cost of all the others - a trend which Jawaharlal not only did nothing to stop but, in true Indian style, began to groom his daughter as his successor. Indira Gandhi had no personal knowledge of the working of a sound democracy, and she hogged all power to herself, trampling under foot all healthy conventions and proprieties of a democratic polity. Her imposition of the Emergency was bruited abroad and heard all over the whole world. We became the laughing stock of mature democracies. Since then we have not looked back, and

things have gone from bad to worse.

A Democracy Corrupted

Under her son we have reached, it seems, a point of no return. In effect we have turned our back on true, functional democracy. *The Guardian* had written in 1985: "India survives - and survives, of course, as the world's largest functioning democracy... Of course, Indian democracy is not perfect; any system which elevates daughter and then grandson to the top job because 'there is no alternative' is flawed. Any system in which one party and one party alone is perceived as national and credible bears the seeds of potential degeneration". It is this apprehended degeneration which has overtaken us now. That is why Mr. Minoo Masani, one of the founding fathers of our Constitution feels that for India it is now "Time for a Renaissance" (*Freedom First*, July '88). The entire apparatus of the State is ranged against such a renaissance, because our nascent democracy has been corrupted at the core by the party in power which itself is a pitiful caricature of what the original Congress was under the illustrious forefathers of the present operators whose ignorance would be farcical were it not so tragic for the nation.

Mocking Gandhi

Gandhiji had wisely advised the leaders of the Congress to dissolve the organisation after freedom had been won and start afresh with well-defined political parties with contrasting ideologies. He had known that the Congress was united on a single point viz., to win freedom from foreign rule; but he was aware that there were deep differences

among the leading lights of the party with regard to the future course the nation should take in economic and social matters. He was quite aware of how sharply the point of view of Jawaharlal differed with his own; yet he nominated him his successor in the Congress with its single purpose of fighting for the country's freedom.

But his lieutenants found the prospect of power irresistible and ignored Gandhiji's advice. Soon enough the irreconcilables fell apart and several well defined parties came into existence. The Congress under Jawaharlal would not give up the power the old organisation had given him and began to compromise on several fronts until it was difficult to say what the Congress really stood for. That is why a perceptive (the late) Malcolm Muggeridge remarked wryly: "Jawaharlal wore Khadi as a uniform; Gandhi wore it as clothing". This sanctimonious and purely ceremonial use of Gandhiji's name continues to be made by the present incarnation of the Congress which has no use for what Gandhiji stood for all his life.

I asked the younger brother of the late Pandit Dwarka Prasad Mishra who was then Home Minister of Madhya Pradesh and known as the *Chanakya* of Indian politics, why it was that the quality of our MPs and MLAs was so lamentably poor. His answer was that during the struggle for freedom all who had nothing to lose by antagonising the then colonial government and were willing to go to jail were recruited as Congress members and it is they who now sat in our legislatures, without having a

ghost of an idea what ideology or programme of action they espoused and its rationale. I knew of one such who was a Member of Parliament, a mere matriculate (after several failures) who used to pass on to me unread, papers he got in Parliament for my edification. There were many others like him who simply raised their hands when signalled by the leader to do so. They did not even question the merits of the leadership and hereditary succession came almost as a relief to them for it released them from having to exercise their critical judgement - something they were incapable of. There were others too who were sharp enough to know which side their bread was buttered but did not have the moral calibre to use other, more responsible criteria. Gandhiji left another unfortunate legacy for the Congress. This was the almost sacred convention of accepting one person as the unquestioned leader and then blindly following him or her.

However when rival schools of political thought grew out of the original monolith, self-interest, often rationalised as ideological affinity, drove legislators into other camps and we stumbled upon the unforeseen phenomenon of floor-crossing jocularly known as the fluid crowd of 'Ayarams and Gayarams'. This became so distressing and depressing that it tended to blur such dim and vague ideological lines of demarcation as existed among the parties in the political map. The personality-cult starting originally from Gandhiji degenerated into parties being formed around persons who had followers but no distinct ideology to provide a viable theoretical basis for the new party. With reckless horse-trading, utter confusion prevailed, and in the ensuing melee, the Westminster model of parliamentary democracy was completely lost sight of.

Anti-Defection Act

The Anti-Defection Bill was at first hailed as a remedy for this disease and widely welcomed. The fact is that Rajiv Gandhi had brought it forward as the first item on his agenda immediately after he had an unprecedented crowd of more than 400 MPs as party-men in his fold. The Act amounted to putting a lock on the fold to make sure that none of the sheep escaped to swell the ranks of other depleted parties. This kind of mass voting under emotional stress is not the sign of a mature electorate,

though many people maintain that we are a very mature people in this sense. Those who welcomed this Act had to rue the day later because it robbed the elected representatives of their freedom of conscience.

In this context a story about the British Parliament is diverting and revealing. A Conservative Premier was informed that a party MP was not inclined to support a controversial Government Bill; he sent for him and the man being asked his view told the Prime Minister that he could not vote for the Bill as it was against his principles. At this the Premier remarked with some heat and asperity, "Damn your principles man, stick to the party!". However the man patiently told his leader that the Bill will not find favour with the voters of his constituency and it is to *them* that he owed his seat in Parliament. What is more remarkable is that the Premier accepted his explanation. In our case not only factually (by the distribution of tickets which is controlled by the top leader personally) but now under the new Law, technically, the member represents not the electorate but the party. This is a perversion of democracy and the structure of democracy under its impact is gravitating towards the communist order where the Party is supreme and, in our case, the leader. The party is merely a following with no freedom or will of its own.

Poor Leadership

By force of tradition, every party tends to be a mere following of a pre-eminent leader who furnishes the very *raison de etre* and pivot for the party. Our democracy is thus a curious animal with a small head and a vast, bushy tail entirely at the disposal of the head. Whatever it is, it is not democracy, and it is said that those who are at the helm have neither the experience nor the intelligence or sensibility to see the distortion they have brought about in search of absolute power at the expense of many sacred premises and principles enshrined in the Constitution. Mr. Masani a Member of the Constituent Assembly has this to say about why we are not able to drive Rajiv Gandhi out of office: "I give two reasons: First that he has the hide of a rhinoceros and secondly, that backward countries don't throw out people so easily; they tolerate bad rulers for a long time". To ward off this nightmare I wait anxiously for the longed for

ray of the "Renaissance" he speaks of.

From the Pathetic to the Bathetic!

In Britain a personal peccadillo of a Profumo brought down a government but with us things have progressed from the pathetic to the bathetic. Exposures and scandals of a serious nature are sought to be brushed aside with the stock remark: "We have a five year mandate", as if during this period the party could do what it liked. The sheep in the fold cannot even bleat or break away in a sizeable number lest Parliament be dissolved (as the legislature was in Nagaland) and the poor fellows lose their right to a pension! Every democratic institution: the executive, the judiciary, the monopolized media (TV and AIR), even the judiciary, the police and the investigative agencies have been debilitated and debased to serve the purposes of the supreme boss. Only an awakened people can save our nascent democracy from thoughtless vandalism.

DR. M. VARMA, an octogenarian, is a Retired Professor of Education

Pride and Prejudice

"We are not here to praise the Lentin report. We are here to bury it. For we are all honourable men. After all, we had authorised the appointment of the commission. What right does it have, then to turn on us and tar us with the same brush as bureaucrats. If it does so, we have the right to call "no-ball" for overstepping. Because we are sovereign. We are the elected pillars of democracy and, *ipso facto*, more equal than others. We cannot, therefore, let go unchallenged the conclusion that we are at fault.

"Rules are for bureaucrats. We make laws under which rules are made. We do not break laws. We only bend them or, when necessary, change them. Let the officials and bureaucrats be found guilty. We will lose no time in dismissing them or transferring them. For we are all honourable men. We take immense pride in our eminence and infallibility. Anyone doubting that must be full of prejudice. We must condemn it in no uncertain terms. It is our privilege to use epithets to chastise others even if based only on press reports. Let no one dare reprove us. For we are all pure like the Ganga. And we shall be untouched by dead bodies, four or fourteen. We shall overcome all reports, no matter. For *apres nous le deluge*."

Economic Times

Seminar on Centre-State Relations

One of the conclusions reached at a recent Leslie Sawhny Programme Seminar on "Centre-State Relations with particular reference to the Sarkaria Commission Report" was that the federal structure of our Constitution had been all but destroyed by those in power in Delhi since Independence. Its recommendation that the appointment of the Governor and the declaration of President's Rule should be vested in the President in his own individual judgment and that the Prime Minister of the day, who is only a party leader, should have nothing to do with it is in conformity with the principles of federalism.

How necessary this reform is, is shown by the shameless manner in which the Union Government had destroyed popular rule in Nagaland because the Congress Government there lost its majority. These men are so full of the lust for power that they simply cannot hand over to another party without driving a coach and four through the Constitution.

I am afraid the men in Delhi have not begun to understand the meaning of the word "Federalism". Read the whole Constitution and you will find there is no mention of a "Prime Minister of India". There is only a Prime Minister of the Union Government. There is a President of India, yet he has been reduced to a rubber stamp! The role of the President should be that of an arbiter in a federal structure between the Union and the States.

I am glad that the Leslie Sawhny Programme are planning to publish the proceedings of the Seminar and its conclusions in a small book which can be obtained on demand from the office of the Programme at 148, Mahatma Gandhi Road, Bombay 23.

Gorbachev's Feat

I have been asked by a reader in Delhi why I have not commented on Gorbachev's performance at the CPSU Congress in Moscow. The reason is that apart from being hospitalised I have been unable to arrive at a clear view from this distance.

There is not doubt that Gorbachev has performed a great feat in getting the Communist Party unanimously to end its dictatorship over the Soviet State and to agree to hand over to a President elected by a Supreme Soviet, itself elected by the people as a whole. This is no mean achievement.

On the other hand Gorbachev had to make several compromises with Ligachev and Gromyko and his other colleagues. The biggest of these is the objection to the formation of a second party. The USSR has still many miles to travel on the road to democracy.

These compromises are perhaps inevitable because, though the common people are with Gorbachev, the Army and the *aparachik* have still not really declared themselves.

So far so good but Gorbachev's survival is still not to be taken for granted.

A comic development to accompany these tremendous events is the decision of the Communist Party (Marxist) in India to denounce Gorbachev and stick to Stalin. These Sancho Panzas have thus cut themselves off from developments not only in Moscow and Peking but throughout the world. Mr. Mohit Sen, till recently a member of the CPI, has analysed these antics in an interview on July 10 under the title "Indian Communist leaders are blissfully unaware of what perestroika is all about".

We can leave these diehards to stew in their own juice but what is

one to think of Mr. V.P. Singh maintaining close contact with the Stalinists who, if given power in Delhi, would indulge in a massacre of millions following in the footsteps of their great master.

"Samajwadi" Indeed!

I have in previous columns mentioned that one of the things I learnt from Mahatma Gandhi was not to prefer "the lesser evil" because one did not really know till much later which is the lesser evil, although I must confess that I am one of those who think that India needs a change of Government.

The sheer stupidity of including the word "Samajwadi" (socialist) as part of the name of the proposed new party is hard to beat! Here is a whole world, including Russia and China and now Burma, which is jumping off the socialist bandwagon in the interest of sheer survival. Yet the wise men who have formed this new Party could not drop this dirty word from their title. If they think that it will pay in terms of votes, they are making a mistake.

India badly needs and is crying for a change at the Centre. What a pity this opportunity should be thrown away by what I can only describe as the conservatism of the so-called "Left" at a time when the whole country is calling for a radical reform away from the statism of the past and towards a competitive economy.

KULAKS WANTED

Mr. Gorbachev has not yet finished surprising us. In the Soviet Union, small farmers are once more to be masters of the State, which is the first blow to a collectivisation of agriculture which is on the one hand at the basis of the Soviet state, and on the other hand one of the major causes of Soviet agricultural inefficiency.

Swiss Press Review

The Continuing Scourge of Untouchability

We in the Constituent Assembly "abolished Untouchability". Fine. So we have sat back with a clear conscience. But did we really abolish untouchability? I shall let the reader judge from two recent developments.

Recently Mr. Prakash Ambedkar, son of Dr. Ambedkar, returned to Bombay after a tour of certain districts in Maharashtra. Appalling incidents happened to take place in certain villages in Maharashtra after the publication of Dr. Ambdekar's book "Riddles".

In as many as five villages of Chandrapur and Gadchiroli districts, *Dalit* women were stripped and forcibly paraded in the streets by people belonging to the high castes. In Mausli, Gadchiroli district, caste Hindu women took the initiative in humiliating the *Dalits*. Accompanied by caste Hindu men, they went to the *Dalits'* hutments, forcibly undressed the women and took them into the streets. 225 clashes took place in Vidharbha alone, of which 17 were major riots.

Ambedkar, who was accompanied by party workers and non-party social activists like Shantaram Pandhere of the Yuvak Kranti Dal, told correspondents that the worst hit town was Palaso in Akola district. Planning for the riots had begun four months in advance. He alleged that the police must have had prior information, but they were sympathetic towards the Shiv Sena.

Ambedkar alleges that though the Shiv Sena initiated the atrocities against the *Dalits*, they were supported by members of the Congress (I), BJP and RSS. It is only in the villages where the Sharad Joshi-led Shetkari Sanghatana has a strong hold the *Dalits* are left untouched.

