

LIBERALISM

Minoo Masani



INDIAN LIBERAL GROUP

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The INDIAN LIBERAL GROUP (ILG) is an organisation founded in 1964, by the late Minoo Masani, author and parliamentarian, to promote the Liberal point of view on issues of the day. Recently the ILG was restructured to not only present the Liberal point of view but to educate the public on the concept of Liberalism so that it is understood and accepted by the people, not merely as a method of economic engineering but also as a philosophy of governance that promotes a civil society. The ILG will seek to emphasise the fact that a market economy by itself does not ensure an open society, that a free economy and a free society are two sides of the same coin, and that a free and democratic society alone will ensure a satisfying standard of life for the people.

For a more detailed profile of the ILG, please visit our website : www.liberalsindia.com.

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The word "Liberalism" derives from liberty. In other words, the individual is in the centre of the picture. Society is there to serve the individual and not the other way round as certain other systems of thought like communism or socialism try to make out.

The essential elements of Liberalism are all-pervasive and touch every aspect of life. Insofar as matters of the spirit are concerned, tolerance, particularly tolerance of dissent, is basic. Whether an issue is religious, communal, regional, national or pertains to small groupings like caste and linguistic groups, tolerance of the other point of view and willingness to argue about it are of the essence of Liberalism.

Insofar as religion is concerned, Liberalism is not anti-religious but it is non-denominational and perhaps sceptical. A good Liberal does not attack all religions equally as a 'secularist' would do. A good Liberal would tolerate and respect all religions equally. In that sense, Gandhiji's attitude to religion was much more liberal than that of those who call themselves 'secular' and who look at all religions with an equally malevolent eye. The Indian Constitution is, in that sense highly liberal and extends equal respect to all religions and religious institutions.

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Pragmatism

Another basic characteristic of Liberalism is its pragmatic approach to whatever problem there may happen to be at a particular time. The Liberal does not approach any problem with a dogmatic or preconceived attitude. He is open-minded on all issues. Thus, for instance, in so far as democratic socialism is concerned, the Liberal would be quite prepared to accept a large dose of State control as the circumstances of a particular country, case and time may warrant. While holding the view that competition, consumer preference and the laws of the market should predominate, the Liberal is flexible about the exact nature of the mixed economy which would be desirable in a particular context.

Pluralism

The Liberal is of necessity a pluralist, that is, he does not accept the predominance of any one line of thought or dogma or even one class of society. In the Liberal's mansion, there are many chambers and there is room for everything. The Liberal, therefore, believes in a pluralistic society where there are checks and balances between different organs of government, such as the executive, the legislature and the judiciary. In a federal form of government, there have also to be checks and balances between the federal government on the one side and the state government on the other. In the case of countries with multi-religious, multi-ethnic and multi-lingual groups, such as India, the Liberal believes in the protection of the rights of the minorities. In the conflict between the individual and the state, there should be fundamental rights for the citizens with an appeal to the Courts of Law. There should be a separation of political and economic power. In other words, the Liberal believes in limited government. 'Render unto Caesar the things that are Caesar's, and unto God the things that are God's. God, in this case, is the conscience of the individual.

The Liberal is never a determinist. He never says that such and such a thing is bound to happen, as does the Marxist. All he

can say is that, on the basis of a rational analysis, certain things are likely to result if certain things happen.

Justice And Modernity

The Liberal stands for justice for the underdog, whoever he may be. Thus, he is for equality of women with men, though he may not be for Women's Lib with all its aberrations. The Liberal stands up for the rights of children and decent treatment for them. So too, the Liberal pleads for sympathy for the criminal and the odd man out.

The Liberal is a modernist. He is an advocate of change. He welcomes and cheerfully accepts modern technology with all its implications. He stresses the role of managerial skills in industry and business and other walks of life. He accepts the importance of science in modern society. It is not an accident that technology only thrives in freedom and, where freedom is denied to the scientist and technologist, there is stagnation.

