

What IS India?

The nation-state, the economy-state and the future



The West in the voice of her thundering cannon had said at the door of Japan, Let there be a nation—and there was a Nation... India has never had a real sense of nationalism.

— Rabindranath Tagore, *Nationalism*, 1917

The state constitution and the national community, however closely they may be interwoven with each other, should not be confounded together.

— Wilhelm von Humboldt, Prussian educational reformer and linguist,
On the Limits of State Action, 1792

There are a thousand hacking at the branches of evil to one who is striking at the root.

— Henry David Thoreau, *Walden*, 1854

Possibly more than any other region of the globe, the Indian subcontinent has a culture that strongly identifies with ancient traditions and historical wisdom. After a millennium of relative isolation from invading armies, from the time of Alexander the Great to the Mughal-era, it underwent a period of drastic cultural change. The Islamic empires ruled the region for nearly seven centuries, and the British empire did so for two centuries. These changes naturally meant that ideas that had been prevalent for millennia had to be readjusted, reshaped, and remolded to suit the time period. And when, following two World Wars, political independence was obtained in 1947, the cultural, communal and political streams started overwhelming one another so rapidly that even the best minds of the time had difficulty keeping up with the times. Meanwhile, two new countries were carved up from British territory: India and Pakistan.

The slumbering masses barely had the time to respond to the harsh wake-up call of Partition, when the newly formed governments were tackling weighty issues: Does India want democracy? What does Pakistan want? What kind of democracy is being spoken of? What would be our

constitution? How would the Indian economy be handled? Rushing headlong into all the intricate details of governance, law, public policy and economy meant that something important, something vital was passed by quickly in the transition - the essential question of - "What IS India?" When one referred to the "country" or "nation" what did one mean? Was it an India that had a boundary, like a State? Was it a Nation? Was there a difference? These are the questions that form the very core, the self-identity of the domain called "India."

This question might look absurd at first glance, as in everyday life, there appears no real reason for nitpicking the meaning of India. When there is talk of the growth of Indian economy, or reformation of Indian politics, it is naturally assumed that the same India is meant in both cases. Emotionally, the shared connection to the cultural heritage, be it language, religion or simply the prevailing traditions, is also simply represented by "India."

But the moment one looks at the ground reality, the concepts which appear so clear at first glance start showing complications. For example, imagine yourself standing at the western corner of Gujarat or the eastern corner of West Bengal. With one foot within and one foot without, what really can be said to have changed? Does India cease to exist at that boundary in any real sense, does it "disappear" and does another country appear, in any observable way? Similarly, if I sell some vegetables within the border, and outside the border, is there any difference in the amount of resources required to grow those vegetables in the first place? If my fertilizer has been imported, and if I still make a profit across the border, is it a profit or a loss for the "Indian economy"? Where exactly does Indian economy begin and end?

Tackling these questions shows that it is hard to keep one unified idea consistently in the mind when speaking of India. In everyday life it is easier to say that it is too complex to be defined or understood, and that it is better to decide based on what feels right in each situation. However, these questions very quickly come into sharp focus in extreme instances – to the fighting soldier and the displaced refugee, to the hundreds of people who die in border skirmishes, to the disillusioned labor force of a border community, the idea of India may have life-or-death consequences. This is the lesson that even the Partition taught us a while ago, where the mutual decisions based on the *ideas* about "nation" of a handful of people led to millions being displaced. Hence, while to a superficial glance the question "What is India?" may appear to be too irrelevant or complex, a good look at reality indicates its relevance and the necessity for its clarification.

This has to be tackled on several fronts. First of all, the origin of the different social ideas has to be determined. Secondly, the choices possible for Indian region during the time of independence have to be indicated. And lastly, the choices actually made, their consequences, and possible corrections have to be shown.

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1. The Inheritance

To understand the *idea* of India, its inheritance of various streams of thought from around the world has to be studied. Without this, one would be using words like nation, country, state and economy without understanding their origins and the realities behind them. It is vital to plod through some history, otherwise one would be simply transplanting the ideas from the West to the East with no idea of the kind of soil in which they grow.

Prior to the end of the 19th century, kingly empires formed the basis for the government and organization, not only in the Indian subcontinent, but in a large portion of the globe. This was the preliminary form of what we currently call “State” or “Government” (in India the word state is also used for smaller units of government i.e. “state” governments. The more general meaning of State is meant here.) For eons, the King reigned supreme, his right to rule was divine and hence also dynastic i.e. it mainly passed from parent to child. The Maurya empire (~200 BC), Gupta empire (320-550AD), Rashtrakuta empire (750 AD-1000 AD) and the relatively recent Maratha empire (1670-1820 AD) all covered a large portion of the subcontinent and followed a similar pattern, united under the auspices of kings and their subordinate rulers. The Delhi Sultanate and Mughal empire (1200-1800 AD) had, in addition to the administration, a religious impact on the subcontinent as well.

Meanwhile in Europe, along with the various empires and monarchies, the Catholic Church had its own formidable influence on administration. Ever since the time of Emperor Constantine (~300 AD) who first legalized Christianity in Europe, the Church and the State increasingly ruled as one – the *Church-State* – for nearly fifteen centuries. While the Indian subcontinent was untouched by the strictures of the Pope and the Church, England ended up actively rejecting the authority of the Catholic Church in the 1530’s. Henry VIII led the English reformation, triggered not by any political doctrine or theological conflict, but primarily because the Pope had refused to grant him a divorce. Hence, while India of the time was untouched by the Institution of the Church, England rejected the Church. Just as the old Church-State structure was beginning to totter in Europe, the various empires began to form the rudiments of the modern *Nation-State*. The breaking away of England, as well as the Protestants, from the Catholic Church generated the Thirty Years’ War (1618-1648), which finally ended with the formation of Nation-States for the first time. Before this bloodbath, empires arose and dissolved, while national or linguistic communities, such as the Dutch, Spanish, English, and Swedish endured the various empires. A Nation simply meant a community of people with a shared culture or language. But at the end of this war, the net result was to forge national identities, linking the empires to their national territories, and creating a legal basis for the emergence of the Nation-State.

This was by no means the end of it, as later the Seven Years’ War (1756-63) was instrumental in creating a strong national identity for England and France, having its spillover effect in the Indian subcontinent as the Carnatic Wars. In the process, several balances of power between the idea of “Nation” (a linguistic or cultural community) and idea of “State” (government and administration) occurred, each one through revolutions and wars. In England, possibly due to its linguistic island geography, the idea of Nation predominated, while the idea of the State predominated in France, where even half the population could not speak French at the time of the French Revolution (1789). Meanwhile, America, which had been a nation of immigrants,

separated the Church and the State, and attempted to make a Nation-State from scratch after its War with England (1776). The final blows in the forging of the Nation-State in Europe were under Napoleon, who set up a dictatorship, and whose wars of conquests in the late 1790's and early 1800's enforced the military might of the French State, stimulated the surrounding European States to militarize.

In parallel with this, for a long time, the Western part of Europe went in search of trade routes, leading to a new form of administration: the colonial *Economic Empire*. Even in England, the monarchy itself took a back seat, while the Economic Empire surged forward. Colonialism spread out over the world, reinforced by trade and commerce, creating a world economy. It is via this route that the two non-Catholic giants, Britain and India, met once more: through the British Raj.