Even more recently there comes another horrible story from Trivandrum, from Kothanmangalam in Thankamani village from which it appears that the police there tormented a young *Harijan* youth who was in their custody. This youth was

forcibly made to eat human excreta and drink urine by the police in the lock-up. This incident is the second in the past one month — earlier another *Harijan* youth in Trivandrum had alleged that CPM activists had kidnapped him and forcibly fed him human excreta. The opposition have demanded a judicial inquiry into the two incidents. The incident came to light on May 23, when Krishnankutty, the *Harijan* youth, admitted in a serious condition to an Ernakulam hospital, told pressmen about the humiliation and third degree torture suffered by him in the lock-up. At Mathirapalli village a gold chain was stolen from a house, Krishnankutty was taken to the police station in this connection and roughed up.

Krishnankutty, writhing in pain said: 'I was kicked in the stomach by the Inspector, then lathis were rolled on my legs to make me confess. When this failed I was told to take into my hands the human excreta lying in a corner of the station compound, my mouth was forcibly opened and the excreta forcibly pushed in. At the same time a constable passed urine into my mouth.'

On May 14 Krishnankutty was admitted to the taluka hospital which in turn referred him to the Kottayam Medical College Hospital. In Kottayam he filed a complaint with the Gandhinagar police station. He said he is a member of the Democratic Youth Federation of India (DYFI) the youth wing of the CPI-M, which initially took up the issue with the authorities concerned. "The DYFI even organised a public meeting on the issue of my torture in the police lock-up but soon lost interest due to orders from the party higher-ups after I was admitted to the Ernakulam hospital on the advice of T.M. Jacob, an Opposition MLA", he said.

Jacob said he had taken up the issue with Chief Minister E. K. Nayanar who also holds the Home portfolio. Nayanar admitted that third degree methods were used on Krishnankutty and told Jacob that "black sheep in the police force will have to be weeded out", Jacob and George Joseph MP, from Mundakel, have

met the Union Minister Buta Singh and pleaded for the Centre's intervention in the issue.

Hindi ki Jai !

Graduates of the Indian Institute of Technology (popularly known as the IIT), enjoy high prestige in the world of Indian management. Many of the alumni of these Institute deserve this compliment. They are not only good technicians and engineers but also good managers.

Now the Hindi lobby has struck a blow at this happy development. Under pressure from the Union Government, the IITs have been intimidated into dropping the paper in English, which is not calculated for counting marks, but ensures that an IIT graduate has an adequate knowledge of the English language which alone can enable him to be a good technician.

According to experts like Mr. A.C. Patankar, Senior Director of the Confederation of Engineering Industry (western region), Mr. A.Y. Divekar, an engineer who is at present Joint General Manager of the switchgear section of Larsen and Toubro, and the Marketing Director of Siemens, Mr. P. Nilkanth, an engineer, this will certainly affect the general quality of IIT graduates and their standing. But never mind, *Hindi ki jai!*



"There are only two things to worry about. Either you are well or you are sick. If you are well then there is nothing to worry about. But if you are sick, there are two things to worry about. Either you will get well or you will die. If you get well there is nothing to worry about. If you die there are only two things to worry about. Either you will go to heaven or hell. If you go to heaven, there is nothing to worry about. But if you go to hell, you'll be so damn busy shaking hands with friends, you won't have time to worry." — (Author unknown)

Contributed by Mr N. D. Marshall

The Privatisation Phenomenon

Jiban K. Mukhopadhyay

The global wave of privatisation has become so sweeping and overwhelming a process that it will perhaps be no exaggeration to call this new found economic strategy a significant socio-economic revolution in the making. It has come as if to counter the previous wave of nationalisation.

After the four-decade-old experiments with nationalisation in many countries of the world, a new world-wide experiment has started during the 1980s in the form of privatisation. Many countries are moving away from state ownership of industries out of sheer economic compulsions viz., the widespread failure of public sector enterprises, high pressure on government budgets particularly due to the subsidising of the public sector 'white elephants' and various other major macro-economic problems like slow economic growth, unemployment *et al.*

What is Privatisation?

Since the term privatisation was coined only recently there is no single definition yet universally accepted by one and all. Some experts interpret it narrowly, while some others broadly.

Interpreted in its narrow sense, the term privatisation mainly implies divestiture, which means the sale by the state of the whole or part of its holding of the equity shares of a government owned enterprise to private shareholders and denationalisation, which broadly means a change of ownership from the state to the private sector.

In a broad sense, however, privatisation would imply much more than divestiture and denationalisation.

Mr. D. R. Pendse, an eminent economist, has synthesised the broad scope of the privatisation process relevant for a developing country like India. According to him, the broad defini-

By and large the experience all over the world is that state owned enterprises in most countries, more so in developing countries, have been, and still are big drawers of governmental resources. They contribute to these relatively poor countries' budget deficits in a big way. In many cases state-owned enterprises are inefficiently and unprofitably run. Most often they also fail to fulfil their non-financial socio-economic objectives — the so-called lofty ideals of an egalitarian society.

tion of privatisation should include:

1. Divestiture.
2. Denationalisation.
3. Under our (India's) Industrial Policy Resolution (IPR), certain industries are exclusively reserved for development in the State sector. Any relaxation in respect of such an exclusive reservation would be a part of the privatisation process.
4. Closure or liquidation of any State Owned Enterprise (SOE)
5. Leasing of an SOE to a private sector party.
6. Transfer of management and control of an SOE to a private sector individual or agency, more so if it includes a share in profit...
7. Abandoning or postponing proposals (a) to start new SOEs or (b)

to expand or diversify activities of any of the existing SOEs.

8. Farming out to private contractors or agencies the function of supplying various goods and services needed by the SOE, instead of these being provided or produced departmentally by the SOE itself.

It is in this broad sense that the term privatisation has been used in this essay.

Where and How did it Start?

Mrs. Margaret Thatcher pioneered this new drive towards privatisation with an ideological zeal in Great Britain when she launched the Conservative Party's manifesto in 1979. The Conservative Party's manifesto of 1979 introduced privatisation by saying: "The British people strongly oppose Labour's plans to nationalise yet more firms and industries such as building, banking, insurance, pharmaceuticals and road haulage. More nationalisation would further impoverish us and further undermine our freedom."

Transferring public enterprises into private ownership was, however, not a new policy. Conservative governments in Great Britain used to practice this in bits and pieces. But Mrs. Thatcher introduced this programme with such a decided dynamism that it has become, in the words of Mr. John Moore, Financial Secretary at the British Treasury, as one of the "most radical economic changes since 1945."

The concept — nay the reality — of privatisation has been, and is being, implemented in many industrially advanced countries like Great Britain, West Germany, Italy, socialist Sweden and Spain and in France in Western Europe; the USA and Canada in the North American continent and Japan in Asia.

Even communist-block countries like the Soviet Union and China are in the midst of different stages of opening up experiments based on the basic tenets of the market economy, which could be broadly called the privatisation process.

Many developing countries in Asia, Latin America and Africa have also realised the pragmatism behind the programme of privatisation, some sooner, while some followed later.

In Developed Countries

Mrs Thatcher's Great Britain of course is the pioneer. She started denationalisation of British industries after coming to power in 1979.

Great Britain has raised \$ 23 billion by selling all or part of 13 companies ranging from utilities like British Telecom and British Gas to industrial companies like Jaguar, aircraft manufacturer British Aerospace, the state oil producer Brit Oil, etc. The British Government has unloaded the giant utility British Gas for \$ 7.9 billion, so far the largest stock offering in the country's history. The sale drew 4.5 million buyers, dwarfing the popular success of the British Telecom sale in 1984.

By June 1988 more than one million jobs are expected to be transferred to the private sector. The proportion of GDP accounted for by the state industries will almost be halved from 10.5 per cent in 1979 to about 6.5 per cent before the next election. The number of British shareholders has doubled from about 2 million before the British Telecom (BT) sales in November 1984 to over 4 million after the sale of one billion British Telecom shares. The British government favours a wider share ownership for checking, *inter alia*, the monopoly power of companies.

France, the latest and most enthusiastic pursuer of privatisation has a plan to sell 65 companies worth as much as \$ 45 billion by 1991. The French government sold \$ 1.9 billion shares of Saint Gobain, a profitable diversified industrial group, which was privatised in 1986 by using a high pitch \$ 6 million advertising campaign. It is expected to be followed by AGF, an insurance company, and Paribas, an investment bank. The new socialist government that came to power in the middle of 1988 has also decided to continue with the privatisation process launched by the previous Government.

Spain's socialist Prime Minister, Felipe Gonzalez, calls his country's public sector a "white elephant graveyard". He also started some privatisation process by reducing government holding in the state-owned Instituto Nacional de Industria (INI).

West Germany is to privatise most of the 958 companies in which government equity holding is more than 25 per cent including IVG, Lufthansa and Volkswagen. The government has already unloaded its 14 per cent stake in Veba, the huge energy combine.

In Sweden, the late Olof Palme had issued an order to public sector firms to

start making profits and also to sell off \$ 170 million in state-owned industry. Sweden plans to sell a 30 per cent stake in SSAB, the nationalised steel company. In the Netherlands, Finland and Austria as well the privatisation programme is being pursued.

Japan has one of the most dominant private sectors. Despite this, there is a move towards privatisation in Japan, of most of whatever is in the hands of the government. During the next five years, Japan's already small public sector, will become even smaller as the Japanese government sells all, or part of its shares in Nippon Telegraph and Telephone (NTT), which will be the largest sale surpassing British Gas, which offered the largest equity issues so far in history. Japan National Railways, Japan Tobacco and Japan Airlines will also be privatised.

In Developing Countries

Witness some further evidence in developing countries, where the privatisation programme has been, or is being pursued, mainly because of fiscal problems like budget deficits, through a variety of ways viz, divestiture-total or partial-, denationalisation, closure or liquidation of perpetually loss making SOEs, transfer of management, selling through auction etc.

In Bangladesh nearly 100 companies including most of the jute, textiles, chemical and engineering industries have been sold off to the private sector since the announcement of the New Industrial Policy in 1982.

Pakistan has denationalised some 200 rural rice, flour and cotton mills as well as transferred maintenance of small wells and irrigation projects to private contractors. On top of this, selective SOEs in basic and heavy industries, as well as air lines will be divested in the near future.

Thailand and Malaysia have been steadily privatising their telecommunication sectors and have sent representatives to Britain and Japan to study their experiences with privatised telecommunications. In Thailand 33 public sector companies have been privatised and the country's Sixth Plan (1987-91) emphasises the role of the private sector and proposes a reduced role for public sector companies. Malaysia has already floated the state air line MAS on the Singapore stock market and Guthrie (the largest Plantation

Test for Privatisation

If government-owned companies are to be privatised, several conditions must be met. First, it should be practicable in that you should have a buyer. Second, the move must be politically feasible. There is the question of ideology, and of opposition from labour. So you must have the guts to do it.

Ideally, you should not sell to an individual company or group. Because the point is that the public sector should not go to a Tata, a Birla or a Bajaj. It should be a *la* Thatcher, you offer shares to the public. But the question is, can a professionally managed company function without an owner? And which investor will buy the shares of a public sector unit that is being privatised, without knowing who or which group is going to be in control?

I think that, instead of selling to a private group, you can get a group to underwrite the share issue of a company being privatised. This will make the job politically easier, because if you don't get enough of the ordinary investors, the underwriter can step in as the new owner. And there is no political price to be paid.

There can also be action at the second stage. A group that is interested in the company can go into the market and buy the shares: no one can stop you from buying up to 25 per cent of the shares.

I think the bureaucracy itself is divided on the question of privatisation. But the real question is: where is the political will? I don't really see a new trend to privatisation till the next poll.

Rahul Bajaj in *India Today*

which is state-owned) on the London Stock Exchange. Singapore has also privatised its national flag carrier, Singapore Airlines.

During 1982 and 1983 the Government of South Korea divested itself of all nationwide commercial banks, certain manufacturing industries and public sector services together with the introduction of an effective performance evaluation scheme for controlling the SOEs.

In Brazil, the Government prepared a list in 1983 of 89 industries to be privatised. Out of this, 20 have been privatised and 27 more merged or handed over to local authorities. Brazil's President, Jose Sarney, recently declared: "Leadership of the economic development process should now pass to a private sector freed from the shackles of statism". He now wants to privatise the remaining 42 firms plus add another 12 firms to the list for privatisation. The shares of very large companies like Petróbras are to be offered to the public.

Mexico, Peru and Argentina have put certain SOEs on the auction block. Although about 250 public sector companies have been planned to be sold to the private sector in Mexico, only 34 have been sold so far. In Argentina, President Alfonsín has preferred privatisation as a part of a restructuring of state enterprises.

Chile has undertaken a programme for complete 'destatisation' of the very dominant state sector by 1989.

In Venezuela about 80 companies are being considered to be privatised in various ways. Of the total \$ 3.4 billion in stake, 2 billion worth of shares are likely to be offered to the private sector.

India

In India, some loosening up of controls in the area of industrial licencing, liberalisation of import control policy, reduction of income and corporate tax rates and a long term fiscal policy have already been introduced. Roughly speaking, over 50 liberalisation decisions relating to industries have been announced since January 1985.