In the conflict between modernism on the one side and obscurantism, whether that of the nation, caste or religion on the other, the Liberal is on the side of modernism and change. The Liberal is not against tradition. On the contrary, the Liberal respects what is good in the tradition of people and seeks to build and change on the basis of the tradition. In that sense, the Liberal is not an incendiary or disrupter but a constructive element of change.

"Bread Or Freedom?"

The Liberal rejects the false antitheses between freedom and bread which the communists and the fascists always pose. They ask: "Do you want bread or freedom?" As if we have to choose the one or the other. As if, when you have freedom, you don't have bread or, to have bread, you must give up your freedom? Now this is a huge hoax. Because, actually you don't get bread except through freedom. There is no known instance in human history where a country of slaves get bread. Now, by bread, we don't mean only bread. By bread we mean the good things of life - the material

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values of life, consumer goods, as we call them. There is no known example in human history till this day where, by denying people freedom, you give them a prosperous life. On the contrary the 'Affluent Society' comes only where there is maximum freedom.

Which are the countries where you have the most bread, to put it like that, that is, the best time? Obviously, the U.S.A. leads, Canada, Australia and New Zealand come very close, then come the Scandinavian countries of Sweden, Norway, Denmark, then comes Switzerland, then you get West Germany, France, Italy, Japan and so on. Right down at the bottom along with us, you get the Soviet Union ahead of us, and China below us. In other words, when you do deny people freedom, you take away their bread also. That is natural. Why should slaves be well fed? Why should any government feed its slaves well? The Egyptians, who used slave labour to build pyramids, did not treat them well. They flogged them until they built the Pyramids and died in the process. It is only the free man who has a right to ask for bread. Because he has the right, he has got the strength, he has the vote, whatever you like to call it.

A Free Economy

A free economy therefore means that government has to play a rather limited and restricted part. Social control must be limited to a minimum. The whole idea of control is to interfere with people when something is going wrong. You stop a man from stealing, you stop a man from hitting somebody else, you stop a man from cheating somebody else, you stop an employer from cheating his worker - that is fair. But you don't stop a man from doing something which he should be doing. So controls are only police measures to stop somebody from doing something he should not. The government should not be like the mother who told the nanny: "Mary, go and see what Johnny is doing and tell him not to"! Johnny should only be stopped when he is really doing something which he shouldn't.

The second characteristic of a free society is that "the

consumer is king". Everything must be done to serve the needs of the consumer, not of the industrialist, not of the businessman, not of the factory worker, but of the man who consumes, because he is the ordinary citizen. We all consume. There is not a single human being in India today who doesn't consume. He would be dead if he didn't. We consume, you consume, our children consume. Now what does "the consumer is king" mean? It means that the consumer must determine the pattern of production. The consumer must tell the industrialist what to produce and what not to produce. The consumer can do this by his purchasing power, by the little money in his pocket. The industrialist or businessman only produces what he thinks will make a profit. In other words, if there is a demand for a commodity, you produce it. If there is no demand, you are a fool if you produce it because nobody will buy it and you will lose your capital. In this way, the smallest consumer can determine the pattern of production in a free country.

Every time we go shopping, we cast a vote. As you buy a ticket to back a horse, so you go to a shop and say "I want Hamam" or "I want Liril", or whatsoever it is. You cast a vote for that particular brand of soap against another brand, just as you vote for the Congress Party and not for me, or just as you back one horse and not another. Now, all these preferences for soaps and perfumes, for bread and biscuits and cakes, and whatever else you like, are totalled up on the economic tote and, by looking at the economic state, the business community and industrialist decide what is popular, what is favoured. They shift their production according to the demand.

That is what consumer being king means. It has led to the highest prosperity known in history, the highest standard of life and also of equality of opportunity and status. This is a paradox. The countries where there is greatest equality - there is nowhere perfect equality, nor can there be - but wherever there is equality of opportunity and of status, it is in the capitalist countries. Which is the country in the world where the worker calls his boss by his first name? The American worker never call his boss Mr. so and

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so. He always says Tom or John. That is the United States. People in Europe are shocked at this kind of "vulgarity" or lack of good breeding because they are still class bound. So you get this strange phenomenon that you get not only the most prosperity but also the greatest measure of equality, which is supposed to belong to socialism, only in so called capitalist, or what I call liberal countries.

