

# THE INDIAN LIBERTARIAN

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### Editorial

## CASTEISM IN EXCELSIS

The origin of caste is shrouded in mystery. Its vitality lies in its survival as a social institution through all vicissitudes of time, storms and struggles of monarchical dynasties like those among Kauravas and Pandavas as graphically narrated in Mahabharat, the wars between the Aryans and aboriginal tribes as told in Ramayana, the invasions of India by ferocious foreign tribes like Shakas, Huns, Tartars, Greeks, Moghals and Pathans and lately by Europeans, the Dutch, Portuguese, the French and the British. Solid as the rock, hard as the steel, caste has withstood the shocks and even the ravages of pillage, massacre, alien cultures and ways of thinking and living and what is more, the subtle but effective onslaughts of modern science and technology. Gandhian avalanche of Harijan Movement, Ambedkar's Buddhist mass conversions of Hindu 'untouchables', Marxist dialectical materialism, Democratic Socialism and lastly Radical Humanism—none of them has been able to shake this caste system to its roots and to touch even the fringe of the problem. Democracy itself has lain itself prostrate at the feet of Caste, sometimes hailed as the crowning glory of Hindu culture and at times, condemned as the veritable curse of Indian Society. Those who laud it to the skies like Brahmins and some foreign scholars never live up to its rules and injunctions; and those who are never tired of exposing its demerits and shortcomings, are known to be clamouring for the benefits and gains that accrue to them by labelling themselves as particular castemen.

Caste thus has become an enigma, a thing of wonder, a puzzle, that baffles any solution.

### SEMINARS PERPETUATE CASTE

These reflections could not but be provoked by the conclusions on this much discussed subject, arrived at, as reported in the press, by the participants in the Seminar on 'Backward classes' held recently at Delhi. Curiously enough, the protagonists of the welfare of backward sections that 'Caste alone could be the criterion of backwardness'. In fact the subject of the Seminar should have been not 'Backward Classes' but 'Backward Castes'. The sponsors of the Seminar seem to have accepted caste as a perpetual social institution either through despair or out of selfish motives. Having availed themselves of the special privileges and rights of the so-called backward classes, these beneficiaries are reluctant to forego them, even if this attitude amounts to an unequivocal acceptance of a caste-bound society. One could understand the plight of 'untouchables' who were almost the 'cast-aways' of Hindu Society and who had no place in the Caste System of four 'Varnas' and who were contemptuously called 'Panchamas' and did not enjoy ordinary human rights. Their desire to lift themselves up from the bottomless pit through special reservation of seats in educational institutions and Governmental services could be well-appreciated by

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the upper four castes of Brahmins, Kshatriyas, Vaishyas and Shudras. But how reservations could be made in these areas for upper castes who form the bulk of Hindu Society, passes one's comprehension. The 'Lingayats' in Karnataka have been classed as 'backward' though they are leading landlords, agriculturists, traders and businessmen. That is also the case with some other upper castes, who have been classed as backward classes 'along with tribals and Harijans' and it is said that it is only the 'Brahmins' who have been excluded from this category in this State. Even when 'Caste' was an article of faith with Hindus Brahmins were not known to be in affluent circumstances though they got the highest honour for their being born in a caste which mostly was assigned the duty of holding aloft the banner of knowledge and culture. The warriors and tradesmen were better placed than Brahmins, in pelf and power. That the trained intellect of the Brahmin was taken utmost advantage of, by the British rulers by turning them into 'clerks' as Macaulay boasted, was none of their fault. It was only under the British regime that Brahmin's material well-being improved though perhaps at the cost of their spiritual welfare. During British regime, the British constituted both the Kshatriya class and trading class. They even claimed to possess intelligence, culture and education, superior to that of the Brahmin caste. Thus all including Brahmins, were reduced to the position of 'Shudras' though they belonged to different castes by birth. All were 'hewers of wood and drawers of water' and the real Brahmins were British law-makers and legislators, real Kshatriyas were British Military Commanders, real Vaishyas were British traders and merchants, while real Shudras were all Indians educated or illiterate. The 'untouchables' who were in the employment of the British were at the lowest rung of the ladder while majority of them remained the same miserable 'Panchamas' that they were before.