It is expected that these measures will usher in a new liberal era of industrialisation in India where productivity, efficiency, cost consciousness, competitiveness and a new management ethos are likely to be the benchmarks. These will of course make life easier for Indian private sector industries. Perhaps

If the profits of 12 public sector petroleum companies are taken out, the remaining non-oil State-Owned Undertakings have recorded a net loss of Rs. 208 crores (for 195 such companies) in 1984-85 which increased to Rs. 373 crores (for 202 companies) in 1986-87.

these measures do provide early signals for the privatisation process in the strict sense. Some official panels and private experts have also recommended the privatisation of Indian SOEs.

Public Sector Vs Private Sector

The most important reason for considering privatisation lies in the grossly unsatisfactory performance of State Owned Enterprises (SOEs) based on any criteria and the rapidly growing belief that business is managed best by private enterprise. But any global comparison between the performance of SOEs and private enterprises is an extremely difficult exercise because of the various socio-economic objectives of SOEs and the fact that SOEs are often dominated by slow-growing basic industries.

However, economists have been conducting these exercises. In one such interesting work done by Mahmood A. Ayub and Svan O. Hegstad recently, it has been pointed out that "within the sample countries, and sometimes within the same industries, public enterprises have generally been less profitable than private ones". They have studied the performance of both these sectors in 13 countries based mainly on three qualities viz.:

1. the degree of competition that public enterprises are exposed to;
2. the degree of financial autonomy and accountability under which public enterprises operate; and
3. the extent and manner in which managerial autonomy and accountability are ensured;

all of which are difficult to assess statistically.

According to them, only in the rare cases where all these three factors exist, is "the performance of public enterprises significantly better than in those cases where most or all of these factors are absent."

Profitability (!) of Indian SOEs

At this stage let us take a close look at the performance of Indian SOEs, who have been assigned the 'Commanding Heights', as a case study. The overall profitability of Indian SOEs, far less independently run than most SOEs in developed countries, has increased in recent years as measured by net profit as a percentage of capital employed, viz., from 0.8 per cent in 1983-84 to 2.7 per cent in 1985-86 and further to 3.4 per cent in 1986-87. But this is too small a return on a huge investment of Rs. 51,931 crores, as of end March 1987, in 214 central public industrial enterprises.

The net profit after tax also significantly increased from Rs. 240 crores for 201 such SOEs in 1983-84 to Rs. 1,651 crores for 211 SOEs in 1985-86 and further to Rs. 2,142 crores for 214 such SOEs in 1986-87.

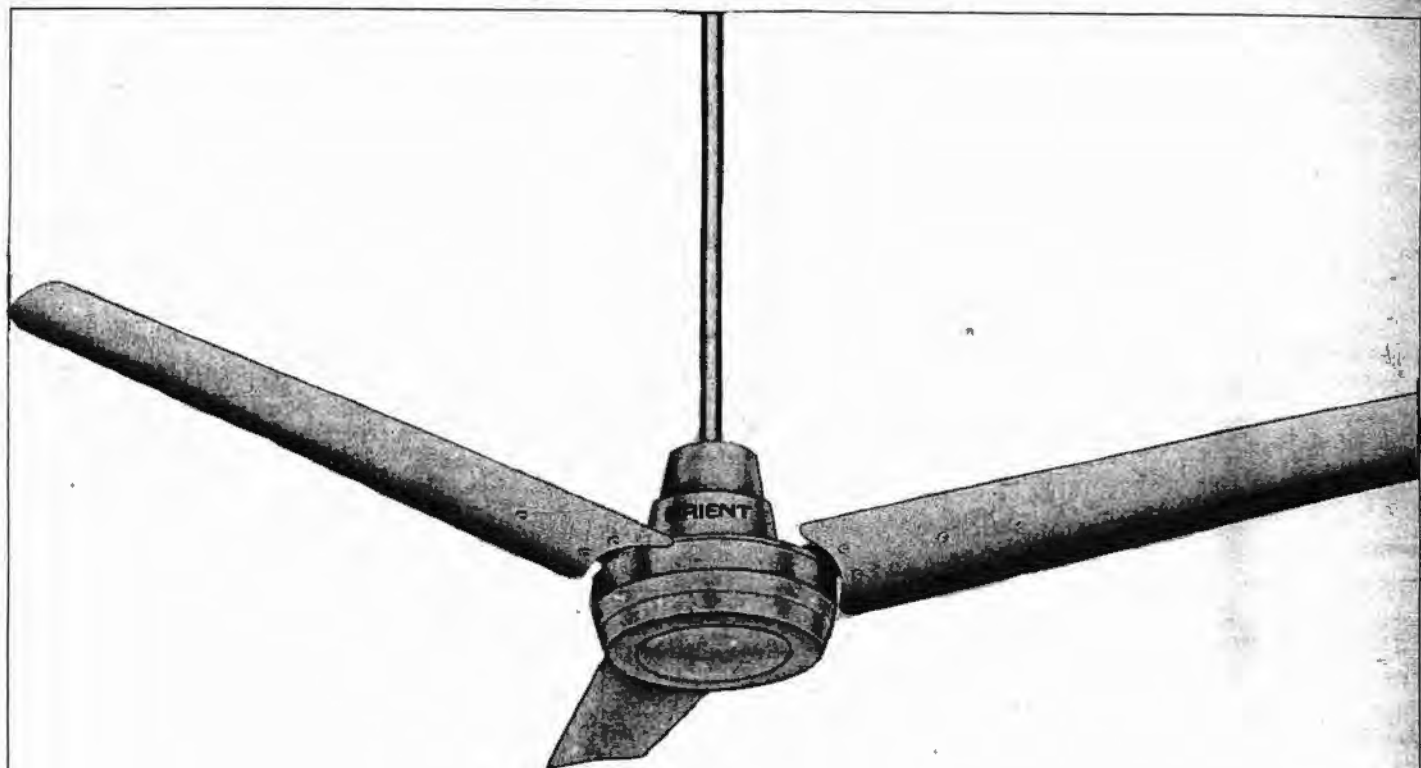
But this is not the full story. If the profits of 12 public sector petroleum companies are taken out, the remaining non-oil SOEs have recorded a net loss of Rs. 208 crores (for 195 such companies) in 1984-85 which increased to Rs. 373 crores (for 202 SOEs) in 1986-87.

This, again, is not the whole story. To this must be added the losses of various other undertakings of both the central and state governments to have an idea about the total loss sustained by Indian SOEs in any particular year. Unfortunately overall financial figures are not easily available.

Though some of the SOEs, mainly non-industrial, may not be expected to earn very high profits because of various unquantifiable socio-economic objectives, the annual loss of the Indian non-oil SOEs will be of staggering proportions. The accumulated losses over the past four decades, must be many, many times more. Perhaps one may be tempted to call this huge loss, a financial "black-hole"

Private Sector Companies in India

As against this, private sector companies in India have been earning attractive profits. For example, according to a survey of 541 large public limited companies (each with a paid-up capital of Rs. 1 crore (\$ 0.82 million or above) conducted by the Reserve Bank of India for the year 1985-86, gross profits showed a marginally higher growth rate of 20.6 per cent in 1985-86 com-



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pared with 20.4 per cent in 1984-85, whereas profit after tax and retained profits showed lower growth rates of 27.3 per cent and 35.3 per cent respectively in 1985-86 compared with 30.4 per cent and 41.3 per cent in 1984-85. If the Indian non-oil SOEs would have earned even half as much profit as those of non-government companies, the pressure on the budget would have been much less.

Some Questions

The questions that therefore come to one's mind are:

Can these huge investments in SOEs not be made more productive or profitable?

How long should these loss-making SOEs be subsidised even when the fiscal situation of developing countries like India is precarious and at whose cost?

Is there any alternative available?

Should ideological commitments based on half-baked ideas prevail over financial common sense?

Cannot the industrial SOEs be made more efficient and profitable? If so, how?

In answer to these questions, *inter alia*, comes the quest for the privatisation process, not as an absolute panacea, but as one of the pragmatic remedial measures. While on this, it will be relevant to quote the Amex Bank Review: "...there is an increasing respect worldwide for the achievements of pri-

vately managed companies in higher efficiency, technical and managerial innovation and in service to customers. Associated with this is an increased support for the free market view that markets are better at achieving economic rationality than governments. In some developing countries it is reasonable to argue that privatisation now makes sense for industries which have been successfully introduced and nurtured under state ownership."

SOEs, Contribution to Higher Deficit

By and large the experience all over the world is that SOEs in most countries, more so in developing countries, have been, and still are big drawers of governmental resources. They contribute to these relatively poor countries' budgets deficits in a big way. In many cases SOEs in most countries are inefficiently and unprofitably run. Most often they also fail to fulfil their non-financial socio-economic objectives for enunciating the so-called lofty ideals of an egalitarian society.

Mr R.P. Short of the International Monetary Fund (IMF) has pointed out in an interesting paper, amongst the first of its kind, that the average overall public deficit in the 25 developing countries studied by him rose to 5.6 per cent of GDP in the mid-1970s, an increase of 2.5 per cent points, since the mid-1960s. He has also estimated that the budgetary burden of SOEs averaged 3.3 per cent of GDP for another 34 developing countries compared with 4.4 per cent of the central governments'

overall budget deficit in these countries. This means that public enterprises accounted for three-fourths of the central government deficits in the countries in question.

It is no wonder that Mr A.W. Clausen the former President of the World Bank, recently observed: "Governments in many developing countries overtaxed themselves, especially when they got involved in the direct management of industry. Furthermore, governmental procedures, which inevitably find their way into the management of government enterprises, are often the wrong procedure for managing productive activities. The consequent burden on budgets and demand for credit have been important causes of economic difficulties in many developing countries. With domestic and external resources currently so constrained, the pursuit of efficiency and domestic resource mobilisation is more critical than ever. And that is why there is such an urgent need to expand and release the energies of the private sector."

This can only be done if the chronic lack of mutual confidence between developing country government and business is reduced, if not finally eliminated. The participation of the private sector in the development process "is not an option: it is an essential".

New Management Ethos

Apart from the primary argument of budget deficit and resource crisis the

A Labour Government Privatises

In his fifth budget since the Labour government came to power in 1984, New Zealand's Mr Roger Douglas has continued to extend the sort of socialism of which millionaires approve. The finance minister confirmed on July 28th that he intends to reduce New Zealand's top rate of income tax to 32%, versus the 66% Labour inherited... He is paying for his loss of revenue only by a rise in cigarette tax and a tight curb on government expenditure. That leaves the current budget deficit at a fairly stern 2.2% of GNP, despite unemployment near to a 50-year high. And Mr Douglas intends to turn that small deficit into a capital-cum-current-budget surplus of more than 5% of GNP by a large number of privatisations.

This year's sales of state assets will include two banks: the Bank of New Zealand, the country's leading commercial bank, which Labour nationalised in 1945 and Tory governments have funkied selling since; and the Post Office Savings Bank, which Labour's Mr Richard Prebble (who is now virtually the minister for getting rid of state enterprises) has criticised for increasing its spending by 75% in a decade in which its market share has halved.

Other sales are of the national shipping company, up to half the country's forests, its international airports, a chain of hotels and part of the government's property agency.

The sales are limited mainly by what the market will absorb in one year, and Mr Douglas and Mr Prebble are really itching to sell more. Mr Douglas has complained that state coal mines have lost money for 20 years, while building a surplus coal mountain that would carpet a highway 8,000 miles long. The mail-carrying monopoly is to be removed from the Post Office, and thereafter half of the Labour cabinet would like to sell the Post Office too. The National (i.e. conservative) opposition finds it difficult to get on the Thatcherite side of all this, which may help explain why New Zealand's Labour government — although again lagging by far in public-opinion polls — was triumphantly returned to power in last year's general election.

Courtesy: *The Economist*

introduction of privatisation is also justified by the understanding that there is a cultural difference between the running of an industrial SOE, which is usually over-administered and less managed, and a private enterprise, which is more dynamically and matter-of-factly run. In many countries like Brazil and Spain the new management ethos of running a business enterprise has been accepted on its own merit. Evidence shows in many countries that privatised companies have improved their performance.

The justification for privatising Indian SOEs, because of budget pressure needs to be supplemented by the understanding of the new management ethos of the private sector industries. Some better managed Indian SOEs have already raised, and many more will be raising, large funds from the expanding capital market of India. It will be reasonable to argue that shortage of resources will not be a major problem for profit making Indian SOEs, like the petroleum and some power and telecommunications companies, if they are permitted to be privatised. The case for

their privatisation needs to be supported by the new and dynamic management ethos rationale.

Economic Pragmatism and Privatisation

Introduction of privatisation measures can also be based on economic pragmatism. It is not always necessary to correlate privatisation with the ideological fundamentalism of the *laissez-faire* theory. For example, the privatisation programme of South Korea has been based, not on ideological considerations, but on the economic realities of the country.

In many developing countries, the privatisation programme has spontaneously gained ground and has been, by and large, free from ideological rhetorics. Countries like South Korea, Thailand, Malaysia, Bangladesh and Sri Lanka, have launched privatisation programmes largely because of its need and usefulness.

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COURTESY, Forum of Free Enterprise

Disposing off National Kachra

At long last the Union Government has mustered up the courage to sell a government enterprise making a horrendous loss for the country. The proposed sale of Scooters India Limited to Bajaj Auto is a sensible measure and shows that some sanity is at last percolating to Delhi.