Mr. Lee Kuan Yew, the very intelligent Prime Minister of Singapore, who is a socialist came to Bombay to meet Indian socialists some years ago and he asked a question of them. He said: " It is pertinent to ask how is it that in Asia, countries like Japan, Hongkong, Formosa, Thailand and Malaysia, which are bustling free enterprise economies, have achieved success, while countries professing Socialism have failed to produce satisfactory results?"

Prof. Kenneth Galbraith, who was American Ambassador in Delhi and who was an ardent socialist and planner in Mr.Nehru's time wrote a book called *The New Industrial State*. This is what he writes in this book:

"In India and Ceylon, and also in some of the new African countries, public enterprises have not, as in Britain, been accorded autonomy. Here the democratic socialist prerogative has, in effect, been fully asserted. India, in particular, has a legacy of colonial administration, has an illusion of official omniscience which extends to highly technical decisions... The effect in these countries of this denial of autonomy has been exceeding inefficiency in operations by the public firms... In India and Ceylon, nearly all public-owned corporations operate at a loss. The situation is similar in other new countries... One result is, that a large number of socialists have come to feel that public corporations are by their nature, in the words of a minister in the Wilson Government, 'remote', irresponsible bodies, immune from public scrutiny or democratic control".

The reason why this should be so is very simple. The body politic is like our own bodies. It consists of organs developed by

society over the last few thousand years since we were primitive apes or beasts. Now as human society develops, it throws up institutions. The Joint Stock Company has been thrown up in the last two hundred years to run business. The Government or State has been thrown up to rule, to maintain order. Our bodies are like that. We smell through our nose, we eat through our mouth, we hear through our ears, we breathe through our lungs, we digest in the stomach and so on. Now what would happen if we tried to distort our organs and asked them to do something different from what they were meant to do. Supposing we tried to breathe through our stomach and digest with our lungs or hear through the nose and smell with the ear? What would happen? It just wouldn't work. That is exactly what happens when we try to misuse an organ of society. Governments were thrown up by society and civilisation to protect the country from attack, to stop one person from attacking another, to see that justice is done. In other words, governments are there to keep law and order, do justice, protect people, protect the country from attack. That is where the basic functions of government stop. When government tries to run a factory and to produce either penicillin or steel or whatever it is, it makes a flop because governments are not made to make profits or to produce goods. Governments are not made to produce anything. Governments are meant to consume things, to keep order and give you a chance to produce. So State Socialism and Communism are a perversion of the laws of social growth. Therefore, they are bound to fail. The conclusion to which one is driven then is that we have got to turn to Liberalism from this barren path.

The Old Liberalism

Liberalism is making a beginning in India. But this is not the first time that Liberalism has come to India. It came in the 19th century also. There was the old liberalism in India. Its leaders were Dadabhai Naoroji, Ranade, Gokhale, Ram Mohan Roy, Surendra Nath Bannerjee, whose names you know. I saw many of them when I was a boy or a student, attending lectures of Srinivasa Shastri. I remember as a boy playing around the feet of Dadabhai Naoroji at Versova where he was a neighbour of ours. I have seen Dinshaw

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Vachha. I saw Pherozeshah Mehta. I knew Sapru and Jayakar. They have all gone and the old Liberalism has gone also. It was killed by Mahatma Gandhi. When Gandhiji came on the scene as a dynamic nationalist following Tilak and Lajpatrai, he had no use for the old Liberalism, because the old Liberals were extremely moderate in their opposition to British rule. They were for Indian self-government. As you know, Dadabhai Naoroji coined the word *Swaraj*. But the method of fight was very temperate and very moderate. He joined the British Parliament as a Liberal Member. He argued for India, but was a constitutionalist. Liberals are not people who go to the streets, wreck things, attack people and so on. Even today, they are not. So, being constitutional, they appeared to be terribly moderate. As a young man, I was extremely impatient with my father and liberals of that type for being so slow and gentle about the evil of foreign rule.