In a land where one used to look up to a king, there emerged now the "Company Official". This unique structure, based almost solely on the power of money, was a very different beast. Prior to this, the empires (States) came and went, without much of heavy footprint on local life¹:

(India's)... thrones were not her concern. They passed over her head like clouds, now tinged with purple gorgeousness, now black with the threat of thunder. Often they brought devastations in their wake, but they were like catastrophes of nature whose traces are soon forgotten... But this time it was different. It was not a mere drift over her surface of life, - drift of cavalry and foot soldiers, richly caparisoned elephants, white tents and canopies, strings of patient camels bearing the loads of royalty, bands of kettledrums and flutes, marble domes of mosques, palaces and tombs, like the bubbles of the foaming wine of extravagance; stories of treachery and loyal devotion, of changes of fortune, of dramatic surprises of fate. This time it was the Nation of the West driving its tentacles of machinery deep down into the soil.

Even though Tagore confuses his term Nation for the actual term Nation-State (a confusion that is common even today), he makes the important point that the Economic Empire transformed the regional culture in a different way than the previous empires. His remark about machinery is also highly relevant, because the rise of England as an Industrial power, along with the parallel wave of the Industrial Revolution, was due mainly to its economic foundation in the Indian subcontinent. With the rise of textile industry by imposing tariffs favoring British companies, and other such measures, this revolution really picked up steam in the British Isles. This influence on the manufacturing industry was clearly admitted in the British Parliament itself²:

I have examined at considerable length, and for a series of years, the trade of India. I have taken the utmost pains to arrive at correct conclusions by examining various documents which the Honourable Court of Directors of the East India House, with their usual liberality, permitted me access to. And I have been impressed with the conviction that India has suffered most unjustly in her trade, not merely with England but with all other countries, by reason of the outcry for free trade on the part of England without permitting to India a free trade herself... India is as much a manufacturing country as an agricultural... She is a manufacturing country; her manufacturers of various descriptions have existed for ages and have never been able to be competed with by any nation wherever fair play has been given to them... To reduce her now to an agricultural country would be an injustice to India.

¹ Rabindranath Tagore, *Nationalism in the West*, 1917

² Montgomery Martin, *Report from the Select Committee on East India Produce*, items 3876-3920, May 26, 1840.

This was the rise of the Economic Empire, or the *Economic-State*, relying as it did on tariffs and laws to sustain the empire. To England, “India” meant an economic territory, and not a nation.

The Indian subcontinent was caught, directly or indirectly, between these major streams from the West. The Parliamentary democracy of England was the expression of a Nation-State where the Nation (by way of language – English) dominated, while the French Republic was a Nation-State with the State coming into being even before a national linguistic community had formed. Even though the French Republic began with the ideals of liberty, equality and fraternity in its *Declaration of the Rights of Man*, the bloodshed and conquests that followed showed the difficulty in its application. On the other side of the Atlantic, unlike European Nation-States whose national identities were mainly formed by language, the American colonies *began* with a Constitution, giving rise to an *Economic-State* structure – the United States of America. This was a peculiar case where the economy and government themselves played the part of a “national” identity, even though this identity ran into difficulty when the fledging Nation-State had a Civil War (1863) to decide the balance of economic power between the center and the constituent states.

Things came quickly to a head in Europe when the idea of Nation-State, and even Nation-Empire, was picked up by Germany (The First Reich-1871). Within a few decades, the last remaining empire of mainland Europe, the Austro-Hungarian Empire, got drawn into a powder keg of national self-interests, at which point the spark was lit, and Europe burned in the First World War. After the conflagration ended in 1918, instead of re-thinking the very structures that had led to this state of affairs, Germany and Austria-Hungarian Empire were once more reconstituted into Nation-States with tattered economies. The same thing was done in most of the Middle East where another old empire, the Ottoman Empire, was carved up into Nation-States in the Treaty of Versailles. As a reaction to this reconstitution, Germany then fell into a sort of Nationalistic and Racial Fever, creating another powder keg for the Second World War (1939-1945). Russia, which had set on its own course to the Nation-State from the time of Ivan Grozny (1570’s), underwent a revolution towards the end of World War I where, like a parody of British India, it became a region where the State/government took full control of the Economy: a *State-Economy*. This revolution, called Bolshevik Revolution, led to the Soviet Regime that lasted through nearly the entire 20th century.

All of this forms the background to what India had to choose from, when fighting against the British for Independence. The Nation-State and the Economy-State (or State-Economy, in case of Russia), stood as choices in front of the people, who had still not come out of the mindset of the old kingdoms and empires. In fact, the British Raj had nearly 600 princely kingdoms intermeshed within its structure – remnants of the old kingdoms. And yet, the choice now had to be made, by understanding all the changes wrought in the wars of Europe. The middle of the 20th century had arrived, with its own set of demands.

2. The Social Choice

Choosing a path demands not only knowledge of what works and what does not, but knowledge of the principles that underlie the working. This knowledge was won after several wars lasting many centuries in Europe, so it demands some effort to re-derive the principles based on this knowledge, in order to make sure that no part of it is misapplied or misunderstood. Since *using* a mathematical theorem is very different from *deriving* the original theorem, teachers at school guide the students in deriving the theorems by themselves to develop mathematical skills. This distinguishes an education from mere imitation. In a similar manner, the social choice required of an independent India needed an understanding of the *derivation* of the basic principles.

And what, indeed, are these principles? To identify them systematically, one has to differentiate between the intrinsic elements, in the same fashion that a chemist might separate out a compound substance into its constituent elements. The following “compounds” have already been mentioned:

Church-State

Nation-State

Economy-State

State-Economy

Separating out the essential elements, we arrive at the Church, Nation, State, and Economy. It has already been seen by the European Revolutions, that the Church and State are separate domains, which must not be mixed up, because the choice of religion is an *individual* affair. Since, especially in America, there was a large influx of immigrants of every shade of Christianity (in the beginning,) Americans enacted the separation of Church and State in its very founding:

... no religious Test shall ever be required as a Qualification to any Office or public Trust under the United States.³

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.⁴

The separation of Church and State, or more generally, Religion and State appears to have its essence in whether or not something is an individual affair. Religion/Church is an individual affair at its very core. Since it is possible to identify this about the Church, it is worth looking for the essential core of other elements as well.

³ Article VI, para [3], United States Constitution, 1787

⁴ First Amendment, United States Constitution, 1791

Economy

What is the essential factor of the Economy by itself? Who really carries the Economy? For that, an economic product must be examined. Consider a simple example of something bought from the local Indian store by giving money, such as a pen:



Consider first the creation of the pen. The plastics for the pen come from the petrochemical industry, for which the crude oil might have come from any oil-rich region in the world. The “Fine Carbure” refers to the tungsten-carbide ball of the ball-point, and the element tungsten might have come from several regions, such as China, Russia and Canada. The brass/steel fitting for the ball might have been produced in a different region, possibly more local, while the ink has dyes and chemicals which literally might have come from anywhere in the world, with no regard to boundaries. And this is just its immediate spatial coverage today.