But, lo and behold, the so-called opposition members of parliament, who in fact are the satellites of the Congress (I) and Communist parties, raised a howl against this giving away of national property. Property my foot! It is national *kachra* and it is high time it is deposited in the dust bin. Government enterprises that make losses have no right to exist and Scooters India Limited has been a notorious example of this.

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The Punjab Tangle — Time for Rapprochement

Krishnabai Nimbkar

To many in this country who do not or did not care to understand what the Punjab tangle is all about, the present rapidly changing political situation will be an eye-opener. The continuing state of militancy on a wide-spread scale in Punjab, promises to become almost chronic. This is a reality to be reckoned with. Thanks to the short sighted policies of two successive Prime Ministers, it has come to stay.

Starting as a simple human rights issue, the Sikh demands escalated through several phases, from moderate to extreme, from non-violent to violent, and from dissent to insurgency and civil war. Proportionate to the armed might used by Delhi to suppress Sikh unrest, have Delhi's actions assumed the dimensions of a totalitarian state adopting the means of state terrorism to suppress dissent. Much can be said to criticise both sides. But it would be a truism to state that greater wisdom and statesmanship was expected to be shown from the Delhi end. If Delhi refuses to see this fact, then it should abdicate.

Need for a Political Solution

Delhi could not arrive at any policy on Punjab as could provide a political solution. But have the parties in opposition expounded a policy of their own to put forward an agreed solution in consultation with the Sikh leaders? Did the country's non-partisan free press, which keeps people abreast of every gory killing whether by militants or police or any other, invite through their columns, a national consensus for a political solution of the Punjab problem? Did thinkers and intellectuals debating the Punjab issue over the years, put forth any foolproof proposition that would satisfy the Sikh aspirations? To one's knowledge, no sound and practical political solution has been posed for the people or the Government to go upon. Of what avail blaming the Sikh leadership of disunity, blinded as it had become by its subjective involvement in one way or another, with their emotions tossed be-

A rapprochement which will provide the key to a political solution depends on agreeing to keep promises made. Moreover, the Indian Constitution itself has in it an in-built provision which can settle the political dispute between the Centre and the state of Punjab once and for all within the framework of the Constitution.

tween the devil and the deep sea?

Essentially, today's situation is but a manifestation of a cause and effect phenomenon, a result of many years, out of which a solution will have to be found. It will have to be political and a lasting one at that, since the origin of the whole problem can be traced back to the political act of the Partition of the old Punjab. History cannot be unwritten. India cannot throw out the Punjab that is a part of her. Neither can Punjab which forged its links with India forty years ago, make a bid to break away. But at the same time, it is immoral for India to forget that it made promises to the Sikh community during the crisis of Partition, so that the British could expedite the transfer of power to the Indian Union. It is equally immoral for the Sikhs to forget that they pledged their lot with the Indian Union on the eve of partition. With the cold logic of these facts of history, the Central Government, which needlessly went to war with the Sikhs, should now at least show its preparedness to keep the promises it made at the cross roads of history. The Sikhs, while demanding that these

promises be kept, should admit that at the same point of history they, on their part, had pledged inseparable loyalty to the Indian Union.

Special Status

A rapprochement which will provide the key to a political solution depends on agreeing to keep promises made. Moreover, the Indian Constitution itself has in it an in-built provision which can settle the political dispute between the Centre and the State of Punjab once and for all. The political settlement can be well within the framework of the Constitution.

The solution lies in offering to grant majority status for the Sikhs in Punjab, as a constituent State of the Indian Union under Article 370 of the Indian Constitution. There is a precedent for this in the status which the Jammu and Kashmir State enjoys under Article 370. Under the present circumstances, with both parties to the dispute having reached a dead end, there is no other way. The burden of keeping up or not keeping up the symbiosis between religion and politics will then become the responsibility of the administration of the autonomous State of Punjab as it is now of Jammu and Kashmir. So too will the responsibilities of protecting the minorities fall on the State of Punjab as it is now on Jammu and Kashmir. All the same, the reins of control will still be in the hands of the Central Government, should any contingency arise of these obligations being flouted or neglected. The Centre at that time will be free to decide to take any line of action it deems fit and as most appropriate to the situation at that time.

Building A National Consensus

Those who love India and do not wish this great country to sink further into the mire of discord, dissent and disintegration, should welcome such a rapprochement which is honourable to both sides.

The time then has come for all parties, political and otherwise, for intellec-

tuals and thinkers, for the editors of the country's free press, for law-makers and law givers, to press unitedly on the Government of India which stands alone, isolated and bewildered today, that it must now shed the politics of vested interest and turn to the politics of good government. Unitedly, irrespective of party, state, region or any other interest, a national consensus in favour of this proposal should build up. For, the situation is so serious that Punjab cannot be allowed to die, if India is to live. Unitedly, it must be impressed upon the President and the Prime Minister and all political parties in Parliament that, if the State of Jammu and Kashmir, a constituent State of the Indian union, can live and thrive under the status which Article 370 confers on it, so can Punjab. Both are border States on our sensitive western boundaries. With their injured pride and honour restored and recognised once again, as the brave and courageous people India has always known them to be, the loyalty and patriotism of the Punjabis and Kashmiris as the defenders of these borders will flow in redoubled measure.

The Government of India will have nothing to regret in taking such a step, and India will have nothing to lose by coming to a decision to opt for a political settlement on the basis of application of Article 370 of the Constitution to solve the Punjab tangle. Promises then will have been kept and the further slaughter of the innocents stopped.

Whether or not to bring the militants and terrorists into the picture for a political dialogue to unravel the Punjab tangle, is not the issue at present. What is of prime importance is the fact that this is the time to begin a search for a nationally acceptable political solution for the settlement of the Sikh struggle for autonomy. The negotiations should be between the Central Government and all the political parties in Punjab, including the Panthic leaders and the opposition leaders. Negotiations should not be permitted to be baulked by giving the militants and terrorists undue importance in political decision-making. Their extreme emotions for a Sikh autonomous State however should be understood and appreciated by the negotiating political leaders, in

their proper perspective. Tackling the problems of the terrorists and militants should be purely a matter of law and order. But this too will have to be in the background of the political settlement over-shadowing it. The eradication of militancy and terrorism is a continuous process. It has to go on for all time. When a satisfactory political solution reached by political negotiations begins to be implemented, then there is every chance that militancy and terrorism, which were off-shoots of unrequited political promises made to the Sikhs at the time of Partition, will die a natural death even without having to tackle them as law and order issues.

Will the Prime Minister, at least now, make up his mind about applying Article 370 after forging national consensus for it and taking the advice of the mature political leadership still available in this country? It is, indeed, a million dollar question!

DR. (MRS) KRISHNABAI NIMBKAR is a Gandhian social worker

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The Sarkaria Commission Report



The Seminar participants

The following is condensed from the 'Report of Conclusions' of a Seminar sponsored by the Leslie Sawhney Programme, in Jaipur in August.

Contrary to the express wishes of the framers of the Constitution, India had, in the past four decades, become a quasi-federal polity with strong unitary overtones. The transition from an anarchic polity through a national struggle against alien rule to a nation-in-the-making might have, in the earlier stages after independence, justified strong unitary features but it is time we looked back and took into account the experience of the past four decades of continuing crises and unrest and take firm and bold steps to provide for a more open, federal and dynamic polity in which a strong centre, strong states and strong local governments co-exist and make our democracy more mature and responsible.

In his opening remarks Mr. M.R. Masani, asserted that the Constituent Assembly was convinced that India was too large and diverse to be ruled from one central place or by one authority. In fact the genesis of some of our most critical problems whether in Punjab, Assam or other states lies in the denial of legitimate autonomy to our states. He cited four principal reasons for the present crisis viz., the cult of personality in

the first two or three decades, the imposition of centralised planning, the dominance of a single political party and absence of strong opposition parties, and the obsession with unity, a historical hangover from two centuries of foreign rule. He said only a more open and federal polity would ensure real freedom and progress. In a polyglot society like ours, sharing of power is more important than majority rule. In this sense the Sarkaria Commission's report was a welcome though hesitant step forward.

The Sarkaria Commission Report

Dr. S.R. Sen, a member of the Sarkaria Commission conceded that in his view the report of the Commission was inadequate and left much to be desired but pleaded for acceptance and implementation of the mild and reasonable recommendations in the interests of more healthy Union-State relations in our country. He emphasised the need to implement recommendations relating in particular to the role of Governors; the Article on Emergency; the Inter-Governmental Council; devolution of powers in respect of taxes, industries,

trade and the mass media. He urged that special consideration needed to be paid to the growth of the politics of extreme confrontation and the need for reforming the cabinet system of government, the electoral system and the role of political parties. In respect of the role of political parties, he stressed the need to define their role in the Constitution itself.

Former Punjab Chief Minister Mr. S. S. Barnala, deplored the tendency to consider as secessionist even the legitimate demand for greater autonomy to states. He felt that the Sarkaria Commission had taken a rather narrow and limited view of the problem and had shirked suggesting the much needed fundamental changes in the constitutional structure.

Role of the Governor

In an enlightening exposition on the role of the Governor Mr. L.P. Singh said that, far from intending to make the Governor an agent of the Central Government, the framers of the Constitution wanted the Governor to function as the Constitutional Head of the State, normally guided by the advice of the

Council of Ministers. Neither the Constitution nor any claims made by any of the Prime Ministers so far support the view that a Governor is an agent of the Central Government. Judgements of the Supreme Court confirm that the Governor is a Constitutional Head. But it is equally true that he is a link between the Centre and the States. If this role has often degenerated into making him an agent of the Centre, it is more due to the personality and character of the occupant of the Office. It is to avoid this that the Sarkaria Commission's recommendation on the selection and appointment of Governors needs to be accepted.

Some participants at the Seminar questioned the very need for the office of Governor in a democratic set-up but the consensus was in favour of retaining the post as the Governor served a useful role. On the other hand it was pointed out that the President of India appoints a Governor on the advice of the Prime Minister. If all doubts and fears about his becoming an agent of the ruling party at the Centre are to be removed, then it would be advisable to leave the appointment of a Governor to the President in his individual judgement, who may consult the Vice President, the Speaker and the Chief Minister of the State concerned. In this context the example of the Australian Constitution was cited. The seminar was also of the view that any constitutional crisis arising in a state should be settled at the state level, as far as possible.

The framers of the Constitution had left many delicate issues to be sorted out by healthy and sound conventions and could not of course provide answers for all future crises and tensions. In view of the acute problems that have arisen and in view of the fact that different political parties would govern the Centre and different states, it is time the prospect of dual authority in our polity was boldly faced and a fresh look taken at the checks and balances provided in our Constitution.

Duality, in fact multiplicity of centres of power and authority, is a must in every truly federal set up. This recognition as also the presence of a responsible and powerful opposition might go a long way to check any misuse or distortions. In the absence of powerful opposition, only assertive public opinion, the press and citizen protest can ensure respect for norms and provide stability.

President's Rule

Mr. Soli Sorabjee who initiated a discussion on 'President's Rule' submitted that Article 356 which empowers imposition of President's Rule and which can be traced to Section 93 of the Government of India Act of 1935, has perhaps caused more tensions and bitterness in Centre-state relations than any other article of the Constitution. Its misuse has belied all the hopes and expectations of the framers of the Constitution and its utility as the ultimate constitutional weapon in extreme cases. At the same time he argued that a total repeal of Article 356 might not be desirable. Even if precise guidelines cannot be provided to ensure its proper and legitimate use, the recommendations made by the Sarkaria Commission go a long way in checking its possible misuse.

The seminar strongly felt that parliamentary scrutiny and judicial review must be allowed to play their part whenever it is decided to impose President's rule.

If Article 356 had to be retained to preserve the federal nature of our Constitution the exercise of power to use it must rest with the Executive or the Head of the government at the Centre. It was unanimously agreed that Article 74 which today restricts the powers and discretion of the President be amended not only to restore the position of the Head of the State but to remove a source of recurring tension and crisis in Centre-state relations. There is no escape from an acceptance of dual centres of authority either at the Centre or in the states if a truly harmonious and cooperative federal polity is to be ensured.

Decentralisation

The problem of Power imbalances and the question of decentralisation was also discussed. Dr. J.D. Sethi asserted that whatever may have been the aspirations and expectations of the framers of the Constitution, what has resulted at the end of four decades is an Indian State which has become inimical to the aspirations and hopes of Indian society. Even the concessions made to the concept of decentralisation, Panchayat Raj and Gandhian ideals had been abandoned and the present Constitution would not be able to cope with the problems posed by the growing unrest among the poor; the criminalisation of politics, and corruption gener-

ated by the unholy alliance between money power, bureaucratic power and political authority. Dr. Sethi pleaded for ushering in a Second Republic with a new Constitution.

The Financial Aspect of Centre-State Relations

The seminar had a stimulating and provocative discussion on the financial aspect of Centre-State relations initiated by Dr. Ashok Mitra, the former Finance Minister of West Bengal.

