

LIBERALISM AND LIBERALISATION

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Notes for talk by S.V. Raju the Rotary Club of Cuffe Parade, Mumbai On Wednesday
March 19 at 6.15 pm.

- Thank the Rotary Club of Cuffe Parade
for inviting me to talk on the subject
Liberalisation and Liberalism.
 - With your permission permit me
Reverse the order of batting
I'll deal with Liberalism first
And Liberalisation thereafter
- It is my intention in this talk of 20 minutes to
Share my belief with you that
Liberalism and Liberalisation are not synonymous
- Liberalism is a philosophy
 - Liberalisation is a process of economic engineering.
- therefore one should not confuse one with the other.

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- Liberalism means different things to different people.

In the United States a Liberal is one who wants a greater role for the State (the conservatives generally Republicans) call their liberals cry-babies – always running to the State for help!.

Liberals in America are generally considered to be Leftists or Left of Centre

- But in Europe and the rest of the world Liberalism means almost the opposite

Outside the USA Liberalism mean less government more individual freedom . One of Gandhiji's favourite quotes was "That Government is Best which governs the Least" That made him a liberal. But Gandhiji was not a free-marketeer in the liberal or free enterprise sense of the term.

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- For purposes of this talk I shall use the word in its European connotation that Liberals
- generally favour minimum government, where the state is concerned mainly with security internal and external;
- with enforcing law and order and preserving the rule of law;
- with the infrastructure development
- and all such activities where individual initiative is not forthcoming.
- But Liberalism is all this and more
- It is not about the economy or governance alone.
- It is about human dignity;
- It is about character;
- It is about tolerance;
- It is about human rights
- It is also about social justice.

Having said this I would like to emphasise that I may be a liberal in my social outlook but I may not accept a free-market. The contrary is equally true. I may accept a free market but I may not be liberal in my outlook. But one belief that is common to all liberals is that Man is the measure of all things with his right to live a life in dignity

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Liberalism in India and the freedom struggle

I wonder how many of you are aware, particularly the “Freedom at Midnight” wallahs that until 1925, the Indian National Congress was led by Liberals

Who believed in the liberalism that I just described

Among them:

Dadabhai Naoroji,

Pherozeshah Mehta,

Mahadev Govind Ranade,

Gopal Krishna Gokhale

Srinivasa Shastri

H.N.Kunzru

- They were social reformers, scholars, lawyers, professionals who believed with Mahatma Jyotibha Phule and Dr.B.R.Ambedkar that Social reform and education of the people (not mere adult literacy) should precede the independence of India
- Gopal Krishna Gokhale was the leader of the Liberal Movement and a member of the Congress. He also founded the Servants of India Society. He died in 1915 at the age of 49.
- Though Gandhiji publicly acknowledged Gokhale as his political his Guru, he abandoned the perspective of Gokhale and the Liberals on the freedom struggle.
- Ridiculing them as ‘petition-mongers’. He took the path of agitation, as we all know. Satyagraha, Hartals and the like.

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Liberalisation

- Liberalism and Liberalisation are not synonymous.
- Capitalist countries and their think tanks believe that once there is a free market, a free society is round the corner
- China began liberalising its economy in 1978. (Getting Rich is Glorious said Deng Xiaoping – the man who succeeded Mao tse Tung.
- But the hold of the Chinese Communist Party is as strong and as hard as ever Witness Tienenman Square in 1989 and in the last few days the massacre of the innocents in Lhasa and the venom poured on the Dalai Lama.
- Communist economic doctrine failed in China, as in all other communist countries and led to the collapse of the Soviet Union. But the Chinese communists were cool. They adopted capitalist economic policy with Deng Xiaoping justifying the turnaround saying “ What does it matter whether a cat is black or white so long as it catches mice.”: Chinese power and control continues. Mao tse Tung proclaimed many years ago – Political Power Grows out of the Barrel of a Gun. This continues to be their principal weapon when all else fails.

Surely we cannot call Communist China a liberal nation because of their free-market policies (They call their policy “market-socialism)!