Naturally, if one had not thought of the idea of the pen, the pen would not have existed. The several inventors of the pen, such as the American John Loud and Hungarian László Bíró, the industrialists and investors such as Milton Reynolds, and the several tradesmen and transporters all had to eat and get an education prior to being able to make a pen and send it to an Indian store. This meant that they were in turn supported economically by their own work and perhaps family and friends. This other stream, which reaches back in time, shows that they received money in many forms, which allowed them to even survive, think and produce the idea of a pen. Since they received the money, this completes the circuit of the money that was handed to the local store owner. If this is the glimpse of what goes into a pen, the amount of interconnections for everything used in daily life, from food to clothes to homes, can well be imagined.

Thus, without exaggeration, the carriers of economy are *human beings across the whole of the earth* who have worked in some form to create the economic products, such as the necessities for survival. Just as every drop of water that nourishes man is bound up with the water cycle of the Earth, every economic transaction sustains these workers. This is at least a guideline of the economic element, a fact that has come up most strongly in today’s globalization – the creating of the smallest product and the carrying out of the smallest transaction requires the work of humanity as a whole.

Nation

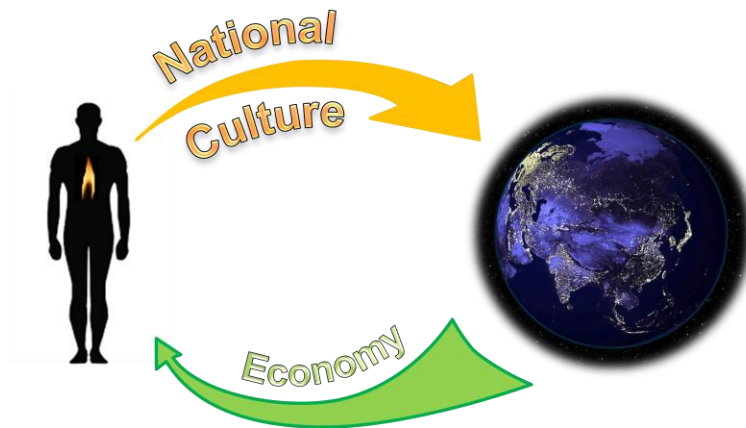
In order to characterize the nation as such, one has to look at the ideas, traditions, language and the cultural ideals of the people. Even a cursory glance at the Indian subcontinent indicates the presence of several cultural communities, and each of these communities have been influenced

by the other. To trace its development, the question can be posed, who carries the culture? Let us consider a lone traveler who speaks Tamil or Kannada in the south to a Bhojpuri or Punjabi belt in the north, and another traveler in the opposite direction. It is possible for the two travelers to cross state boundaries and move there. They may then exchange folk tales and mythological tales, along with the intricacies of language and music, with the neighbors and interested people. The cultural communities as a whole (the Kannada or Tamil community in the first case, and the Bhojpuri or Punjabi community in the second) extend their reach in both directions, even though the *States* of Karnataka or Bihar have remained at the same spot. This gives the primary characteristic of the cultural movement: just as a single deer in the forest shows the presence of that species, *a single individual, due to his or her free conscious movement, carries the culture across a region.* This holds true not only of smaller communities, but of larger national communities as well. India, called the “nation of nations”, is a multicultural and multiethnic community that has spread all over the world and one can find Indian Associations in virtually all corners of the globe. Not only might an individual be born in a particular cultural environment and *carry* a culture across the world, but an individual is also free to *adopt* any culture in the world. Nothing prevents a person from studying another language or deeply immersing oneself in a different community, in person or online. This freedom of individual decision is hence at the core of national identity. National and linguistic communities thus stand on par with the Church or religious communities, which are a matter for individual decision.

Similarly, *individual creativity* is the basis for creating and cultivating a culture, such as those of artists, musicians, writers, poets, and dramatists. It is in stark contrast to the essence of economy, where a pen cannot be created without simultaneously yoking the entire world’s action and transport to its service. National and cultural creations, though inspired by insight into human nature and supported by the entire world, can be actually *created* by individual luminaries. This is evidenced by the works of Kalidasa, Tansen, Rabindranath Tagore, Raja Ravi Varma, R K Narayan, Lata Mangeshkar, Nusrat Fateh Ali Khan and so on. Individual ability extends in a similar way to Mathematicians and Scientists like Ramanujan and S N Bose. The stereotype of the lone scientist is well known. Right from the early days of scientific discovery, wherever scientists have moved, the scientific community moved with them and through them just like any other national or religious community.

Individuality hence is the source of the nation, just as the entire human community is the source of the economy. The individual freely contributes to the world community through his culture and nationality, and the world community contributes to the individual through the economy.

Thus, the two aspects are polar complements of each other. The one thing that they have in common is that they both do not have boundary lines – the economic work for the smallest of objects spans the globe, while a national community can exist wherever its individuals reside on the globe. The only situation where boundary lines first come into consideration is with respect to the government, or State.

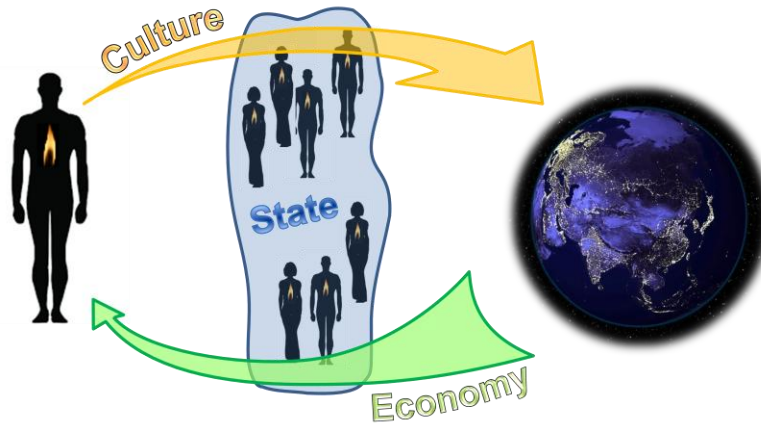


State

Alternatively called country, or simply “the government”, the State is a unit of governance. The difference between the old empire and the modern government is the question of who is King – in the empire it was the King or Queen, in a modern democracy we are *all* Kings/sovereigns. In the Indian subcontinent, the people have not had the experience of this transition, which was painstakingly tackled in Europe. It was only in the 13th century that some “rights” were demanded by those who were not Kings, but Lords and Barons, in England (the Magna Carta). This trickled down over centuries, until in America it passed from the landholders to the common white *man*, and very recently included women and other races.

Nevertheless, the essence of the democratic government is found in the transformation of all human beings to “Kings”. This is the meaning of the “people” or “citizens” written in the document that define the operations of a government, called the Constitution. And like the treaties of the Kings of old, who established boundaries of agreement and rules of engagement, the modern person under a government also establishes these rules of agreement, which are called *laws*. That is the origin of the law. Similarly, in place of the Divine right of Kings, we now have: *Human Rights*. Laws and rights, and their safeguarding, form the domain of the government.