Dr. Mitra argued that though theoretically the states had as many as 66 entries in their list and another 47 in the concurrent list and could not have asked for more, what in effect was granted to them was responsibility without any financial powers. In this too the Constitution had been influenced by the Government of India Act of 1935. Of the four sources of finance available to them, viz., taxation, borrowing, deficit financing and profits from state enterprises, the scope of the last two was, at present, limited. The power to borrow was severely curtailed by Article 293 and in regard to taxes, only Sales Tax remained the states' major source as a tax on agriculture has encountered administrative and political difficulties. Of all the borrowings made by the Union Government in 1987-88, only 9 per cent was given back to the states.

The seminar was of the view that in the composition and appointment of the Finance Commission, the States must have an appropriate role.

Fiscal issues have much wider applications. With rising expectations and growing awareness, people hold their state governments responsible. Social tensions building up as a result of states suffering from lack of resources could lead to a very explosive situation. The lack of fiscal discipline at the Centre and the untenable rise in governmental and non-plan expenditure including that on defence came in for sharp criticism from the seminarists who suggested that the present unlimited powers to borrow and the recourse to deficit financing must be curbed. They felt that a limit ought to be fixed on these with reference to total funds raised by the Centre. The seminar came to the disturbing conclusion that if serious thought is not given to the plight of the states, cynicism and chaos will take their toll.

Not by Science Alone

E.V. Ramakrishnan

While pursuing advancements in science with all the resources at our disposal we must not lose sight of the essential continuity between man and environment. At some stage in the educational process a student should be seriously initiated into the complex world of the written word, in any one of the languages having a rich tradition.

Humanities and social sciences do not attract the best of students these days in our colleges and universities. Pragmatic parents want their children to opt for subjects which can land them lucrative jobs. Has something gone wrong with our priorities? Can we afford to neglect subjects the learning and teaching of which have a direct bearing on our culture? The questions assume greater urgency because in our university curriculums we maintain rigid regimentation ruling out any interaction between different streams. A country which can boast of Panini has not been able to make any significant contribution to modern linguistics and some of the best studies of Indian art are written by foreigners. While India with its wealth of history and multi-lingual culture offers immense possibilities of research and enquiry in the arts subjects, our educationists have sadly failed in the task of evolving a policy which would strike a balance between the various components that make up the nation's intellectual life.

Misconceptions about the Study of Language

There is no gainsaying the importance of scientists and skilled persons for a country still groping its way out of widespread poverty and large scale illiteracy. But education aims at bringing out the best in each individual so that he can be an asset to society. An educational system which does not permit students to realize their potential to the fullest extent will end up dissipating precious human wealth. Much of the aggressiveness in our youth can be traced to lack of opportunities for creative expression. Though words like

'idealism' and 'values' may sound old-fashioned they form the basis of the nation-building process and education should finally orient the students in this direction.

The prevailing view that Arts subjects lack precision and the study of language is a waste of time is born of misconceptions. At advanced levels, all subjects, whether Physics, Chemistry, Literature or Economics, deal with abstractions and basic relations. It is through a command of language that a person acquires his faculty for making connections. Aristotle believed that a command of metaphor is essentially a mark of genius. Art or literature is metaphorical expression which reflects the psyche of a society or a country. By 'command of language' what is meant is not eloquence or a flair for rhetoric, but a greater capacity for grasping fundamental facts and verbalising complex thought processes.

In his book *The Necessity of Art* Ernest Fischer says: "Art is necessary in order that a man should be able to recognize and change the world". In modern times we live in a synthetic world of plastic, steel and concrete cut off from the natural world of smells, colours and shapes. This alienation which corrodes human sensibility is at the root of modern man's restlessness. While literature has no cure for this malady, it helps us to define man's emotional make-up and to some extent, it can re-sensitize our mind to the larger issues confronting society. With our blunted sensibilities we have lost our concern for the world outside. Literature opens up new ways of feeling which restore us to the world of the ideal and the real.

The Power of the Written Word

What a poem or a painting gives us is a new way of looking at the world. Once Monet, the great French artist painted a church in London as seen through mist and he depicted the mist in purple which enraged Londoners. But when they went and looked at the mist they discovered that it was really purple in colour. When a writer like V.S. Naipaul paints India in black in a book like *India: A Wounded Civilization* it may enrage many of us, but we have only to go and look outside to see the black patches on our culture. The written word has the power to awaken us to the reality around us. Many passages in Shakespeare alert us to some of the basic problems of man and society. For instance, the following words of Iago may prompt us to some self-introspection: "Our bodies are gardens to which our wills are gardeners; so that if we will plant nettles or sow lettuce; either to have it sterile with idleness or manured with industry, why, the power and corrigible authority of which lies in our wills." Commenting on these lines Professor C.A. Sheppard, a great teacher and scholar said in his lecture, 'Culture and Philosophy': "Culture raises the question of what we plant; of whether we plant anything at all. An uncultivated mind becomes a wilderness of paltry aims, slogans, prejudices; and is soon seized by some opportunist who sows and reaps in it for his own advantage." In studying literature we study life in all its complexities, which, in turn, gives us the strength to question injustice or accepted notions.

In a world of specialization each expert gets lost in the enclosed space of

his own knowledge. We have to come out of our house to see it as part of a street or a landscape. When we walk into the street we see it as part of a larger network of roads crossing the country. Education must inculcate in our students a capacity for objective self-introspection. As a poet puts it, 'one should learn to take an occasional morning walk into one's own self'. In a world threatened by nuclear disaster, large-scale pollution and economic recession, the average individual's consciousness is burdened by fears about survival. The daily diet of disaster news dished out by the mass media only deepens this feeling of panic. Fanaticism, fundamentalism and such fascist tendencies result from man's regressive tendency to go back to a sheltered world of absolute power. This turns man's inner world into a ghetto of baser instincts. The final message of all art and literature is, in Salman Rushdie's words, 'For God's sake, open the universe a little more'. The study of literature is a means of reclaiming some more cultural space within oneself.

The Political Function of Literature

Art is concerned with the creation of alternative worlds in its attempt to arrive at the truth. In our daily life we fail to perceive the truth about our experience. What is often projected as the point of view of a nation or a community may not include the experience of a suppressed minority. For instance, Negroes have been excluded from the mainstream of American life for so long that one has to read Negro writings to find out their specific point of view. Dalit literature has a similar function in our society. Recent developments in feminist criticism have been able to show how women's experience is distorted in the literature of a male-dominated society. Shakespeare's dramas give us an inside view of Elizabethan England which no book of history can present. Art corrects the official version of reality by communicating to us the felt quality of the actual life that is lived. Here again Salman Rushdie is to the point: "...Description is itself a political act...Redescribing a world is the necessary first step towards changing it. And particularly at times when the state takes reality into its own hands and sets about distorting it, altering the past to fit its present needs, then the making of alternative realities of art...becomes politicised. Writers and politicians are

natural rivals. Both groups try to make the world in their own images; they fight for the same territory. And the novel is one way of denying the official, politician's version of truth." Here we may substitute 'literature' for 'novel' and we have a concise statement regarding the political function of literature.

Of late, interdisciplinary studies have been gaining ground in Western universities. This shows that the Western academic world has woken up to the dangers of unidimensional specialization. Many of our universities have been making feeble attempts in this direction but no tangible result has emerged in such fields. In our educational set-up a student is forced to narrow down his interests to one of the few streams at a very early stage. This results in a general 'dissociation of sensibility', to use a term coined by T.S.Eliot to describe the destructive division in modern man's personality between the emotional and intellectual sides. Ideally, education should equip an individual to understand his own surroundings. In our case, our emphasis has never been on creativity which would allow students to explore possibilities inherent in their immediate society. Information becomes knowledge when it can be digested into one's system as experience.

The Perils of Modernity

While pursuing advancements in science with all the resources at our disposal, we must not lose sight of the essential continuity between man and environment. At some stage in the educational process a student should be seriously initiated into the complex world of the written word, in any one of the languages having a rich tradition.

Such a study will be rewarding for many reasons. Commenting on the slow erosion of self-confidence and will that has taken place in India during the prolonged colonial rule a thinker remarked: 'Our spirituality has not saved us. Our imagination perhaps can'. Imagination can transform our life while sustaining it in moments of crisis. While moving in the outside world of phenomena we are aware of an inner world which is of equal importance. Literature is a principal means of probing and communicating our notions of this invisible world which is as real as the world outside.

In our modern times language is getting progressively dehumanised as hu-

man sensibility gets more and more fragmented, and life becomes increasingly mechanical. The language of advertisements or other commercial media not only pollutes language but slowly tends to usurp the place of literary language by imitating it.

Our younger generation is being brought up on a fraudulent version of culture. With the disappearance of the reading habit this poses a serious threat to the very future of society. A famous American poet, Karl Shapiro, speaking of the American youth of the seventies lamented that it is the most illiterate generation that has ever lived in America. Our students are fast moving to this state of illiteracy where they may mistake *Kitsch* culture for the real one. Unless they are introduced to the classics of world literature and art they may never cultivate a genuine taste for making fine distinctions and comprehending the subtle nuances of art. An important reason for studying literature is contained in the following words of an eminent literary critic: "The one important function of poetry, and in fact of all verbal arts, is to help maintain a proper ecology in man's linguistic environment. To keep alive what is essentially human and aesthetic from complete erosion and obliteration."

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The people who believe most that our greatness and welfare are proved by our being very rich, and who most give their lives and thoughts to becoming rich, are just the very people whom we call Philistines. Culture says, "Consider these people then, their way of life, their habits, their manners, the very tones of their voices; look at them attentively. Observe the literature they read, the things which give them pleasure, the words which come from out of their mouths, the thoughts which make the furniture of their minds; would any amount of wealth be worth having with the condition that one has to become just like these people by having it?" And thus culture begets a dissatisfaction which is of the highest possible value in stemming the common tide of men's thoughts in a wealthy and industrial community; and which may save the future, as one may hope, from being vulgarised, even if it cannot save the present.

Mathew Arnold
— *Essays in Criticism*

Farm Sector – Why Not Taxed ?

Bhanu Pratap Singh

Those who advocate the imposition of direct taxes on farmers overlook the point that one cannot repeatedly subject a particular sector to distributive justice, and then expect it to yield taxes in proportion to its contribution to the national income.

Quite often the question is asked: "Why not tax the rich farmers and make the farm sector contribute to the public exchequer in proportion to its contribution to the national income?" My reaction to such a proposition is: "Yes, tax the rich farmers, if there are any, whose income is taxable, but leave the small and middle farmers alone." Long ago, it was accepted that land belonged to the tiller. As no one pays rent on his own property, there is no justification in charging rent on land or imposing any other direct tax on it, so long as its income does not exceed the income tax exemption limit. In fairness, therefore, all direct levies on land holdings should be withdrawn, and agricultural income treated as any other income, subject to the same income tax law as is applicable to non-agricultural income. However, if such a principled stand is taken, state governments will be losers, because they may not be able to collect as their share of income tax, even a twentieth of what they are currently realizing as land revenue and agricultural income tax. It is not generally known, that farmers are, even now, paying direct taxes to state governments in the form of land revenue and agricultural income tax amounting to Rs. 570 crores annually.

For a proper understanding of the tax potential of farmers, it is necessary to assess the number of that class of farmers, who are likely to have incomes exceeding the exemption limit under the Income Tax Act. Currently, an individual with an income of less than Rs. 18,000 per annum is not liable to pay income tax. In addition, there are a

number of permitted deductions under the Income Tax Act, which raise the effective exemption limit of a payee to Rs. 28,000 per annum.

A Wild Goose Chase

In Punjab, the productivity of land is the highest — nearly three times the national average. Therefore, it would be conclusive to find out, if in Punjab there are farmers whose farm incomes on the largest permitted holding of 18 acres of irrigated land exceed Rs. 28,000 per annum. The Punjab Agriculture University at Ludhiana made a detailed analysis of farm income in Punjab for the year 1983-84 which was a year of record production. According to the study the per acre farm business income on the largest farm size group was no more than Rs. 1327.60. At this rate, the income of the largest holding allowed under the land ceiling law would be no more than Rs. 23,896 which is lower than the exemption limit (after deduction) under the Income Tax Act.

Though theoretically it is possible that some farmers, under exceptional circumstances and practising specialized farming, may be earning more than Rs. 28,000 on a holding of 18 acres, it is unlikely that there are many such in the country as a whole, considering that farmers even in the Punjab, where productivity is three times the national average, have generally failed to achieve this level of income. Indeed, the search for rich farmers, whose incomes exceed the exemption limit, is bound to prove to be the prover-

bial 'wild goose chase'.

The Illusion of 'Large' Farms

The illusion that substantial resources can be raised by taxing the rich farmers arises from the fact that some farms appear to be large. More often than not, there are two or more farms jointly operated. According to a survey the number of earners amongst large farmers was found to be 2.91 in Haryana, 2.81 in West Bengal and 3.29 in Jammu & Kashmir. If the joint family system in rural areas is taken into consideration, the seemingly large landholdings will be found to be much smaller. Income tax, it should be remembered, can be levied only on the basis of ownership interest.

Those who advocate the imposition of direct taxes on farmers overlook the point that one cannot repeatedly subject a particular sector to distributive justice, and then expect it to yield taxes in proportion to its contribution to the national income. Land holdings have been subjected twice to imposition of ceilings. On the last occasion the ceiling that was fixed was no more than four times the average holding. If a similar criterion is used for imposing ceilings on all kinds of assets and incomes, none will be found taxable in the whole country. Tax generation from any sector does not depend on its size or contribution to the national income, but on how unevenly that income is distributed in that sector. It is not out of generosity, or the political clout of the so-called *kulak* lobby, that agricultural tax has, so far not been imposed. The Central Government knows that it

would prove a futile exercise. At one time it had imposed wealth tax on land, expecting to get from this source at least Rs. 80 crores for the public exchequer. But what did they actually get? Just Rs. 1 crore which was no more than the money spent on chasing the rural rich! It was also found, that the number of persons with taxable wealth in Delhi city was more than double that of such persons in the whole of rural India.

