

SOCIALISM

AN ISM THAT HAS BECOME A WASM

SOME years ago, Burma's respected Prime Minister U Nu told the story of a wonder medicine-man. He had a medicine called Diamond Dagger which he gave for all illnesses. One day, a small boy came and asked for medicine for his ailing mother. The medicine-man asked the boy to give her a dose of Diamond Dagger. Half an hour later, the boy came back in tears and said that his mother's condition was worse. The medicine-man said: "Repeat the dose". Fifteen minutes later, the boy came back sobbing and said that his mother had collapsed. The medicine-man told him to give one more dose. Ten minutes later, the boy returned with a sad face and cried that his mother was dead. The medicine-man turned aside and said: "Damn it! Every time it acts the same way."

U Nu, a disillusioned socialist because he was a practical man, told this story to teach his countrymen the lesson that socialism would not work any longer. More government undertakings, like additional doses of the quack remedy, Diamond Dagger, meant more chaos in the economy. Socialism had become out-dated.

Shall we take a hint from our neighbour Burma? Today, in India, socialism is prescribed like Diamond Dagger for all economic ills. Instead of curing, will it not kill the patient?

The plain fact of the matter is that socialism is out-dated. Shall we look around the world to find out how far this is true?

Great Britain

The Labour Party claimed that State ownership of all means of production,

"The free choice of consumer goods and services, free choice of a place to work, free initiative for employers are decisive foundations and free competition an important element of a free economic policy Totalitarian control of the economy destroys freedom. The Social Democratic Party therefore favours a free market, wherever free competition really exists. Where markets come under the domination of individuals or groups, however, manifold measures are necessary to preserve the freedom of the economy. As much competition as possible — as much planning as necessary."

This is but a paraphrase of the corresponding passage in the Swatantra Party's Statement of Policy published earlier: "The Party believes that, in the field of production, the free choice of the producer and the consumer must be given basic place and importance. In industry, the Party believes in the incentives for higher production and expansion inherent in competitive enterprise, with adequate safeguards for the protection of labour and against unreasonable profits, prices and dividends, where there is no competition or where competition does not secure the necessary corrective."

Yugoslavia

Yugoslavia started on the path of so-called "scientific socialism" or communism. (Incidentally, there is very little difference between socialism and communism. No less a person than the high priest of communism, Soviet Premier Nikita Khrushchev, made this clear when he recently told a United Arab Republic delegation: "If you want socialism, you should not say you are against communism.")

Today, accused of revisionism by the Kremlin, Yugoslavia stands for a revolt against doctrinaire socialism as such. The collective farms have been disbanded and a return to competition and "the laws of

Mr. Kelf-Cohen poses the present Socialist dilemma as follows: "The more independent the nationalised boards, the more they will exercise power without 'accountability'; the less they are independent, the greater the risks of centralisation and lack of enterprise."

Mr. Kelf-Cohen is not the only disillusioned man in Great Britain. The composition of the House of Commons by age groups shows which way the wind is blowing. The free enterprise Conservatives have more young men; the socialist Labourites are an ageing group, as shown by the following table:

<i>Age Groups</i>	<i>Conservatives</i>	<i>Labour</i>
20-29	9	1
30-39	62	18
40-49	140	55
50-59	118	106
60-69	35	57
70+	3	20

West Germany

The free market economy which Dr. Ludwig Erhard, as Minister for Economic Affairs, implemented in West Germany has resulted in the West German "Economic Miracle." His success can be judged by contrasting West Germany's prosperity today with conditions when he assumed power: "It was a time when it was calculated that for every German there would be one plate only for every five years; a pair of shoes every 12 years; a suit every 50 years; that only every fifth infant would be in its own napkins; and that every third German would have a chance of being buried in his own coffin. That seemed to be the only life before us."

Today, stunned at the success of the free market economy, the party in Opposition, the Social Democrats, have renounced socialism. Here are some of the interesting things they have said in their Manifesto:

distribution and exchange would end social injustices and lead to a society of the free and the equal. When it came to power, it nationalised several industries towards that end. Today, the Conservative Government is in for a third term of power because the people of Great Britain are fed up with nationalisation, the era of controls and Statism, which were the result of socialism. There is rethinking of socialism even in the Labour Party. For instance, a leading Labourite, Mr. Douglas Jay, who is a close associate of Labour Party leader Hugh Gaitskell, said after his party's defeat in the General Elections: "The word 'nationalisation' has become damaging to the Labour Party. This is a fact: and it is no use denying it, even if you deplore it..... The myth that we intended to 'nationalise' anything and everything was very powerful in this Election — any canvasser will agree. We must destroy this myth decisively; otherwise we may never win again."

Mr. Kelf-Cohen, a long-time ardent believer in nationalisation who was in charge of some nationalised enterprises for ten years, says the following: "Looking back and rereading some of our best efforts, I am astonished at the slight intellectual effort we put into the work. There was magic in the words 'Public Board' or 'Public Corporation'. They were to be staffed by selfless men of outstanding ability, devoted to the national interest. We assumed that such men were to be found in large numbers; naturally they had no chance to come forward in the degenerate Capitalist era in which we were living. We also assumed that the workers in the industries would be transformed by the Act of Nationalisation and devote themselves to the national interest. Thus the combination of selfless management and selfless workers would bring about the brave new world of Socialism — so utterly different from Capitalism."

Indicating the failure of nationalisation,

slogan: "He who does not obey, neither shall he eat".

It would appear as if an awareness of these truths is already touching our own working class. According to Acharya J. B. Kripalani, till recently the leader of the Praja Socialist Party in Parliament, the Indian worker "now realised that the private employer did have a soul while the Government had only a machinery".

We cannot apply yesterday's creed to tomorrow's world. The real path to prosperity is clear and historically vindicated. It is to release the creative forces of initiative and enterprise of the individuals. Let the State function as a catalyst of economic action. Let the government *regulate* but not *regiment* economic activity. Let the weapons in the armoury of the modern State, like taxation, be made use of to see that there is fair share for all, equitable distribution of wealth as well as dispersal of economic power. Only then will there be *prosperity with freedom*.

That is the way of the Swatantra Party and it therefore deserves your support. If India is to prosper and advance there is no other way.

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F A R M
F A M I L Y
F R E E D O M

S u p p o r t

The Swatantra Party

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the market" has been encouraged in many sectors of the economy.

Burma

Burma was among the first Asian countries to get disillusioned by socialism. In a public speech Premier U Nu said: "Our policy must be one of gradual withdrawal of the State from economic activity until its scope becomes narrow enough for our available man-power resources to handle it with efficiency, or alternatively strengthen our civil service to the required extent. In concrete terms, we propose during the next four years that we shall be in power not to embark on any new State enterprise without paying specific attention to the limiting factors I have described above, and in particular, not to nationalise any existing industry or enterprise which is in private hands. *We propose, accordingly, to hand back to private enterprise such of the existing State enterprises and organisations as after due inquiry appears to be incapable of efficient operation by State agencies.*"

Who is Outdated ?

In the light of all this, the answer to the question 'Who is Outdated?' is clear. Wherever they have the opportunity, the people of the world are turning away from the out-moded idea that the State can, by ownership of the means of production, distribution and exchange, solve economic problems. The result of State ownership has been, everywhere, bureaucratic despotism. Socialism has turned out to be State Capitalism. Nobody has described this process better than Djilas, the Yugoslav communist leader, in his book 'The New Class'. A glimpse of the truth that has thus been established had been obtained two decades back by the veteran communist Leon Trotsky who wrote that, wherever the State had become the only employer, the old slogan: "He who does not work, neither shall he eat", had been replaced by the