Nationality and religion, which live in the heart and minds of people, do not have a physical domain as already described. Similarly, economy extends over all the land and oceans of the Earth. It is only when looking at the relationship between man and man, that the question of boundary and possessions arises, where a subset of the earth and its resources are vouchsafed to individuals based on their mutual agreement. Thus, a boundary is born out of human contracts - the political boundary. On one hand, rights are based on individual freedom (such as freedom of speech and thought, to form associations etc.) while on the other hand rights regulate the necessities (right to land and property, to personal security). The carrier of the State is hence intermediate between freedom and necessity, the individual and the global community.



Nation-State-Economy

Nation, State and Economy hence appear to be distinct ideas, yet they are all still related to the society. They have been applied in various permutations throughout history, and now the question becomes: How to relate them in practice? Historically, the primary differentiation has been the separation of the Church from the State. It is important to understand the nature of “separation” in this case. It does not mean that Church does not concern itself at all with the State and engage in unlawful behavior, nor does it mean that the State provides no legal recognition to the Church organization. It is *functionally* separated, that the Church shall make no laws and create no police force (such as the dreaded Inquisitors of the Middle Ages), while the State shall not use its institution to enforce/prohibit any religion. This means that an organic separation of the two institutions benefits both, just as the digestive system and the respiratory system are distinct in function but closely interconnected in space.

Now consider what happens when the State and Nation are not functionally separated? The government ends up taking upon itself all the functions that should depend on individual choice and creativity, such as language, education, religion, cultural and moral development. All cultural differentiations will be eliminated, and bureaucracy will overwhelm all creative pursuits. Additionally, the nation would have a boundary imposed on it, which is contrary to its boundary-less nature, and an attack on the government would be seen as an attack on the nation. On the other hand, if the Nation or community overwhelms the State, then the laws will reflect the desires of the cultural community that is in the majority. Corruption and nepotism prevail; minorities’ rights get crushed in the bargain. What’s more, the national community would use the state military for cultural expansions and empire building, and the police to create a *police-state*. Hence, neither the national community nor the government must take over the other, but they have to be separated into distinct functional domains, just like the Church and State were earlier separated. Hence:

Nation and State must be separated.

Coming next to the Economy and the State, what is the relationship between the two? If the State overwhelms the Nation, it would not only impose a boundary on something that does not have one, but insists that all economic decisions have to be taken on a democratic basis collectively,

and private means are removed. This has been the story of Soviet Russia. On the other hand, if the Economy overwhelms the State, only the laws that bring profit to corporations will be allowed to pass, leading to crony capitalism and trampling of human rights. Hence, in a State-Economy, both competition and collaboration is hindered, while in the Economy-State, political rights start disappearing. The sensible choice in this respect as well, is that:

Economy and State must be separated.

Finally, how does the situation stand between the Economy and the Nation? If the Economy gains an upper hand over the nation, with its culture and education, then only that part of human development that makes one into a profit-making “human resource” will be allowed. Education will be geared towards producing employees for economic corporations alone. Only those artists whose creations generate profits will survive, and even independent researchers will only research those things that will improve the profits of the funding agency. If the Nation overwhelms the Economy, then only those products that benefit the national community will be allowed, using resources provided only by that particular community. In the worst case scenario, one would be paying people to convert to their religion, language or culture, and taking away their livelihood if they refuse. No coercion can be healthy between the Nation and Economy, hence:

Nation and Economy must be separated.

Nation, State and Economy all have to be separated from one another. This means that in reality there are *three* India’s, not just one! India the national community, that spreads around the world containing within it several cultural and religious streams, India the political administrative unit with a boundary, and India the boundary-less economic region that tends to contribute to the whole of the globe. This is the idea of the *Threefold Indian Organism*, whose three organs have different bases for functioning:

Nation:	Individual Freedom	(Liberty)
State:	Rights and Security	(Equality)
Economy:	Competition/Collaboration	(Fraternity)

These ideas were comprehended by a few people only towards the beginning of the 20th century, in both Central Europe and Russia, not simply based on some theoretical ideas or a desire for utopia, but based on observing the developments during centuries of wars and struggles (including the most recent World Wars.) It was a distillation of all that Europe and America could offer on the social question, and not merely the standard Nation-State. Soon after the First World War, a group of people in Germany, Austria and Switzerland devoted to social threefolding indicated this solution to the European national problems:

The people of one language-area do not come into [war, unnatural conflict] with those of another, so long as they do not try to make their national culture predominant by the use of their state-organization or their economic power.⁵

There are nationalists, chauvinists and so forth; everything we call nation, national, chauvinism, it's all incorporated into the framework of the state. Nationalism is added and the concept of the 'nation-state' is construed. [...] In some Protestant circles the idea has arisen that the Church is only the visible institution, that the essence of religion must take root in people's hearts. But this degree of human development has not yet arrived in respect to the political state, otherwise we wouldn't be trying to squeeze all kinds of nationalisms into political boundaries.⁶

This choice was also mentioned in Russia, where one of their foremost social thinkers, Vladimir Solovyov, put it this way⁷:

Humanity must therefore be morally organised not only in the ecclesiastical and the political, but also in the specifically economic sphere of relations. And just as between the Church and the state, so between the three parts of the collective moral organisation there must be *unity without confusion and distinction without separation*.

Understanding of this relationship between the domains is crucial, as anyone who succumbs to this confusion would fall prey immediately to any divide-and-rule policy. The fact that the three domains have distinct, yet not isolated, functions means that each overlaps in a specific way with the other. The Nation has some governance and economic aspects, the State has some cultural and economic aspects, while the Economy has some cultural and administration aspects. This is quite similar to how the nervous, circulatory and digestive systems of the body are interconnected. They are not identical (putting food in the lungs is not advisable, hence we cough) but yet remain interconnected (the lungs receive the nourishment from the digestive system through the blood.)

The relation of national communities to the economy must be, in keeping with the function of freedom, free exchange of knowledge from one side and donations from the other. Economic corporations support local schools, colleges, temples, mosques or festivals through donations, which supports the cultural workers like teachers, religious leaders, scientists or artists. The relation of national communities to the government would be the judiciary function, so that every community can select to be judged by its own community's judges. This would also require some inner organization of the communities to choose their elders. The guiding principle here is liberty or individual freedom.

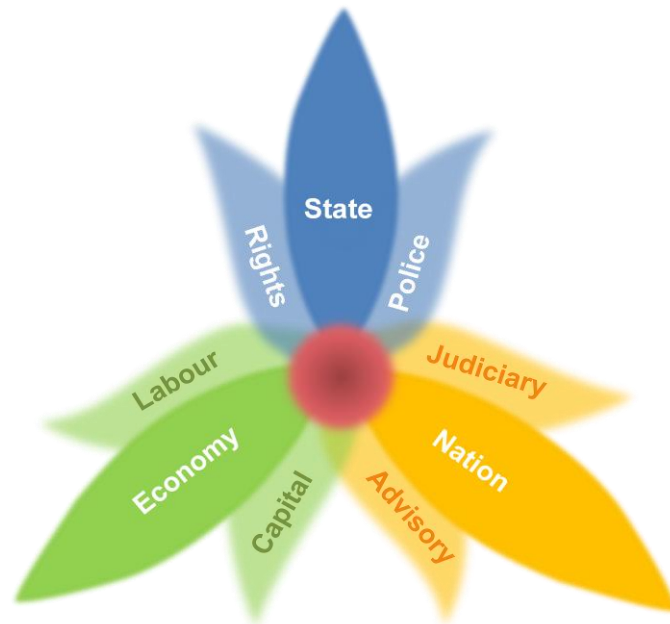
As to the Economy, on the one side the people who generate capital freely disburse it (free enterprise), either through further investments, or through donations. On the other side, they agree not to violate human rights requirements for labor and pay the necessary taxes to the government. The economists themselves interact with each other through associations that bring together the capitalists, distributors and consumers for mutual decisions. The guiding principle is fraternity or free association.