Chase 'Black-Money Barons' not Farmers

Another point that is often missed is that income tax as a source of revenue to the government is dwindling fast. Income tax which constituted 1.8 per cent of the national revenue in 1974-75 is now about 1.3 per cent. So many deductions have been allowed in the Income Tax Act, and also because it is easy to evade it with impunity, that there are in a nation of 80 crore people only 26,000 assesses whose incomes have been assessed at more than Rs. One lakh, and a mere 127 whose income has been assessed at Rs. 10 lakhs and above. It is estimated that the tax-evaded income or black money, is

around Rs. 40,000 crores, which is much more than the tax revenue of the Union Government, and two-thirds of the total income generated in the farm sector. Let those who have the stamina - physical as well as moral - chase black-money barons, instead of wasting their time in search of the rural rich.

Indirect Taxes on Farm Inputs

It is difficult to assess the incidence of indirect taxes on the farm sector at any particular point of time because tax rates keep changing and the use of inputs also varies not only from farmer to farmer but also from year to year. Nevertheless, attempts have been made to estimate the incidence of indirect taxes on a per acre basis. According to my computation, the incidence of indirect taxes on agricultural inputs is no less than Rs. 160 per acre. Dr. A.S. Kahlon of Punjab Agriculture University, in his book *Impact of Indirect Taxes on Punjab Agriculture*, stated that "the incidence of indirect taxes alone per cultivated acre varied from about Rs. 27 to Rs. 156 depending on the state of development of the farm". His estimate at the higher level of development of the farm is very close to the estimate I had

worked out.

Farmer Sows, Government Reaps

Besides indirect taxes on farm inputs, the farm sector is made to contribute substantial amounts to the public exchequer in other ways. For example, the sugar industry can pay to sugarcane producers at least Rs. 6.17 per quintal more than what it is currently doing without jeopardising the interest of consumers, if the purchase tax on sugarcane, excise duty on sugar, and the molasses control order are withdrawn. The total quantity of sugarcane which goes into sugar production is about 8 crore tonnes, which means that farmers are contributing about Rs. 493.6 crores annually to the public exchequer and to the alcohol industry. On an average production of 60 tonnes of sugar cane per hectare, these imposts add up to Rs. 370 per hectare. This is in addition to what must have been paid as indirect tax on farm inputs which went into the production of sugarcane. In the light of this one wonders whether sugarcane cultivation is more remunerative to farmers, or to the government.

MR. BHANU PRATAP SINGH is a farmer and former Union Minister for Agriculture

Why Planned Economies Fail? - Ask Mr Shitov

Since central planning has allowed the Soviet Union only one factory that makes condoms, these and birth-control pills are rarely available except to the privileged. The result, says Mr Mikhail Gorbachev's outspoken new health minister: "abortion remains by far the most common form of contraception in the Soviet Union." Poorer working women in Russia's unequal society probably average between four and six abortions in their lives.

All of these abortions are then counted as part of doctors' gross production, and therefore swell Russia's reported national income. Most western attempts to translate fictitious communist growth figures into real ones, including one by America's Central Intelligence Agency, have been far too kind to the communists. That has long been known by readers of the mainly mimeographed papers from some fine economists still in Hungary and Poland. Glasnost has now permitted the publication in English of the book by Warsaw's brave Professor Jan Winiecki called "The Distorted World of Soviet-type Economies" (Routledge and Kegan Paul in London and New York), and any scholarly discussions of planned econo-

mies should henceforth start from it.

A small part of communist overstatement has sprung from frightened people's fiction: like one Soviet factory that was reported as completed, so got a document putting it into commission, so had to have output listed as coming from it, although it did not actually exist. In 1981, the First Deputy Chairman of the USSR Committee for National Control, with the splendidly appropriate name of A. Shitov, reported that one out of every three enterprises was telling him lies to exaggerate its output.

As central planners control both the total wage fund and specific wage rates, they make these equal to the planned value of suppliers of consumer goods. It is therefore theoretically impossible for there to be all those queues, although a Polish survey showed that the average time spent queueing per household rose from 63 minutes a day to 98 minutes a day between 1966 and 1976, and in a Polish or Siberian winter this is a huge hidden cut in the standard of living. In all these countries you usually have to pay in advance for a motor car and wait for delivery. In Bulgaria in 1984 the wait was 20 years.

A small part of the excess demand arises from the cheating usual under any incomes policy. A bigger reason is that much of the reported production is not actually available to be sold, but the biggest reason - as Mr Winiecki says - is that "enterprise demand is almost infinite under central planning." Without scarcity prices to signal the real priorities, an "efficient calculus" case can be made for literally every investment project. The projects usually chosen are the ones with the most powerful pressure groups, which mean those that have been most successful in the past.

If in any communist country there are old brands which nobody wants to buy, these are the goods put on the official consumers' price index to show that there is no inflation; at least one Polish prime minister sent a circular letter to all enterprises ordering them to set a minimum 30% rise in production. The result, says Mr Winiecki convincingly, is total distortion of every growth statistic. When next any economist tells you that planned economies work, the name to quote is Shitov.

COURTESY: *The Economist*

S. P. Aiyar

A Great Teacher and a Fine Liberal

"I have given you high marks not because your answers were necessarily correct but because you made an attempt to think" said a young lecturer to a student way back in 1954. The lecturer was Dr. Sadashiv Prabhakar Aiyar then in his late twenties, the paper was 'Civics' and I was the student, at whom the remarks were addressed. That was the beginning of a close friendship that lasted till his demise in Madras on June 17 this year. He was 61.

This was what distinguished Aiyar from the run-of-the-mill teachers who, unfortunately, are the rule rather than the exception in India's education system today. 'Guides' providing capsule answers which students learnt by rote were anathema to him. He was a teacher in the best tradition of that word and he considered resort to 'Guides' and similar aids by his students as a personal affront.

Triumph and Tragedy

The last decade of his life was both a triumph and a tragedy. While he achieved the position of Head of the Department of Civics and Politics of which he was once a student, he had to attend to his duties from a wheel-chair, stricken by rheumatoid arthritis. He carried on manfully even as the dreaded disease ate into his vitals and when he could carry on no longer, retired a few months before it was due. Throughout these years some of us who were close to him watched on helplessly but could not but admire his dauntless spirit on the one hand and the remarkable courage and fortitude of his wife Rajam who tirelessly cared for his needs giving up her constant communion with the *veena*, for she is a finely sensitive musician.

Aiyar was the epitome of a Liberal in the true tradition of Ranade and Gokhale whom he admired. It was as a teacher that Dr. Aiyar was known to hundreds of those who were fortunate to study under him. It was inevitable that he should have taken to the teaching profession. His family was one of



S. P. Aiyar

teachers — his father was a well known professor for nearly half a century in Western India. His editions of English Classical texts were widely used and in their time, highly regarded. Prabhakar Aiyar's elder sister was for a number of years in the teaching profession as is his younger sister who has specialised in African Studies. His brother was associated with the Poona University. This is not surprising for the children grew up in the shadow of college towns whether it be in Sangli, Pune or Sholapur.

At school and in his early years of college, Aiyar was an eager student of literature. His own favourite reading was the classics of English and European literature particularly of the nineteenth century. Thomas Hardy remained a favourite and Aiyar became something of a local authority on this novelist. But he was not to pursue his studies of English literature. The father thought that the field of English was surfeit with graduates and persuaded his son to do his Economics which he did, reluctantly.

Teaching Career

Family circumstances did not permit pursuit of post-graduate studies and it was a chance meeting with a family friend and a Professor of History, that made him join for his M.A. not in Economics but in History and Politics.

Meanwhile he had taken up a job in the Civil Supplies Department as a Rationing Inspector which gave him the time needed to attend lectures. Long hours of trudging the dusty streets of Bombay drained off his energies and made it difficult to visit libraries and spend time in studies. But study he did in whatever spare time he could muster and got through the M.A. examination.

With an M.A. in his pocket, Aiyar went to Aurangabad as a lecturer in a new college founded by Dr. Ambedkar where he served for nearly three years as lecturer in History & Politics. Returning to Bombay he joined the Khalsa College. He was to spend a number of years here.

It was at Khalsa College that Aiyar made his mark as a teacher of World History. The wide sweep, vision and perspective of History, the unfolding of institutions and ideas, the interaction between different social forces were taught with brilliance and his lectures were memorable.

His classes were well attended even during vacations — for to him teaching was more than a job; it was a mission and he loved it. A disciplinarian in the classroom he participated in a joke but never at the cost of discipline. I am witness to the manner in which he would stop in mid-sentence if he heard whispers from the back benches and demand to know if there was something more interesting going than his lecture!

While in Khalsa, Aiyar completed his doctoral dissertation on quasi-federalism in record time. It was later published as *Federalism and Social Change*. It must be said that he was perhaps the only college lecturer of his time in the city who managed to finish his doctorate in political science.

The Ph.D. enabled him to secure a comfortable teaching position at the National Defence Academy in Khadakwasla near Pune. But the liberal in him found the regimented life in the Military Academy stifling. Not surprisingly he

threw up the job and found an opening at the Bombay University. Appointed Lecturer in Public Administration, he had to rapidly prime himself in a subject which he had not studied or taught earlier. He soon made a name for himself as a fine teacher and a dedicated student of the subject.

Awarded a Rockefeller Foundation Scholarship in 1960 Aiyar spent a year in the United States studying courses, teaching methods and general approaches to the study of public administration as Post-Doctoral Fellow at the Universities of Chicago, California (Berkeley) and Harvard. He was also, in 1971, a Visiting Associate Professor at the School of International Studies, Jawaharlal Nehru University, Delhi. After his return from the United States his rise was rapid and he became a full-fledged professor of Politics and later Head of the Department. So much was his love for his *Alma Mater*, the Bombay University, that he declined invitations from several universities within the country and abroad even though these meant a loss in terms of his professional career.

Writer and Critic

A wider public read his contributions to newspapers and the books that he wrote or edited. His reviews of books were read avidly. Aiyar brought to bear a high critical standard in evaluating writing. He had exacting expectations and the Ph.D theses that were prepared under his supervision bear ample testimony to this. Whether it be teaching, writing or the numerous seminars in which he participated, Aiyar never compromised either on principles or quality. His own personal and professional life bore ample evidence of this.

Champion of Liberal Values

To a different public he was known as an unrelenting champion of liberal political and economic values. These were formed early and he adhered to them all through his life. His family worshipped at the shrine of the Rt. Hon. Srinivasa Sastri, for he was a family friend. Later Dr. Aiyar's close association with Professor Bhaskaran, that great teacher from the Madras University, only strengthened Aiyar's basic beliefs.

He believed that a free enterprise system subject to public criticism and control would, in the long run, be more beneficial than a controlled economy. As a student of History, he had seen the

DR. AIYAR'S BOOKS

Federalism and Social Change (1962)

Studies in Indian Democracy (edited with R. Srinivasan - 1965)

Perspectives on the Welfare State (edited - 1966)

The Politics of Mass Violence in India (edited - 1967)

The Commonwealth in South Asia (1969)

Modernisation of Traditional Society and other Essays (1973)

When the Wind Blows - India's Ballot Box Revolution (with S.V. Raju - 1978)

close association between liberties, a liberal society and free enterprise.

The imposition of the so-called 'Emergency' in 1976 affected Dr. Aiyar very deeply, so passionately was he committed to free institutions, the concept of individual liberty and liberal democracy. The moment it was lifted Aiyar set to work on a book on the 'Emergency'. I readily responded to his suggestion that I co-author the book with him. He worked at a demoniac pace as if get out of his system all the pent up anger at the attempted dictatorship in the land of Gokhale and Gandhi. In fact I would venture to suggest that the disease that finally took his life had its origin during this period. He pushed me, goaded me, sometimes even chided me to get along with the parts of the book I was entrusted to write.

For me it was an education and an experience I am not likely to forget. His insistence on the use of the right word and on keeping our language as simple and direct as possible was almost an obsession. Even the nursery rhyme "Hush a Bye Baby" from which we drew the title of our book "When the Wind Blows" involved a piece of research. He was not content with referring to any children's book of nursery rhymes. In my case he did not trust text books published by the Government's Department of Education which has a monopoly in the publication of school text books. He would only accept the version in the *Oxford Book of Nursery Rhymes*. "When the Wind Blows" re-

ceived excellent reviews but the choice of the publisher was, alas not judicious.

It was fitting that towards the close of his academic career he should be the first recipient of the then newly instituted Prof. M. Venkatarangaiya Prize for outstanding contribution in the field of political science. It was also to be the last public address by Dr. S. P. Aiyar (March 1, 1983). The theme of his acceptance speech was appropriately "Foundations of Public Life" which we hope to reprint in a future issue of *Freedom First*.

With his numerous friends, students and admirers I join in offering *Freedom First*'s humble tribute to a great teacher and a fine liberal. We shall all sorely miss him.