### CUT-THROAT COMPETITION FOR JOBS

Thus ensued cut-throat competition among the new 'Shudras' to which status all castes had been reduced under the foreign yoke. The 'clerks' the 'Civil servants' the Judiciary were mostly drawn from the Brahmin Caste as their duties required intelligence and efficiency. Some second class industrialists sprang up from the Vaishya or Vania castes. From Marathas and Jats, came second rank military Officers. But all castes occupied the position of 'servants' of the powerful British with their modern scientific outlook, more sophisticated weapons of war and more wealth. The fight for jobs which were few, thus commenced. It was nurtured and fostered by the

British according to their principle of 'divide and rule'. But it must be admitted that they rated merit and ability more than the caste of an applicant for the post.

The initial advantage that Brahmins got in services over others because of their intellectual background by birth was an eye-sore to others who also wanted to become 'civil servants' under the British. This British legacy left to the Indian Society is fondly cherished to this day and Gandhiji's Harijan movement and Dr. Ambedkar's crusade against caste-ridden Hindu Society which inhumanly treated the 'Panchamas', secured for the Harijans special privileges and rights in education and jobs. Other castes envied these benefits accruing to 'Harijans' and when some major castes like 'Lingayats' and 'Walkaligas' in Karnataka, 'Marathas' in Maharashtra, 'Vanis' and 'Patidars' in Gujarat, 'Chettys' in Madras and 'Reddies' in Andhra and 'Nairs' in Kerala came to power in different states in post-freedom days, they exploited this idea of reservation of seats in Government services and educational institutions for 'Harijans' and Tribals for their own benefit and classed themselves as 'backward' classes which constituted in some States more than seventy percent of the population, thus severely leaving alone the poor among the Brahmins and other less vocal minority communities to fend for themselves without any aid and protection from the States.

### THE TURN OF THE WHEEL

The Position in regard to Governmental services in the states and to some extent at the Centre is such that merit and efficiency are at a discount and caste intransigence of the dominant castes in the States as Dr. Ambedkar had so prophetically warned, has increased to such proportions that even post-freedom 'intellectuals' so called, have now become emboldened to declare that 'Caste is the criterion of backwardness'. They could have done better if they had honestly declared that 'the dominant caste is the criterion of backwardness' as is the ugly reality in Indian polity today. If the Brahmin was the most hated during the British regime, today after thirty two years of freedom, the dominant ruling community in the States is the most detested and most denounced, and it will not be far distant when all minority communities will unitedly vote the present rulers out of power, if such caste consciousness is fostered by them. It was Lohia who set the ball rolling by dividing Hindu Society into 'Vishwamitra' and 'Vashistha' factions and pleaded for about sixty percent representation to 'Vishwamitras' in services. Strange Socialism indeed! This

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# Guidelines to Life's Problems

## "Health and Modernisation"

by S. Kashyap

Simple table sugar, which is technically called sucrose, is a modern version of a carbohydrate. Processed white sugar, abundantly available in the market in the form of granules, cubes or powder, has absolutely no health-promoting properties as discerned by studies. Its qualitative efficiency lies in its whiteness and sweetness. Candies, chocolates and such other sweet preparations have no food value as they are prepared exclusively out of sugar and its 'empty calories' as their main ingredient. On the contrary, these preparations have all the qualifications to sow the seeds of degenerative diseases in the human body. It is well known that sugar deprives the body of B vitamins obtained from other natural sources causing an adverse effect on the nervous system as well as the mental modifications. Certain types of sweets made in the Indian homes are not so detrimental to health as those which are available in the market. Homemade sweets have other genuine ingredients and are served fresh. But the marketed sweets not only contain excess of sugar, but they are generously adulterated with colours and other 'preservatives' which are injurious to health in the long run. They may even become rancid due to prolonged storing and rancidity destroys vitamins in the body.

Sweet has a special appeal for the tongue and a great attraction for the mind. It supplies quick energy to the body and the brain. A person suffering from dizziness is found to respond quickly if sugar-water is given. Obviously, sugar instantly floods the bloodstream and stimulates the pancreas to produce more insulin than necessary. To counteract the excessive production of insulin, the oversupplied sugar in the bloodstream is burnt up in a burst of neurotic energy excitement and is also absorbed by the muscles and liver, where it is converted into fat and stored for future use. As a result of this process, the bloodstream is actually deprived of sugar, creating a state of hypoglycemia or low blood sugar, leading to fatigue, dizziness, irritability, depression, body pain, insomnia and mental aberration. The quick energy supplied by simple sugar and its temporary elevating effect is, therefore, short-lived.