⁵ Rudolf Steiner, *The Core Points of the Social Question*, Chapter IV, 1919

⁶ Rudolf Steiner, *The History and Actuality of Imperialism*, Lecture 3, 1920

⁷ Vladimir Solovyov, *The Justification of the Good*, pg 461, 1898

Lastly, the State relates to individuals in the national communities by safeguarding their rights through police, army and security, and to the economic side by receiving taxes and determining the laws that the corporations have to satisfy, keeping equality in mind. The State per se is engaged in the making of laws, where all office holders have a certain term of office, and are elected based on the common vote. The guiding principle is equality.



This threefolding is something that has already been emerging in the society, with the same objectivity as the three dimensions of space, the two poles of a magnet, or the three primary colours. It is possible for every region of the globe to have its own expression of this threefolding, just as every artist has her own painting using the primary colours on her palette or every sculptor has his own sculptures in three-dimensional space. It is just that this threefolding is normally not recognized because of usually dealing with “compounds” like the Nation-State and Economy-State. Threefolding, hence, was the distilled knowledge of the Western World as regards the social organization, available to those who had the capacity to grasp it at the beginning of the 20th century.

It has already been mentioned that at the end of the First World War, several more Nation-States started arising, in Europe, Africa and the Middle East. The decision of the world in general has been to continue on the same path of building Nation-States. In this context, it is worth asking: What happened in the Indian subcontinent at the time, and what were the thoughts of the Statesmen and freedom fighters of the period? Where did India stand in the midst of this, and what choice did it make?

3. India's Crisis in the 20th century

Before Independence

For almost the entire period of the 19th century, the old empires and kingdoms were falling away, toppled by the efforts of the East India Company in setting up its Economic domain. When the system of tributes set up was making the common man restless, another blow to the old system was dealt by Dalhousie's *Doctrine of Lapse (1848-56)*, under which the Governor General began aggressively annexing kingdoms which did not have a male heir. With the state structure collapsing - the Marathas, Mughals and other Princely States were all losing power by the day - and the economic pressure increasing, the religious sentiment was the only way for the masses to protest. This happened with the violent Uprisings of 1857, and led to the British Queen taking direct control over Indian subcontinent with the Government of India Act of 1858. Thus the crumbling local governments were replaced by the Government of India under the British Crown, which became the new State with a new Queen.

On the individual front, the educational system of British India was also undergoing a change. The spread of English education had already created the grounds for new forms of thinking, and while it is true that there was a bias to encourage English at the cost of the local languages⁸, the most important point is that Indians were educated *under the control of the State*⁹:

while every branch of education can justly claim the fostering care of the State, it is desirable in the present circumstances of the country to declare the elementary education of the masses, its provision, extension and improvement, to be the part of the educational system to which the strenuous efforts of the State should now be directed in a still larger measure than heretofore.

This was distinctly different from the system of local education prevalent before then, funded by the local community. Thus, after India became a part of the British State in 1858, for the rest of the 19th century the Indian elite were increasingly educated in the English system, either through the colleges established in India like Elphinstone and Presidency Colleges, or by study in England at places like Cambridge and Oxford, which was now open to them for being 'subjects of the Crown.' Law featured predominantly in this period¹⁰:

... lawyers were advancing rapidly into considerable power and influence over their countrymen in every district through their position at the Bar. This was the beginning of what subsequently came to be characterized as "Vakil Raj"...

In addition to absorbing elements of British law and social philosophies, Indian intelligentsia absorbed the very idea of an Economic-State from this education. In the subsequent stages after the founding of the Indian National Congress in 1885, the political knowledge gained began to be expressed in political terms, i.e. in terms 'self-government or swaraj like the United Kingdom

⁸ See T. B. Macaulay, Minutes of 2nd Feb 1835, item 33: ... that English is better worth knowing than Sanscrit or Arabic, that the natives are desirous to be taught English, and are not desirous to be taught Sanscrit or Arabic, that neither as the languages of law nor as the languages of religion have the Sanscrit and Arabic any peculiar claim to our encouragement, that it is possible to make natives of this country thoroughly good English scholars, and that to this end our efforts ought to be directed.

⁹ Commission of 1882.

¹⁰ Bipin Chandra Pal, *Memories of My Life and Times* Volume 2, pg xxxiv, Calcutta (1951)

or the colonies¹¹. The State began as the core of India's identity, around which the other elements were included¹²:

Despite social and religious differences, we have all begun earnestly to realize that we are fairly on the way to a common national existence, united and bound together by common political ties.

The connection of the economy and the cultural community with the State also came up on both sides. With respect to the economy, the most influential idea was Dadabhai Naoroji's "Drain Theory" which argued that the wealth of India was drained to England (see his *Poverty and un-British Rule in India*). This was the period, amidst several famines in Bengal, Madras and Bombay Provinces, when Indians *recognized* the way an Economic-State worked, and developed an opposition towards it. This opposition to more than a century of British rule was a powerful sentiment, and its repercussions continued for at least another century.

With respect to the cultural community's relation to the State, there was a schism between the Moderate stream (represented by Gopal Krishna Gokhale) and the Extremist stream (represented by Bal Gangadhar Tilak.) These two members of the Congress had surprisingly similar life-paths – graduating from the same college – yet their later paths diverged tremendously. Gokhale, like his mentor Justice Ranade, tended to view the British Government as a mostly positive influence, and preferred to work within the State apparatus to generate social reform. Tilak would have none of that, and refused to recognize the British State as a beneficial presence. When the cultural issue of passing a bill related to raising the Age of Consent for marriage came up in 1891, Tilak felt that the State was overwhelming the cultural domain, and refused to vote for it on principle. This spark tore apart the two streams of relating the Nation and State: Gokhale preferred to keep the State dominant, while Tilak preferred to throw out the State altogether and emphasize the Nation (hence his vehement championing for Swaraj as a birthright.)

The situation was exacerbated by one of the classic divide-and-rule moves of the time: the Partition of Bengal in 1905. Even though the policy had been followed for a long time in the annexations of a hundred kingdoms during East India Company's rule, the partition of Bengal by Lord Curzon occurred at a time when the policy was *recognized* clearly for what it was by most of the intellectual elite of India and was circulated in the Press, especially by the likes of Aurobindo Ghose.