S.V. Raju

How to Stop Worrying...

Being of a somewhat worrying temperament I found myself at the beginning of June faced with some seven major anxieties about things going wrong. I was suddenly reminded of being told many years ago about a gimmick by which one could learn that most worries never materialise or come true. So I tried out this gimmick.

I wrote on a piece of paper on 6th June my seven major worries of calamities that would descend on me by the end of June. Now when the end of June came I took the paper out of the drawer where I had confined it and hey presto! I find that six out of seven anxieties have dissolved into thin air leaving only one carried over to July. It is true that a new problem has arisen about which I was not aware on 6th June.

The result of the experiment is not to worry but if you must, write your worries on a paper at the beginning of the month and discover at the end of the month how needlessly one worried.

Dear reader, try this for yourself if necessary.

Mino Masani

BOOK REVIEWS

Trapped in a Colossal Mess

Ever since times immemorial, discerning scholars from abroad have been awed, puzzled and taken in by the extraordinary complexity of Indian society. They could not resist the quest for definitively explaining the phenomenon of India through the modes of discourse familiar to them. Some have been hesitant in passing judgements while others have magisterially (and sometimes mischievously) concluded what it was all about.

Since India became an independent nation, we have had a group of scholars emanating from the New World who have taken on the burden of unravelling the mysteries of India to Indians and the rest. Unlike European 'Experts' on India who had their own pet prejudices ranging from an "Ex-Imperial Sourness" to the "Guilt complex of their Colonial Past", American scholars have no such hang-ups. Theirs is the approach of the scientist for whom what he puts under the microscope is of no concern. It may be an AIDS virus or the African judicial system; what is important is to 'understand' it. Philosophers of science may raise objections as to whether one can be so objective and all that, but such doubts do not assail these scientists, and they take their jobs very seriously indeed. It is hence not surprising that two Professors of Political Science from Chicago have put India under their microscope and have reported in this sumptuous volume what they have seen and understood.

Now what they have seen is neither pleasant nor offers much hope. The central theme of the book is that India embarked at the time of independence full of hope on a journey towards the goal of a society based on justice, equality and prosperity for all. But it never arrived there; instead it has trapped itself in a colossal mess. One can almost cry in T.S.Eliotesque fashion thus:

India's independent life
is a Cheat and Disappointment
all things are eroded,
eroded or destroyed:
Judiciary, Parliament,
the police, the Public Sector,
all things have become fake: we pass
from Bullies to Cowards to Thieves!

This book is about this journey through time, and it is by any reckoning a scholarly study written in the modern American political science tradition. The style of discourse, the idiom and indeed everything about the book, places it in the prevailing academic paradigms of the West. Yet the authors make a great play as if they have followed a unique Indian style of discourse simply because they have managed to give a catchy title to the volume.

The claim is substantial: "We use Lakshmi as a metaphor that establishes a language of discourse". Far too much is made by the authors that at the popu-

lar level, Indians hanker after "worldly prosperity". But this is nothing peculiar to Indians; and "good fortune" is no unique Indian invention associated with their Goddesses. 'RandomStochastic' elements in future events are acceptable to social scientists all over the world. Were the title simply the usual American salesman's gimmick to product differentiate, no one would question the learned couple: but when the Professional Pair caricature one of the sublime concepts that man's intellect has evolved, one has to protest. This is a clear case of vulgarising a very great and sensitive aspect of a civilization other than their own. Luckily for the reader, this aspect of their methodology doesn't intrude too much into the main argument.

The structure of the book is neatly conceived. There are four parts: State, Politics, Economy and Demand Groups. The first two parts deal with the institutional aspects of our society which has a symbiotic relationship with the economic aspects, which are treated in the remaining two parts. The reason why a politico-economic style of discourse is adopted is no doubt due to the fact that, in India, the State plays a crucial and dominating role in the functioning of the economy.

In India both the organised labour (let alone the unorganised section of the labour force) and private capitalist interests are weak, and the State "dwarfs their influence in the conduct of policy, politics and market relationships". Until the rise of the domination of Mrs. Indira Gandhi, politics and the State were at least apparently made to serve the interests of the society, that is to say, the well being of the people. Since the 1970s, however, the State, the authors say rightly, "came increasingly to serve itself". This in turn meant that the State was to serve those who actually control-



IN PURSUIT OF LAKSHMI: THE POLITICAL ECONOMY OF THE INDIAN STATE by Lloyd I. Rudolph and Susanne Hoeber Rudolph; Orient Longman, Hyderabad; 1987; Pp xvii + 529; Rs. 225.

led it. But how does one control the State? This is done by subverting the institutions that are meant to preserve the State to serve, in reality, particular individuals in power.

The founding fathers of the Indian nation were great believers in a liberal State, which meant a firm recognition of the civil and political rights of the individual. They grafted this belief within a tight bureaucratic framework bequeathed by the colonial rulers. Thus a sort of Westminster type of democratic polity was envisaged by the framers of the Indian Constitution. Conscious of the possibility of the latent fissiparous tendencies destroying the fledgling young nation, the authors of the Constitution built quite a lot of power into the Central Government with the unstated assumption that this power would never be used to perpetuate an autocracy. The importance of the impartiality of State institutions such as the Civil Service, the Military, the Electoral Process, the Judiciary, the Police, the Parliament etc. was greatly stressed for the maintenance of the Indian nation on an even keel. The Indian National Congress itself, though a political party, because of

its past role as the dynamic leader of the revolutionary nationalist movement, became part of the Establishment as a unique institution in itself that contributed so much to the stability and security of the nation during the first two decades.

The first two parts of the book chronicle how the important institutional structures had become emasculated of their intrinsic dynamism and power to be of positive benefit to society. Though some of the State institutions like the Military have not as yet been seriously compromised, in general key institutions have become increasingly ineffective.

These are samples of the authors' findings:

"The erosion of the police as a professional force has been a long and gradual process".

"Its (Election Commission's) ability to maintain free and fair elections has become increasingly difficult".

"Parliamentary life has deteriorated in Delhi and even more so in the state

capitals".

"India's federal system is in jeopardy".

"By the time of his (Sanjay's) death, the Party (Congress) had become his and his mother's bailiwick."

And so on and on. The authors contribute a long and most revealing chapter on the struggle between the Supreme Court and the Central Government. The Executive arm of the State generally dislikes an honest judiciary because it sees only inflexibility on the part of the Court, especially if the judicial decisions happen to go against the prevailing government. While in most democracies, the Executive arm simply grins and bears it, in India, especially under Mrs. Gandhi, attempts were made successfully to cut the judiciary down to size. In the name of speaking for the people, brute majorities in Parliament were used to amend the Constitution in order to whittle down the power of the judiciary to review the actions of the Executive. As the authors accurately point out: "Parliamentary sovereignty eventually became a means to protect those in power from accountability and

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competition and a doctrine to legitimise authoritarian rule and repressive government". The Government of Mrs. Gandhi, with inspiration from the late Mohan Kumaramangalam also used its authority to appoint judges by elevating docile yes-men to the Supreme Court.

The gradual dissipation of India's institutional assets, as the authors claim correctly, was mainly due to Mrs. Gandhi's inability to solve India's economic problems as well as her fanatic desire to retain power. When legitimate criticisms were raised, Mrs. Gandhi reacted by closing those channels of dissent. This further exacerbated the problems because criticism issued from numerous unorganised channels that could not easily be controlled.

Individuals and groups found that their problems were given importance only if some sort of political pressure was applied, but this only converted and deformed problems into politics. When the authors talk of the rise of 'Demand Polity', they actually mean how powerful groups were able to give a direction to the economy to suit their particular interests. In the no-nonsense words of the authors: "The absence of agreed procedures for making demands and for bargaining and deliberating about them tends to radicalize demands. De-institutionalization not only reduced the

likelihood that the poor and other constituencies would be represented but also weakened the capacity of the state to contain and redirect demands that could not or should not be accommodated". In the absence of formal organised structures to secure economic justice, groups fatally tended to resort to "symbolic and agitational politics". This had very serious consequences for the economy because "the tactics and style of demand groups have become a highly elaborated political art form that speaks to India's indigenous political culture, mobilizes support, influences public opinion, and gains bargaining advantages. Its *ad hoc* and spontaneous tactics include public dramas such as *padayatras* (political pilgrimage), *hartals* (shutdowns), *rasta rokos* (road blocks), and *gheraos* (lock-ins)."

The last five chapters describe and analyse the various demand groups which are locked in combat with an increasingly ineffective State apparatus. While State power can manipulate or regulate organised labour, organised capital, as well as professional and occupational associations, it is ineffective against powerful cultural, ethnic and linguistic groups. These groups have been able repeatedly to make a mockery of policy changes.

Side by side with the decline of in-

stitutions caused by the rise of the personal rule of the Indira Gandhi family, certain developments in the Indian and international economy have led to the Indian government losing control over the Indian economy. For a while, during the infamous Sanjay days, it was thought feasible to goad the economy to perform better by robbing people of their fundamental rights, but naturally it didn't succeed.

Hence the much touted liberalisation of the Indira Gandhi-Rajiv Gandhi regimes has nothing to do with a change in the philosophical outlook or a careful and calculated revision of policy priorities, but simply an inevitable consequence of the strategy pursued by Mrs. Gandhi to perpetuate herself and her family in power. There was no other recourse except to leave everything pertaining to the economy to the 'Invisible Hand', and hope for the best!

All in all a very bleak story indeed. Despite their proneness to unnecessary theorising, use of words not found in dictionaries (e.g. totalistic, conflictual, etc.) and a heavy prose, the book is compulsive reading and a mine of information.

S. Ambirajan

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A Lucid, Objective Overview

1857-1947 is regarded as the period when India's freedom struggle had its genesis, development and fruition. The book under review attempts to provide a concise introduction to these years. As the author, Peter Heehs, a research scholar at the Sri Aurobindo Archives and Research Library has himself noted the theme of this book is that India's greatness rests upon freedom and unity.

The decline of the Mughal empire resulted in disunity and India's loss of freedom. Analysing the reasons, Heehs states that India was tired, a disunited collection of territories bound to its outdated feudal past while England was young, vigorous, forward looking in its policies and most important a united nation. Though the lack of an Indian nationality has been pointed out, this statement does seem to be a generalisation for there were other features of

eighteenth century India which brought about this situation.

The nature of early British rule is comprehensively discussed. The exclusion of Indians from public service; the 'drain of wealth'; the radical changes in the land tenure system; the destruction of the handicraft industry; the change in the policy of non-interference in socio-religious institutions, resulting in reforms, which however owed a great deal to the efforts of Ram Mohan Roy; the proselytising activities of Christian missionaries; the introduction of English education, which was regarded a slight to the old learning; and the introduction of the railway and telegraph are all seen as causing general discontent which was further aggravated by Dalhousie's annexationist policies and the grievances of Indian soldiers, leading to the Revolt of 1857. While the failure of the Revolt confirmed the British

as masters of India, modern India was born under the direction of a new elite, who worked towards a socio-cultural awakening — the Indian Renaissance. Heehs rightly maintains that this was characterised by a rediscovery of India's past, initiated by British scholarship, the advocacy of constitutional agitation as the method for the attainment of political freedom by Ram Mohan Roy, 'Young Bengal' leading the way in discarding traditional models of thought and behaviour, the reformist efforts in Maharashtra and the religious movements. The emerging tensions between Hindus and Muslims, the exclusiveness of the cultural awakening, and the imitation of the West are regarded as drawbacks of the Renaissance. But an important consequence was the rise of nationalism.

Highly unpopular administrative measures were implemented by the British

Government between 1858 and 1905 fuelling the spreading discontent. Early attempts at nationalist organisation had been made, culminating in the establishment of the Indian National Congress. Heehs agrees that the Congress was a natural and inevitable product of forces already at work. The ineffective imitation of Western models and the limited representation in the organisation, which Aurobindo had pinpointed are considered defects of the early Congress. The first decade of the century saw the partition of Bengal, leading to the *Swadeshi* Movement, the growth of revolutionary activities repressed by Government, the "open rupture" between the Moderates and Extremists in the Congress and the Morley-Minto Reforms meant to "rally the Moderates". The last mentioned had introduced what Heehs terms as "the great evil" of communal representation. The years 1910-19 are regarded as the "decade of transition", when the Congress and the Muslim League moved closer, popular involvement in the Home Rule Movement was evident and limited self rule through Dyarchy was granted. The repressive measures drawn up to "match" these reforms resulted in a popular agitation, which developed into a nation wide campaign under the Mahatma's leadership.

Heehs shows that Gandhi lifted Indian nationalism to a higher level. Thus, even though in 1924, it seemed that Non-Cooperation had accomplished little, a tremendous change had taken place, for the Indian people had awakened. The other political forces of the twenties — the Swaraj party, the Akali Movement, the Peasants' and



INDIA'S FREEDOM STRUGGLE 1857-1947 : A short History by Peter Heehs; Oxford University Press, Delhi; 1988; Pp. 199; Rs. 90

Workers' Organisations and the Communist party — are seen playing their role. The agitation against the Simon Commission was a turning point, since it led to a mass movement, expressing the people's determination to be free from foreign rule. *Purna Swaraj* was subsequently adopted as the goal, the country showing its strength through the Civil Disobedience Movement. Gandhiji's efforts to tackle untouchability became more important, for some time, than the freedom struggle, the compromise Poona Pact, worked out with Ambedkar, preventing what the Mahatma feared would mean the "vivisection of Hinduism". While militant revolutionaries contributed their mite, the author regards it one of Gandhi's greatest achievements that he led the

freedom movement on the non-violent path.