For the past thirty to forty years consumption of white table sugar in India has increased to an alarming extent, especially in the affluent circles,

resulting in increased incidence of degenerative diseases such as hypertension, diabetes, atherosclerosis and abnormal heart conditions. There is an apparent reason for the greater craving for sweet and sweetmeats among children and adults of the present generation. Though they consume enormous quantities of food, the essential nutrients are not adequately supplied by the food grown and manufactured in modern conditions. Moreover, in the cities people generally eat over-processed foods such as white bread, processed cheese, packed breakfast cereals, rancid snacks and hydrogenated fats. Added to these, pastries, soft-drinks, cookies, pies, ice-cream and chewing gum form a fashionable part of city life.

Nutritional experts point out that when the body is deficient in vitamins and minerals and fails to get adequate nutrients from the foods consumed and also when the body suffers from malnutrition, it develops a tendency to crave for sweets as a quick means of

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getting instant fuel. On the other hand, if the body is properly nourished, it doesn't crave for sugar or sweet. Nutritional foods are, therefore, not only fulfilling in themselves, but have a great bearing on the mental modifications as well. Health depends upon quality and content of the food and not on quantity and variety of its nature.

Incidentally, recent studies reveal that simple sugar has a tendency to increase both fat and cholesterol levels in blood. However, natural sugar found in fruits, honey, etc., does not seem to have this effect and, as such, is considered to be safe. Unfortunately, majority of the Indians cannot afford to eat fruits or honey because of their exorbitant prices and, ironically, those who can afford, prefer to switch over to roadside snacks and harmful soft-drinks just to appease the tongue. It is adequately said that if tongue is controlled, everything else is controlled. This is a great truth. This not only concerns eating habits, but also talking addictions.

The oldest medical systems of the East unequivocally advocate moderation in eating habits. The consumption of sweet, sour and pungent foods should be minimised. Overeating of any food leads to several psychosomatic diseases. It causes indigestion, decay of food in the bowels, sluggishness, fatigue, lethargy, flatulence, day-dreaming, morbid thinking, vicious imagery and premature aging. To speak the truth, even excess of protein is injurious to health. Human body requires only about thirty-five grams of protein per day. Incidentally, excessive consumption of animal protein is very dangerous. It poisons the entire psychosomatic system and causes autotoxemia, schizophrenia, cancer, heart disease, puss-filled gums, shaky teeth, arthritis, kidney damage and shortens life span. Indubitably, vegetable protein is far superior to animal protein. It has minimum toxic effects.

Coming back to sugar, according to the modern theory, simple table sugar is responsible for the onset of many degenerative diseases and, therefore, it should be used with great discretion. Degenerative diseases are not confined to the affluent and developed countries only. They have spread even in developing and poor countries because of faulty eating habits, lack of exercise, unhealthy competition and indiscriminate imitation.

One should know that a piece of barfi, a bar of candy or chocolate or a mouthful of halva directly pour sugar into the bloodstream, bypassing the process of natural metabolism in the body, thereby upsetting the balanced inter-relatedness and the

concomitant health-promoting process involving different components of the human organism and their interactions and effects on the entire psychosomatic system. Majority of the readers must be aware of the fact that varieties of food items available in nature are chemically complex. When these foods are consumed by humans, they are broken down and reduced to simpler chemicals so as to facilitate their digestion, absorption and metabolism. These simple chemicals are passed through the intestinal walls and supplied to the cells by the blood.

When complex carbohydrates are eaten, the body engages itself in a harmonious process of conversion and transportation of the required nutrients to different parts of the body through the agency of blood over a conveniently extended period of time. The required quantity of sugar for the body is obtained from the complex carbohydrates such as cereals, potatoes, legumes, vegetables and fruits. The advantage of obtaining sugar from complex carbohydrate sources for the production of energy in the body is that in the breaking down of these complex forms in the process of digestion, the proper amount of sugar required for energetic and healthful functioning is supplied in trickles to the bloodstream and cells over period of many hours. In addition, these complex carbohydrate foods supply generous amounts of vitamins, minerals, trace elements, amino acids and other health-promoting ingredients as well.