However, since there was still little clear understanding of the relationship of Nation or community to the State, the partition of Bengal had several *communal* effects. Within a year, the All-India Muslim League was founded. Encouraged¹³ by Lord Minto, the then Viceroy of India, a Muslim deputation from Aligarh could put forward a demand for religious representation. This resulted in the setting up of separate electorates (where Hindus vote for Hindus and Muslims vote for Muslim candidates) in the Indian Councils Act of 1909, pushing the Religion and the State closer together, and creating a divide in the populace. Even though the need to separate an important aspect of the Nation – education – from the State was recognized, and the National

¹¹ Dadabhai Naoroji, Presidential Address, Indian National Congress, Oct. 1906.

¹² Ferozeshah Mehta, 5th Meeting of the Indian National Congress, 1890.

¹³ Ravindra Kumar, Problem of Communalism in India, pg 11-12, 1990.

Educational Council was established, this Council soon suffered from disagreements and dissolved within a few years.

Another effect was towards the economy: the Swadeshi movement began, with the Boycott of British goods. The terms “indigenous goods” and “foreign goods” gained ground, and led to the establishment of several textile mills, soap factories and Swadeshi stores. Hence, when the British attempted to push together the Nation and the State to weaken the national movement in Bengal, the reaction of the Indians was to push together Nation and the Economy! This was also the path preferred by many of the ‘Extremists’, such as Tilak, Bipin Chandra Pal and Aurobindo Ghose, who wanted to carry this movement throughout the British Raj.

The British Government’s crackdown of the Extremist faction (which continued up to the time of Bhagat Singh) led to a period of transition, when two famous protégés of Gokhale started to arrive on the scene: Mohandas Gandhi and Muhammad Ali Jinnah. Gandhi, who was active in the South African protests, was mentored by Gokhale and encouraged to return to India. Jinnah, with whom Gokhale had cultivated an independent friendship, saw Gokhale as his hero, and Gokhale was also full of praise for Jinnah as the “ambassador for Hindu-Muslim unity.” In another instance of two people born in the same region with similar cultural background, Gandhi’s and Jinnah’s lives, like Gokhale’s and Tilak’s are also extremely interesting in their divergence, once more in the question of the Nation-State – this time in the form of Religion-State.

Both Gandhi and Jinnah had been born in Gujarati households and had learnt law in London, and both, like their mentor, respected the system of the British Government as it existed then. Gandhi’s trust in the British Empire was quite strong, as can be seen by his response to the Zulu Rebellion (1906) in South Africa¹⁴:

We, the undersigned, solemnly and sincerely declare that we will be faithful and bear true allegiance to His Majesty King Edward the Seventh, His Heirs and Successors, and that we will faithfully serve in the supernumerary list of the Active Militia Force of the Colony of Natal as stretcher-bearers until we shall lawfully cease to be members thereof, and the terms of the service are that we should each receive Rations, Uniform, Equipment and 1s. 6d. per day.

Signed: M K Gandhi, U M Shelat, H I Joshi, S B Medh, Khan Mahomed, and 15 others.

This, Gandhi believed, was a natural duty of every citizen of the British Government. Non-violent protest within the State, and military duty for the defense of the State, were both supported by Gandhi:

Satyagraha excludes the use of violence in any shape or form, whether in thought, speech, or deed. Given a just cause, capacity for endless suffering and avoidance of violence, victory is a certainty¹⁵.

I would make India offer all her able-bodied sons as a sacrifice to the Empire at its critical moment, and I know that India, by this very act, would become the most favoured partner in the Empire, and racial distinctions would become a thing of the past.¹⁶

¹⁴ Collected Works of Mahatma Gandhi, Vol. 5, #379, p. 357.

¹⁵ M K Gandhi, *Young India*, 27.4.1921.

Since Gandhi's ethics on non-violence literally reversed as one crossed the State-boundary, it showed how central the State was to his thought process. Jinnah, on the contrary, was more focused on the stability of the Indian political demands, and staunchly emphasized Hindu-Muslim unity for several years, even declining membership of the Muslim League when it was formed in 1906. This period of work culminated in his efforts in the Lucknow Pact of 1916, where he pushed for a joint statement by the Indian National Congress and the Muslim League to pressurize the British into allowing greater self-government.

The relationship between Gandhi and Jinnah deteriorated greatly during the period following World War I, as Gandhi included more religion into politics than what Jinnah was comfortable with. This reached an extreme when, in opposition to Jinnah who preferred secular politics, Gandhi aligned himself with the Khilafat Movement (where several Muslims wanted to support the tottering Turkish Caliphate after WW-I) by saying¹⁷:

The message is to spiritualize political life and the political institutions of this country. Politics is essential to them as religion... Politics cannot be divorced from religion. Politics divorced from religion becomes debasing.

The situation never improved, and reached a turning point when Jinnah, after a period of despair when he retired to London, returned to politics with the demand for a greater Muslim representation. In a peculiar parody of Woodrow Wilson's Fourteen Points to determine Nation-States, Jinnah had given his own version of the Fourteen Points to safeguard Muslim interests in 1929, and later backed it up with the full-fledged demand for a Muslim Nation-State.

In the midst of the turbulent back-and-forth between the British Government and Indian political factions, where a series of Government Laws held the foreground, another pair of stalwarts had their own effect from a completely different angle. Muhammad Iqbal and Rabindranath Tagore, both talented poets, had a major influence on the future of the subcontinent. Muhammad Iqbal, whose Kashmiri Pandit grandparents had converted to Islam, was brought up in the Punjab region, and hence grew up in a multicultural environment. Already well known for his poetry in 1905, he traveled to England and Germany for his higher education, where he was exposed to several different streams of thought. This period changed his thought tremendously, and from a nationalistic viewpoint, he converted to an Islamic-State viewpoint, highlighting the universal aspects of Islam. As he later explained about his stay in London¹⁸:

The biggest blunder made by Europe was the separation of Church and State...I had twenty-five years ago seen through the drawbacks of this civilization and therefore had made some prophecies. They had been delivered by my tongue although I did not quite understand them. This happened in 1907..... After six or seven years, my prophecies came true, word by word. The European war of 1914 was an outcome of the aforesaid mistakes made by the European nations in the separation of the Church and the State.

Thus, his view of the Nation expanded to the whole world via religious-state, and in the process he lost the connection with the individuality, instead focusing on the generic "perfect man". This had massive consequences, as he chose the State as the vehicle to generate this brotherhood,

¹⁶ M K Gandhi, *The Story of my Experiments with Truth*, Part V, Chapter 27.

¹⁷ M K Gandhi, Speech, January 1, 1924

¹⁸ Allama Iqbal, *Address to Students*, Cambridge, London, 1931

leading to his recommendation for two Nation-States. He also encouraged Jinnah to profess the same ideal.

Rabindranath Tagore, on the other hand, took a different route. Growing up in the rich culture of Bengal, with an emphasis on education in different languages, Tagore became famous as a poet and was even awarded the Nobel Prize in 1913. However, in the period of the World War, he quickly got disenchanted with the Nation-State ideal, and denounced it in his own style in the writings on Nationalism. It is worth reproducing his words on this, as probably no other writer has focused on the Nation-State with such eloquence¹⁹:

Because each nation has its own history of thieving and lies and broken faith, therefore there can only flourish international suspicion and jealousy, and international moral shame becomes anæmic to a degree of ludicrousness.