The well known events of the last ten years of the freedom struggle are precisely chronicled, the rise of the Congress Left Wing and the States' Peoples' Movements are also referred to. Heehs interestingly, mentions Sri Aurobindo's and M.N. Roy's favourable response to the Cripps proposals. The contributions of Netaji and the INA are highlighted.

The growth of Muslim separatism is discussed, outlining the British strategy of divide and rule, Muslim and Hindu communalism and the development of the idea of Pakistan.

Under the apt little of 'Divided Freedom', the changed situation of 1945-46 brought about by the INA trial and the revolt of the Naval Ratings, the Cabinet Mission Plan, the subsequent, 'Direct Action' leading to communal frenzy in which the Mahatma alone stood up for "sanity and human dignity", the Interim Government and the Constituent Assembly, the role of Mountbatten and finally the Indian Independence Act are discussed.

The book ends on the optimistic note that India is a strong and unified nation; that free India has made great strides, the roots of her democracy being vigorous and tenacious and that the hundred years of her freedom struggle have taught her people to prize freedom, above all. Lucid, objective, readable and historically accurate, the book is ideal for those who wish to get an overall picture of this crucial period of India's history.

Mridula Ramanna

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A Useful Handbook on Gandhi

"A Gandhi Reader" is a small but representative collection of Gandhiji's letters, speeches, discussions and interviews which "reveal the man behind the myth" and "present an integrated picture of Gandhi's public life and private thoughts and feelings."

To a certain extent, the book succeeds in doing this but not quite, especially for the young reader of today whose acquaintance with Gandhi and his thought is limited to a few drab pages of his school history book. I think Gandhi's autobiography which has a

connected story-line has a better chance of appealing to the youth and idealism of this category of readers.

The book starts with Gandhi's sojourn in South Africa. He went there as a barrister but it turned out to be a period of self-discovery, the touchstone of his belief in *Satya* and *Ahimsa* and the perfection of the techniques of passive resistance or *Satyagraha* as Gandhi preferred to call it. Here too, he made lifelong friendships with Europeans, Hindus, Muslims, Parsees and Christians. His letter to some of them and

the 'in memoriams' he wrote for example for the Rev. Joseph Dake, Haji Hoosein Dawood Mohammed and later, Principal Sushil Rudra of St. Stephen's College, show his sensitiveness, his genius for creative human relationships and his great ability to recognise and appreciate the good in others.

Whether Gandhi wrote to humble folk, his co-workers, the great Indian leaders of his day, to European friends or even the Viceroy, he showed the same directness of speech, transparent honesty, as though he was thinking

aloud and loving 'material' concern with the most trivial details of the lives of those with whom he corresponded.



A GANDHI READER edited by K. Swaminathan and C.N. Patel; Orient Longman, Bombay 1988; Pp. 172; Rs. 110

Although a 'Mahatma' Gandhi's sensitive nature prevented him from becoming immune to the burdens of the human condition. Sorrow and grief, loneliness and depression at times overwhelmed him. Acutely aware of human frailties and foibles which he had experienced in his own person, he constantly strove to rise above these, to be free of anger, envy, avarice and greed. Gandhi's life was always an open book. His simple direct style of writing goes straight to the heart. There is barely any conflict between the inner and the outer man. His was a fully integrated personality which Jung characterises as being typical of a great religious leader. No wonder Gandhi transformed the lives he touched. As early as 1915, Jawaharlal Nehru wrote: "And then Gandhi came — like a beam of light ... like a whirlwind that upset many things but most of all the working of people's minds... He seemed to emerge from the millions of India, speaking their language." All his life, Gandhi was in the midst of politics but religion was his mainspring, and so, he remained untouched by the corruptions of power, which underlie politics. Fortunately, religion for Gandhi was divorced from every trace of fanaticism.

In a little more than a hundred pages, it is remarkable how the editors have

touched on practically every aspect of Gandhian thought — his views on industrialisation, machinery, modern civilization, trusteeship, the poverty-stricken masses of Champaran and Kaira and the evolution of the philosophy of *Satyagraha*.

Gandhi's reflections on the eminent Indian personalities of his time are of great interest — on Gokhale and Tilak, Annie Besant, Tagore and C.F. Andrews, Miraben, Sarojini Naidu and Srinivasa Shastri. However, there are notable omissions — Motilal Nehru, the indomitable Sardar Patel, C. Rajagopalachari, Mohammed Ali Jinnah and a few others. Sadly too, no mention is made of Kasturba Gandhi.

The great landmarks of Gandhi's *Satyagraha* campaigns find a place in this compilation, viz., the *Satyagraha* pledge of 1919, Gandhi's trial at Ahmedabad after the suspension of the *Satyagraha* campaign of 1922, the letter to Lord Irwin before the commencement of the Civil Disobedience Movement of 1930, his statements in England during the Second Round Table Conference and in 1932 over the issue of communal electorates. Then there are passages which reveal small but significant aspects of Gandhi's personal life, for example his adoption of the loin cloth. As Gandhi shed his clothes, his personality too underwent a change from an English-educated barrister to a Congress leader and then to the weakest and humblest of Indians who could afford nothing more than a loincloth.

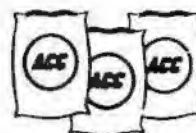
One basic question still remains to be asked, what place does Gandhi occupy in the modern Indian psyche? How do our young minds know him through our layers of consumerism, our distorted values, our greed, the cesspool of our politics and our basically unjust economic and social systems? Gandhi's message, it must be asserted, is still relevant; in fact it is more important today than it ever was in the past. It is this reviewer's firm conviction that despite our many mistakes and uncertainties, our thin veneer of an imitative, sophisticated pop culture, our yearning for material success, Gandhi has passed into our "collective unconscious" there to remain not as a Mahatma but as a guiding inspiring, regenerating presence.

Aloo Dalal

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From Protectorate to a State of the Union

SIKKIM: A HIMALAYAN TRAGEDY by
Nari Rustomji, Allied Publishers Pvt.
Ltd. Bombay: 1987; Pp 173; Rs. 125

The author met Palden Thondup Namgyal, the last ruler of Sikkim, while attending a course for the training of India's elite administrative corps. The book is thus not a history of Sikkim but rather a biography of the last ruler of the erstwhile Kingdom of Sikkim. It is a story of his friendship with the ruler as much as of the latter's struggle for preserving his country's identity.

He gives a lucid account of the Chogyal's background and illustrates how he had been able to hold together the various conflicting influences and forces in his own life. In the author's opinion Sikkim's ties with India, whether cultural, economic or political have had a long history. Under the Indo-Sikkim Treaty of 1950 India assumed responsibility for Sikkim's defence, external affairs and communications. The Chogyal's reaction to the Chinese ultimatum represents a cry from the heart of the Sikkimese for maintaining an international identity like Bhutan and Nepal.

The book is a reflective study as well as a personal memoir. It contains personal letters written by the Chogyal to the author. It also is an interesting study of the integration of Sikkim into the Indian Union. The author makes an appraisal of the inner motivations, both of the Government of India and of the Prince, which culminated in the loss of the independent identity of Sikkim. India's main interest was to ensure that Sikkim, crucially placed as she was between two giant neighbours, should remain within India's orbit of influence. It was equally in India's interest that there should be harmonious relations between the several communities of this strategically vital Himalayan Kingdom.

The Chinese invasion of India of 1962 had a catastrophic impact, turning Sikkim from a comparatively

"sleepy backwater to a strategic salient". India was no longer prepared to allow the Prince a greater measure of latitude. Sikkim was a Protectorate and India was entitled to station her troops there. Since the concept of Protectorates had colonial overtones, India had at one stage contemplated a formula according to which Sikkim was to be ranked as an "Associate State" of the Indian Union. However, this formula was not acceptable to the Prince. For India had amply demonstrated by her past policies that she had scant regard for Princes. Sikkim's merger with India was the surest way for eliminating the ruler. According to the author it would be injudicious to assume that the resolutions on Sikkim's merger with India passed in the Sikkim Assembly in 1973 and 1974 "necessarily represented the wishes of the Sikkimese people". The author says New Delhi engineered the anti-Chogyal agitation so as "to justify India's intervention and meet any international criticism of Sikkim's takeover".

While highlighting the role played by the officials of the Government of India in manoeuvring the internal politics of Sikkim and sustaining an anti-Ruler movement, the author observes that the merger of Sikkim was followed by an

inflow of developmental aid which eroded her natural beauty and culture. Business interests in India became alive to the opportunities that Sikkim offered as a tax haven. The whole style of life became distorted. Sikkim was subjected to cultural assaults from all directions.

For India, the merger has been "a double-edged gain." As long as Sikkim's troubles and problems were confined to the domestic field, the Government of India was prepared to be patient and even tolerant. Her attitude hardened as the Prince tried to establish diplomatic contacts. To Nehru, India was large enough to put up with a few "pricks" on her periphery. After Nehru's death, the officials of the Indian Ministry of External Affairs asserted themselves more actively in the re-shaping of frontier policy. Indira Gandhi was, by temperament, more down to earth and would not allow any idealism to blind her to hard realities. The contiguous Himalayan Kingdoms of Nepal and Bhutan were not slow to voice their suspicions and distrust of their southern neighbour whom the author has branded as "the spider that had lured fragile and innocent Sikkim into its web."

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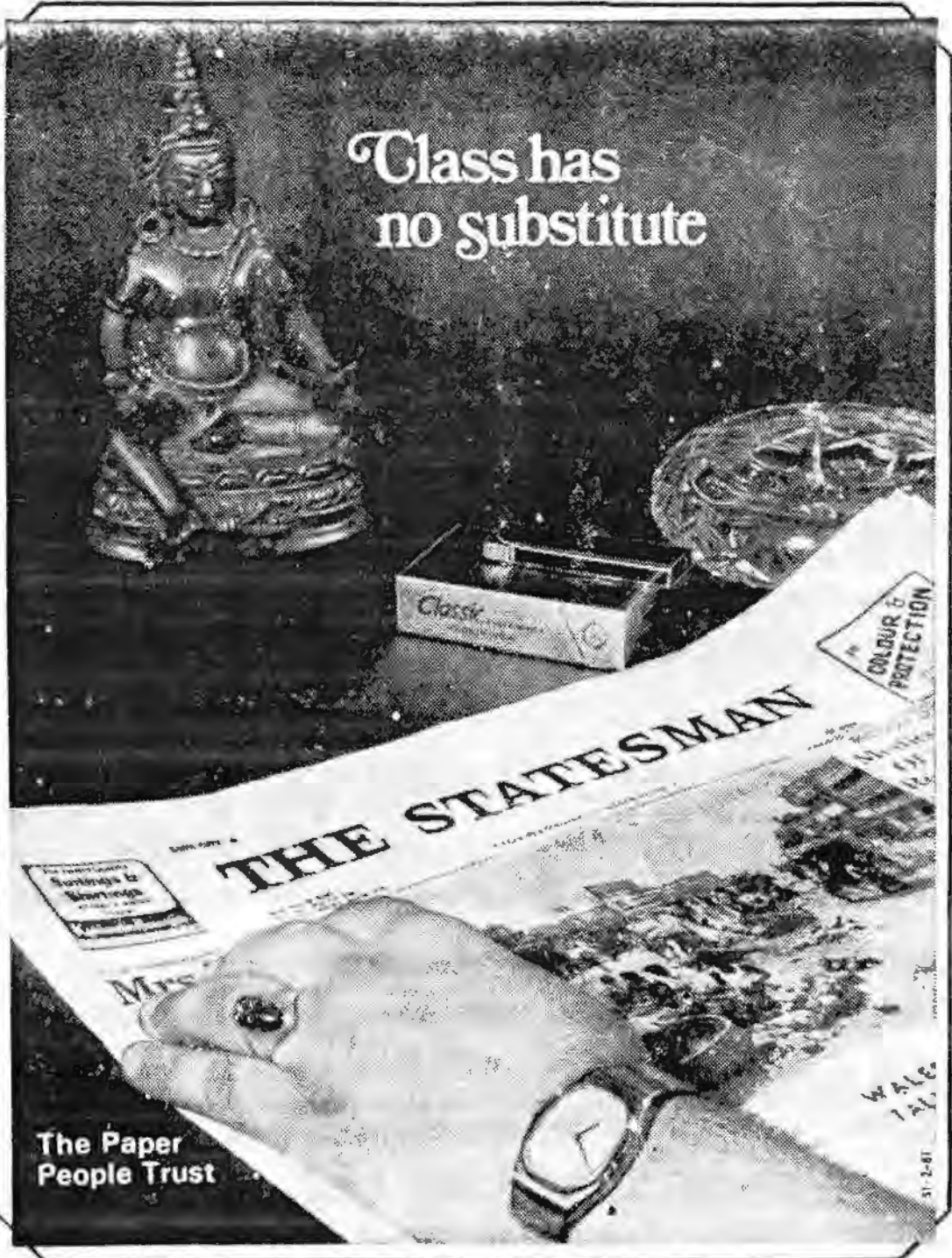
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