When simple sugar is directly supplied to the body, it instantly goes into the bloodstream without undergoing the usual conversion process. Just as the grinding machine is involved in grinding coarse grain into flour, the body mechanism is involved in converting complex carbohydrates into simple chemicals. Instead of coarse grain, if flour is fed into the grinding machine, the grinding stones involved instantly throw out the flour and keep on grinding against each other till they are worn out due to friction. Same thing happens to the body machine when simple sugar is consumed. Body has an inbuilt wisdom and simple sugar doesn't fit into its specifications. It is advisable to avoid excessive intake of processed white sugar.

This doesn't mean that one should not eat sugar at all. There are many things in the world which should be avoided but which cannot be avoided due to certain social circumstances. Simple sugar is one such item. It should be eaten with great precaution. It is advisable to use jaggery, honey and molasses in place of white processed sugar to accrue more benefits and to maintain health and vigour.

(To be continued)

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spirit is now infesting Bihar and Uttar Pradesh politics. What wonder then that some such egoistic people should now look upon 'Caste' as 'the criterion of backwardness'? The wheel has turned full circle and while all minority communities are taking their stand on merit as the main qualification, these 'Vishwamitra' majorities are abetting casteism in the name of removing backwardness.

This journal has fought casteism and caste as an institution from its very birth. It has looked upon caste as a cankerous overgrowth in Indian Society. As such, it can never support this magnified and more dangerous form of dominant communities' Casteism in States which attempts to perpetuate their caste-rule and enslave minorities. If caste is an evil, let it be

buried fathoms deep. Let it not be given a longer lease of life through the casteism of the dominant castes, which call themselves as 'backward classes' and confuse the issue of 'Class' with 'Caste'. Economic backwardness which is the root cause of all other forms of backwardness is wide-spread among all classes and castes and it needs to be first removed with Governmental aid in money and kind. To such forms of aid from Government all poor people, irrespective of their class, caste or creed are entitled. Such public assistance to the poor will go a great way in eradicating the evils of caste system corroding Indian Society from within. Casteism of minority or majority communities would only hinder the evolution towards an equalitarian Society, so devoutly wished for, by all well-wishers of the country.

## 12 REASONS WHY GEORGIST REFORMS ARE NEEDED NOW

(The founder of This Journal evinced great interest in Georgism and Land Rental Taxation—Editor)

1. Because land prices are too high for housing, commerce, industry, farming and cultural activities.

Only land rental taxation can satisfactorily lower land prices.

2. Because current taxation is too onerous and too unfairly distributed.

Only land rental taxation in lieu of taxes on labour, industry and consumer services can remedy this.

3. Because the hope of owning one's own home is receding for an increasing percentage of people.

Land rental taxation reduces land prices. In addition, lower taxes on buildings and building materials will lead to cheaper houses.

4. Because unemployment in Australia is now at an intolerably high level.

A tax shift from goods and earnings to land rentals will stimulate proper use of land and encourage effort and productivity—both factors will increase employment opportunities.

5. Because income tax has become a complicated maze of loopholes, arbitrary concessions, intrusion into private affairs, and a penalty on exertion.

Land rental taxation, by providing a substantial source of alternative revenue, can realistically permit scaling down of income tax.

6. Because society has become the stamping ground for all sorts of pressure groups, each trying to extract more privileges from the public purse; thus Government spending has got out of control.

Under Georgism, it is easier for voluntary groups to remain self-sufficient, and by precisely identifying the natural source of public revenue, it is possible to curb this trend.

7. Because Australia's economy, international trading relations, and consumer price index are

plagued by high tariffs for a minority of inefficient industries.

Georgism, by ensuring free trade and that the benefits of free trade are not absorbed by landholders, can satisfactorily rectify this.

8. Because inflation still persists, even though its rate may have fallen.

Georgist revenue policies can play an indispensable check to inflation, (Other measures, e.g. balanced budgets, are also needed.)

9. Because there is a significant amount of involuntary poverty in Australia, and "welfare" measures are insufficient to remove it.

Georgism deals with root causes, whereas welfarism usually deals with symptoms and effects.

10. Because vast fortunes have made out of land speculation and land profiteering, sometimes with corruption.

Georgism is the only way of making it impossible to acquire large fortunes in this way, while not suppressing liberty.

11. Because our society is caught in a tension between unbridled monopoly on the one hand, and coercive bureaucracy on the other.

Georgism provides a middle way, reconciling individual rights with social obligations.