And the idea of the Nation is one of the most powerful anesthetics that man has invented. Under the influence of its fumes the whole people can carry out its systematic programme of the most virulent self-seeking without being in the least aware of its moral perversion, - in fact feeling dangerously resentful if it is pointed out.

The Nation, with all its paraphernalia of power and prosperity, its flags and pious hymns, its blasphemous prayers in the churches, and the literary mock thunders of its patriotic bragging, cannot hide the fact that the Nation is the greatest evil for the Nation...

In spite of these sentiments, it is ironic that his works are used today for the national anthem of two Nation-States: Indian and Bangladesh. Tagore insisted on the centrality of the human being, and his moral nature, instead of the machinery of the State:

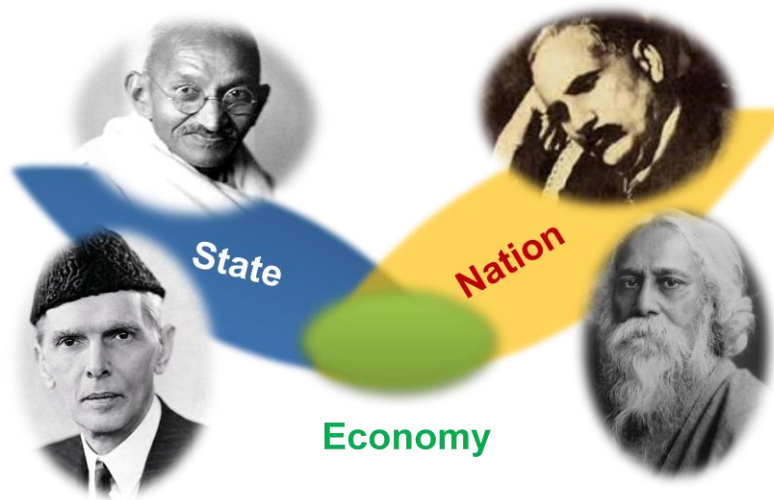
But when, instead of being numerous separate machines, they become riveted into one organized gregariousness of gluttony, commercial and political, what remotest chance of hope will remain for those others, who have lived and suffered, have loved and 'worshiped, have thought deeply and worked with meekness, but whose only crime has been that they have not organized? ... Has not this truth already come home to you now, when this cruel war has driven its claws into the vitals of Europe?

Tagore's relation to the State and Economy are clearly seen in his statement:

This history has come to a stage when the moral man, the complete man, is more and more giving way, almost without knowing it, to make room for the political and the commercial man, the man of the limited purpose.

Thus Tagore clearly emphasized the cultural aspect of the Indian nation, and did not give self-government alone the primary importance. It is very instructive to read his communications with Gandhi based on this background, where it appears as if Nation and State have been personified and are carrying on the discussion: Tagore, with his humanistic outlook yet rustic common sense, and Gandhi with his lawyer's shrewdness and political mores. Unfortunately, neither really realized that they both were viewing different aspects of the same problem, and neither did Iqbal and Tagore really connect on any practical level. The problem of the Nation-State remained unsolved, and that of Economy remained in the background.

¹⁹ Rabindranath Tagore, *Nationalism* lectures, 1917



Independence of 1947

Communalism had run rife by the end of World War - II. Several religious organizations had grown, including the Hindu Mahasabha and Rashtriya Swayamsevak Sangh (RSS). The old guard of Gandhi and Jinnah could no longer come to any sort of agreement, and in stages, the seeds of communalism in politics bore its fruit in one of the most bizarre events in the history of the subcontinent: the Partition of 1947-48.

As already pointed out, the key figures in the struggle were unable to clearly distinguish the essential properties of the Nation and the State, so eventually they moved towards the same Nation-State model that prevailed all over the world. The contradictions and confusions brought about by the communal politics could have been tackled, leading to the separation of the Nation and the State. Instead, the subcontinent tore itself apart into *two* Nation-States – India and Pakistan – and *three* pieces of land.

*Separation of Nation from State => Separation into **two** Nation-States*

With the focus on the Nation-State, the statesmen of the time nearly ignored the Economic aspect, which was precisely the consideration used by the British statesmen for its drawing up of the boundaries. In the geo-political *Great Game* with Russia, Pakistan formed a buffer state with a connection to the Indus delta, while Bangladesh (or East Pakistan of the time) provided access to the Bay of Bengal via the Ganga/Brahmaputra delta. The region of Kashmir was also caught in the middle of these forces, both due to its physical position between China, Russia and India, as well as due to its religious make-up. Punjab was another community whose fabric was torn in the process, setting it up for later trouble with the Khalistan movement.

Another absurdity of the situation was the mass-migration of peoples in both directions, and the communal carnage that occurred in the process. Since the religious identity was connected with the government, and government is naturally connected with a section of land with a boundary,

immigration was the inevitable result. India and Pakistan thus entered the world stage, with their own “national interests” and most of the national sentiments directed against one another, blinding them to the next phase of the global game that was about to begin. For example, very few even realized the actual reason for selecting the midnight of August 14/15th: to commemorate the date of Japan’s surrender in World War II²⁰!

The date I chose came out of the blue. I chose it in reply to a question. I was determined to show I was the master of the whole event. When they asked: had I set a date, I knew it had to be soon. I hadn’t worked it out exactly then – I thought it had to be about August or September and then I went to the 15th of August. Why? Because it was the second anniversary of Japan’s surrender.

Since the astrologers of the time opposed that date, a compromise resulted in the famous “Freedom at Midnight.” Pakistan, whose name was derived from an acronym of the regions it encompassed (**P**unjab **A**fghania **K**ashmir **S**ind **B**aluchis**TAN**), came to exist as an extreme form of the Nation-State: the Religious-State.

The situation around the globe was also at a turning point. At the same time in 1948, another Religious-State came into existence, also stemming from a mass migration of peoples: Jewish State of Israel, established once again through British support. The center of World politics hence moved from London in two directions: towards Washington DC and Jerusalem. The Economic arm of society had gained enormous predominance in the United States since their independence from Britain, particularly through the banking interests which had repeatedly attempted to gain the upper hand in the region. After the failure of the First (1791-1811) and Second (1816-36) National Banks, America underwent a Civil War. Following the Panic of 1907 and the establishment of the Third Bank (or Federal Reserve in 1913), the United States had clearly become an Economic-State. Following WW-I, a series of Nation-States were created in Eurasia and a State-Economy in Russia. At the end of WW-II another series of Nation-States cropped up in Africa and Asia, and culminated in the creation of Israel and Pakistan.

The saga of Independence had two main players on either side of the fence: Jawaharlal Nehru and Subhash Chandra Bose. Both were sons of lawyers, had studied at Cambridge, given up careers to join the Congress, and were influenced by the international revolutions such as that of socialism. Under Gandhi’s mentorship, both Nehru and Bose worked in the Indian National Congress, but soon diverged in their paths. Nehru preferred the secular route, while Bose was inspired by the works of Aurobindo and Vivekananda to take the path of the nationalistic soldier. Nehru remained loyal to Gandhi, and worked from within the Indian political landscape. He shunned violence, almost to an extreme, and personified Gandhi’s way of dealing with the British Raj through cooperation with Britain. Bose, on the other hand, personified the military ideal by not only challenging Gandhi and refusing to serve in the Civil Service, but by seeking out alliances with Hitler and Mussolini under the principle of ‘the enemy of my enemy is my friend.’ He went as far as reviving an army for Indian freedom with Japanese and Indian expatriate support, which finally fell due to the decline of Japan. And finally, just as Nehru’s career was truly launched at the end of the War as the Prime Minister of India, Bose’s career

²⁰ Larry Collins and Dominique Lapierre, *Mountbatten and the Partition of India*, pg 49.

ended. It was as if the two contradictory views of Gandhi regarding the State and non-violence expressed itself in the parallel lives of these two leaders²¹.