Nationalism

Even today, I am not against nationalism. I have been a very ardent nationalist in my time. But when we become free, we don't need nationalism any more. It is like the measles. When you grow up, you don't have children's diseases like chickenpox and measles. Nationalism is a disease of foreign rule. When somebody is sitting on your chest, you want independence very ardently. You can't breathe without freedom and that is as it should be. But when you are free, you don't have to go on talking about your nationalism. Mature, advanced countries are not very nationalistic. They don't need it. Go to Switzerland. They are a very patriotic people, but they don't talk about Switzerland being the most wonderful country in the world! They are wonderful, but they don't talk about it. So, as we grow up, there is no need to be juvenile about nationalism. Of course, love of the country must be there. When the country is attacked, we must rush to its rescue. We must make sacrifices for it every day. But we don't want to be chauvinists. We don't have to hate foreigners. We don't have to throw out missionaries. Nationalism, while a good thing, has had its day. We can afford to relax on nationalism.

Ends And Means

Socialism has failed to deliver the goods. It has produced neither equality nor a better life for the masses of the people. The aims of socialism are good: I am still a socialist in that sense. If you put it to me: "Do you believe in Lenin's 'free and equal society' " I will say 'yes'. If freedom and equality are the objectives of socialism, I am for it. But when I find that the weapon that I have used does not create freedom or equality, but creates tyranny and slavery on the one side and inequality and poverty on the other, then I would be a fool if I stuck to that weapon. I am not that conservative that I cling to an out-of-date blunderbuss when the weapon has become obsolete. What I am trying to say is, that the objectives of socialism are still valid, but the methods are lousy. The methods have failed. State planning, nationalisation, collective farming, these are weapons that have been tried and failed and only a stupid man hangs on to a weapon when he knows it can't deliver the goods. We have to be true to the objective, not true to the method.

This I learnt from Mahatma Gandhi with whom I used to argue as a young socialist. He kept on saying that by doubtful methods, you can't get a good end. Ends and means are meshed, interlinked. The end does not justify the means. We have seen from experience that we cannot get the good result of a free and equal society by injustice, by regimentation, by oppression, by lies.

The New Liberalism

So the new Liberalism has come to India after the failure of socialism. It is a fusion of western Liberalism and Gandhi. When the Swatantra Party was formed and I was drafting its programme, that is how I put it in an article in *Life* magazine - that two streams of thought had gone into the making of this effort, Western Liberalism as they understand it plus the teachings of Mahatma Gandhi.

What are these teachings that we graft on to Liberalism or

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fuse with Liberalism. First, that ends and means are interlinked; that if want a decent society our methods must be decent. We cannot create a free and equal society by expropriation, liquidation, lying as the communists claim they can. Secondly, as Gandhiji used to say repeatedly, "that Government is best which governs the least". Minimum government. The essential thing is to leave the people free. Thirdly, Trusteeship, that those who have the good things of life, those who have wealth must use them for the good of the community. While we have a good time with what we have, we must not be devoid of a social conscience or a sense of social obligation. Gandhiji called it Trusteeship of the rich for the poor. He said: let every rich man use his wealth. Certainly, let him keep it. Nobody should take it away. But let him use it so that he can have a good conscience that he is doing what he can for those around who are not so fortunate.

Now democracy has its disadvantages. I am not starry eyed about democracy. I realise its limitations, its corruption, its deficiencies. Winston Churchill was a great democrat. He was asked a question about democracy towards the end of his life. He had tasted both the fruits and bitterness of democracy. He had been in political exile for many years before World War II. He was brought in during World War II, and then he was put back on the scrap heap when World War II was over. This is how democracy works. It is just as well. We in this country don't place our great men on the scrap heap and that is why we are going down. After giving a little thought, Churchill said: "Of all the known systems of government, democracy is undoubtedly the worst - except for all the others"! That great Liberal in Asia, Carlos Romulo was once heckled by some communist students, in the University of which he was President, who asked him for a declaration of policy. They asked: "Mr. President, are you going left or right?" Romulo answered: "I am going forward". That is the essence of Liberalism. Neither left nor right, but right ahead.