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Coming back to India it cannot be said either that because India has adopted a liberal economic policy we can be called truly liberal ? Tolerance levels are shrinking. One could cite any number of cases where intolerance is on the increase. Our political parties revolve around families and personalities; alliances and fronts are formed not on the basis of alternative sets of policies but merely to acquire power – all without exception are marriages of convenience not guaranteed to last five years or a premature divorce, whichever is earlier. In fact the main consideration is always survival first politically and if you are a ruling hang on to power at any cost. Corruption has survived the Licence permit raj and as Mr.Vittal said at a Masani memorial lecture corruption has assumed new avatars.

Despite all this a liberal party did emerge in India between the years 1959 and 1974. This was the Swatantra Party led by C.Rajagopalachari,Minoo Masani Prof. N.G.Ranga , Dr.K.M.Munshi, Mr.V.P.Menon, Mr.Bhailalbhai Patel and others. This party was based on the liberal philosophy which I spelt out earlier.

This party contested three general elections. In 1962, 1967 and 1971. It emerged as the single largest party in the opposition in the Lok Sabha with 44 members. But it was wiped out with just 6 members in the 1971 elections. But during a period of 11 years Liberal positions and policies resonated in the Lok Sabha and the Rajya Sabha and are all recorded therein the Hansard for posterity to know that what Narasimha Rao dared to do in

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1991 was proposed on the floor of parliament 30 years earlier by 44 members of the Swatantra Party in parliament. .

In 1993, encouraged by the fact that in the present climate of economic reforms on the one side and the growing intolerance and increasingly divisive nature of politics the Swatantra Party should make a come back. Being one of its surviving members I applied for the Party's registration with the Election Commission. Registration was refused because of a new rule inserted in the Election Law in 1984, by none other than Rajiv Gandhi (to complete what his mother did by smuggling socialism and secularism into the preamble of the Constitution of India) that political parties should in the constitution have a provision expressly stating that the party swear allegiance to socialism, secularism and democracy.

In the form I said we would be prepared to swear allegiance to secularism and democracy but not to socialism as the Swatantra party was opposed to socialism as a matter of principle. My application was rejected and I filed a writ petition in the Bombay High Court in 1994. The petition was admitted but is awaiting to be heard. There the matter rests

Liberalisation **YES** Liberalism **NO** seems to the present mood and law of the land!

Thankfully there still exists the Indian Constitution. Though 'Defaced and Defiled' as described by Palkhivala in his landmark book, it is still a liberal document and is still around.

Thank you.

S.V.Raju

From: "S.V.Raju" <freedom@vsnl.com>
To: "Zen Associates Pvt Ltd" <zenasso@vsnl.net>
Sent: 25 February 2008 21:21
Attach: Resume.doc
Subject: Re: Invitation to speak to Rotary Club of Mumbai Cuffe Parade on 19thMarch 08

Jayant Mehta
Hon. Secretary,
Rotary Club of Mumbai Cuffe Parade.

Dear Mr.Mehta
Thank you for the invitation . I shall be glad to speak on Liberalisation and Liberalism on Wednesday 19 March 08

My resume is enclosed as desired.

Regards
S.V.Raju

— Original Message —

From: [Zen Associates Pvt Ltd](#)
To: [Raju SV](#)
Sent: Monday, February 25, 2008 2:35 PM
Subject: Invitation to speak to Rotary Club of Mumbai Cuffe Parade on 19thMarch 08

Dear Shri S V Raju

It was nice to talk to you today on phone.

We take pleasure in inviting you to address our Club on Wednesday, 19th March 08
at Samrat Restaurant, Utsav Hall, Churchgate at 6.15 PM on " Liberalisation and Liberalism " .

The time duration of the talk will be 30 minutes including question and answer.

Please also send your resume by E Mail to enable to introduce you to our Club Members.

Regards
Jayant Mehta
Hon. Secretary,
Rotary Club of Mumbai Cuffe Parade.

11-03-2008