12. Because for most people, economics remains "the gloomy science", largely helpless in the face of current problems, apart from some occasional tinkering.

Georgism offers a soundly, ethically based science of political economy, grounded on universally valid principles, and gives a solid basis for a hopeful future provided these principles are recognized and followed.

—Progress

# The Real Exploiters

By Scott D. Palmer

ONE of the most dangerous economic myths of our time is the notion that the relative affluence of the Western industrial nations is somehow responsible for the grinding poverty of the so-called "third world." According to this view, greedy Western businessmen who invest in underdeveloped countries "exploit" the inhabitants by paying them starvation wages and draining their country of its natural resources. The effect of this double exploitation, so the liberal doctrine goes, is to reduce a once happy and prosperous people to slavery and abject destitutions. As a solution, we are told that the illgotten wealth of the richer nations, especially the United States, must be globally redistributed to raise the living standards of the poorer lands.

There is only one thing wrong with this liberal fairy tale: it is false. Foreign investment in underdeveloped countries, standard of living, has made it possible for them to enjoy a material abundance which they otherwise could not even have imagined. It is easy to understand why dictators in these countries make the irresponsible charge of "exploitation" to justify seizure of foreign capital; it is not easy to understand why this accusation is so readily accepted by intellectual leaders of the West.

Let's examine the three main parts of this doctrine of economic exploitation.

## Are Workers Exploited?

Does Western business exploit the laborers of underdeveloped countries? The liberal reasoning seems to go like this: A business will not invest in an underdeveloped country unless it has something to gain by doing so. If someone gains, then somebody else has to lose. Therefore, since foreign business gains by investing in underdeveloped countries, the inhabitants must lose; and one way they lose is by being forced to work for lower wages than are paid in the advanced countries.

The first thing to notice here is, that the liberals have misunderstood the nature of voluntary exchange; they believe that if one person gains, another must lose. That is true if the relationship between the two people involves force or coercion. If you have an apple and I grab it away from you, then I have gained and you have lost. But suppose that, instead of using force, I offered to trade an orange for your apple and we made a voluntary exchange. Then I would have gained, because I wanted the apple more than the orange. If I hadn't wanted the apple more than the orange, I wouldn't have made the trade. But

you have gained, too, since you wanted the orange more than the apple—otherwise you wouldn't have made the trade. In a voluntary exchange, both participants benefit and nobody loses.

What is true of trading apples for oranges is also true of trading labor for wage payments. If a worker in an underdeveloped country feels that the wages an employer offers him are too low, then he is free to devote his time and effort to tasks which he regards as more profitable. This is true whether or not the employer is a foreigner. If, however, the worker agrees to a specified wage, then he demonstrates that the money he gets is worth more to him than the time and energy he gives up; otherwise, he wouldn't have agreed to the exchange. Since he voluntarily enters into and profits from the exchange, there are no rational grounds for claiming that he is "exploited."

Does the worker in a backward country make a high wage by Western standards? No; and this brings us to another argument which purports to prove that he is exploited. Suppose that a worker in New York City makes \$5 an hour, while a worker in Venezuela makes only \$1 an hour for exactly the same work. If the man in New York City is being paid what his work is worth, then doesn't that prove that the Venezuelan—who does exactly the same work—is being exploited to the tune of \$4 an hour? After all, if it's the same job and it's worth \$5 an hour in New York, then it must be worth \$5 an hour in Venezuela.

The fallacy in this argument comes from a failure to understand that the value of labor—or, for that matter, anything else offered for sale—is not objective and unchanging but is determined by market conditions. For example, here in southern Indiana eggs are much less expensive than they are in New York City. Because of local market conditions, i.e., a large supply of readily available farm products, the price of eggs is lower here than in the New York market which draws supplies over great distances. In the same way, the large supply of labor in underdeveloped countries, often combined with a lower level of skill than would be found in the advanced nations, tends to push down the price of labor (wage rate) for local workers.

Does the worker in such a country make as much money as he would like to make? No. Obviously, from his point of view, the best wage would be a million dollars an hour. The company, on the other hand, would prefer to pay him nothing at all. The



fact that worker and company are able to arrive at a compromise figure provides no justification for the claim that either is "exploiting" the other.

### Are Natural Resources Drained?

The next part of the exploitation doctrine was the accusation that industrial nations drain underdeveloped countries of precious natural resources without proper payment. Let us make it clear at the outset that we are discussing a situation in which a foreign firm has discovered and brought into use a natural resource which was previously unused. What are we to make of this charge?

Let's think about it for a minute. The fact that the resource in question was previously unused means, most likely, that no one had seen a way to profitably make use of it—and hence had not bothered to assert any claims to ownership. If a foreign firm discovers a profitable use for it and makes a claim, then—for a moment, at any rate—it has made the only such claim to ownership and is at least the pro tem owner. When the use for the resource becomes known, as it inevitably will, others may also wish to exploit the resource, and may make competing claims to own it.

It is easy to see that, since the country's government has legal jurisdiction, the competitors for title to the resource must look to that government to arrive at a reasonable adjudication of their claims. But if anyone regards the settlement which results as unreasonable—as unjustly benefiting the foreign firm at the expense of local claimants to the resource—then he should lay the blame where it belongs. The local government, not the foreign firm, decides on the conditions under which the firm may use the resource. If there is exploitation, then it is exploitation devised and sanctioned by the country's rulers, and the problem is not between the people and foreign business but between the people and their government.

### Do the Rich Rob the Poor?

The third and final charge was that Western business has caused the poverty of the underdeveloped nations, and that the industrial countries are rich because they have taken advantage of these unfortunate lands. We have already seen, in the preceding discussion, that neither of the first two charges will stick: the West is "not guilty" of economic exploitation. But rather than simply washing our hands of the matter, let's ask the question: Why are the industrial nations rich and the third-world nations poor?

Why does an American who pushes a button eight hours a day enjoy a higher living standard than an Asian peasant who pushes a hand-plow sixteen hours a day? It will do no good to say that the American has more and better tools to work with than the Asian peasant—tools which enormously magnify the

productivity of his labor. And there is only one way that these tools can be made available: through capital accumulation.

Capital accumulation means a diversion of labor and resources from purpose of current consumption to the creation of tools needed for higher future productivity.

Consider the simplest case. Robinson Crusoe, washed up on his island, may find that if he labors ten hours a day chasing rabbits he can enjoy a diet of two rabbits a day. Suppose he then decides that if he had a bow and arrow, he could enjoy a diet of ten rabbits a day. In order to get the bow and arrow, he must use some of his time and labor to make it: time and labor he would otherwise use to chase rabbits. Thus, if we assume he devotes five hours a day to chasing rabbits and five to fashioning a bow and some arrows, he has reduced his present standard of living to one rabbit a day in the hope of having ten rabbits a day when he finishes the tools.

What is true of Robinson Crusoe is true of whole societies. The only way for a poor nation to improve its living standard is by increasing the number and quality of tools which its people work with. Not just any tools will do, either. If Crusoe, like so many governments of third-world nations, decided to build a steel mill or an atom bomb instead of a bow and arrow, we would justifiably question his sanity. The tools required are those to help satisfy the most urgent needs of the consumers—in this case, Crusoe's need for food rather than steel.

Since present living standards must be curbed in order to produce tools (accumulate capital), we can see that the process must take place slowly if at all in a land whose inhabitants are already on the verge of starvation. It would be a tremendous stroke of good fortune if the members of some other society were willing to provide the local laborers with the tools needed to increase their production and make better lives for themselves. And that is precisely what happens when a business from an advanced nation invests in an underdeveloped country. Anything, therefore, which discourages such investment or makes it impossible, only prolongs the poverty and suffering of the people.

The people of underdeveloped countries really are the victims of exploitation—but not by Western business. Who are the real exploiters? The real exploiters are their rulers, who make economic progress impossible by punishing domestic success and by taxing, regulating, and nationalizing foreign investment right out of the country. The victims who would avoid such exploitation must first throw off the yoke of socialist dictatorship. Then Western business may serve them.

—The Freeman

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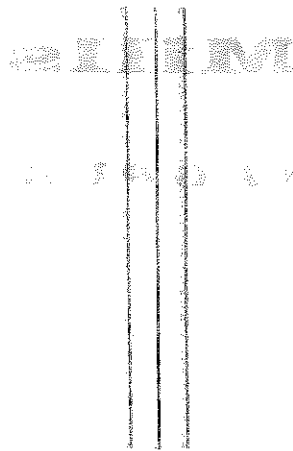
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