On the whole, India was in no way prepared to handle the intricacies of social reconstruction at the end of the British Raj. To begin with, the changes that occurred were extremely rapid, which the masses could not grasp, shifting the bulk of the responsibility onto the educated classes. Among them, thoughts of the English-educated political leaders dominated, while thoughts of those who valued the various national and religious communities either degenerated into communal fervor or were simply ineffective in the freedom struggle. The rupture of the subcontinent was hence not something that struck from nowhere, but was the culmination of a series of splits, referenced by Gokhale and Tilak, Iqbal and Tagore, and finally, Gandhi and Jinnah - just as small pebbles at the top of a hill can completely change the direction of a boulder rolling downhill. The presence of the British Empire was simply the catalyst to bring out the splits into sharp relief. As a direct result of misunderstanding the relationships between Nation and State, the two were melded into a tinderbox, just like all the other tinderboxes of the world. The Great Game chessboard gained two more freshly made pieces.

After Independence 1947-1991: the State-Economy

Once self-governance was achieved, the immediate question was the form it would take. The Economy, which was overshadowed by political and national issues during the first half of the 20th century, could once more come to the forefront. The path taken was that of State-Economy, or Socialism. This was also the forging of the identity called *Indian Economy*.

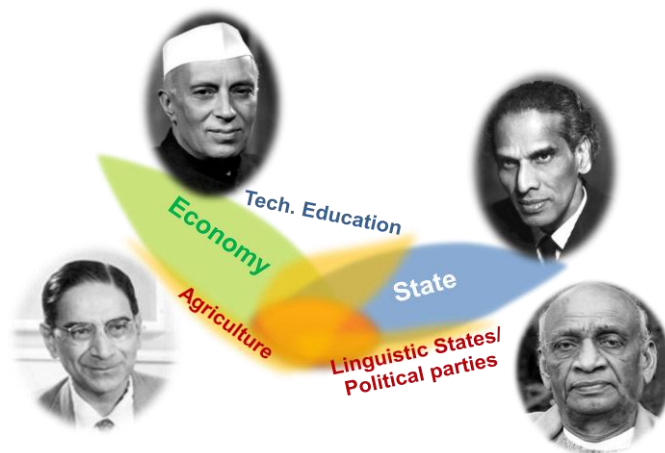
The greatest influence on this question came from two directions: The Fabian Society and London School of Economics in England, and the Soviet Government. Jawaharlal Nehru, the first Prime Minister, was deeply influenced by his association with the Fabian Society, whose task was to bring socialism into the world in a gradual fashion, without Marxist revolutions. Nehru's friendship with the famous members of this Society, George Bernard Shaw and Annie Besant, are well known. This society had also founded the London School of Economics (LSE), where a number of economists of the post-Independence era studied, of whom many were initially influenced by the socialist views of Harold Laski at the School. Alumni such as B R Ambedkar (Chief of the constituent assembly,) V K Krishna Menon (Defence Minister,) I G Patel (RBI Governor), P N Haksar (Principle Secretary), R K Narayan (President) and

²¹ See *Nehru & Bose: Parallel Lives*, by Rudrangshu Mukherjee (2014)

Manmohan Singh (Prime Minister) show the long-standing influence of this school of thought on India for several decades.

In the post-Independence era of the 1950's, India became the hotbed to economic think-tanks from around the world, who were invited by P C Mahalanobis. MIT's Center for International Studies, Ford and Rockefeller Foundations, and several Soviet planners, all had a voice in this period. Economists also rapidly picked up the vocabulary related to a national economy: imports, exports, growth rate, GDP, inflation and interest rates, etc. The final result of this melting pot of ideas was "mixed economy", with both the State and its Five-Year plans (via industry) as well as the private sector (via agriculture) having contributions. Instead of perceiving an organic threefold nature, Nehru chose a 'third way that takes the best from all existing systems – Russian, American and others – and seeks to create something suited to one's own history and philosophy.'²² The opinion of the businessmen themselves was not given much importance, and a plan (the Bombay Plan) formulated by the best industrialists of the era, JRD Tata, GD Birla, AD Shroff etc. did not have any effect.

On the other hand, the State itself – the Government of India – had to undergo a period of empire-like annexation, ably carried out by Vallabhbhai Patel. Towards the outside world, the attitude was one of non-alignment, which was carried out by Krishna Menon. This was complicated by the fact of India being a newcomer to the geopolitical world game, and was thrown right away into the deep end of the pool. Due to its very nature, the mixing up of cultural and religious ideals with Statesmanship led not only to wars with neighboring Pakistan, but with Red China of the time. On the world stage the Cold War generated dramatic tensions, while India got caught in a diplomatic tangle over Tibet and the Chinese borders.



Mahalanobis and Nehru hence shaped the Economy, while Patel and Menon shaped the State and International Policy respectively.

The constitution of India, just like the economic policy, resulted in a melting point of ideas, as evidenced by a look at the Preamble's astonishing array of terms:

²² Frankel, 2005 pp. 18, 3

... *sovereign, socialist, secular, democratic, republic, ... justice, liberty, equality and fraternity...*

Each one of these ideas had taken the world several generations to hash out, and were included right in the first few lines. The organic unity of ideas, where one idea born from other, was almost completely missed, and as a result this melting pot of ideas did little to identify the real motive forces of history, which took place under the surface in the masses of people following their own course.

The main motive force for the economic decisions was the colonial hangover: nearly two centuries of Company rule, over a region that emphasized the devotional and cultural aspects of life far more than it did the economy, had generated an almost allergic reaction. It was this reaction that was put into words by Naoroji in his 'drain theory', and was transformed into a political weapon by Gandhi by his Swadeshi movement and spinning charaka. It was but natural that the pendulum would swing the other way after surviving under extreme capitalism, and move towards the only recognized alternative at the time: socialist economy.

With respect to the State, a region that was ruled under kings and empires for several centuries was not going to fall in line with a strictly democratic system at the stroke of a pen, just as a piece of paper cannot redirect a river. In spite of the best intentions of Nehru, the real situation was that the Indian population was still looking for a King: and they got a line of them in the Nehru-Gandhi dynasty, who ruled over the 'License Raj'. In a quirk of fate, the previous King's name (Gandhi) also got attached to this dynasty, and hence had a greater power. The Congress party became the carrier of impulses which had nothing to do with a democratic government where every subject was sovereign, and as a result of this inherent contradiction, the system became toxic. The excesses of the 'License Raj' squeezed out a whole generation of entrepreneurs and technologists towards the West, beginning a brain drain that has still not stopped.

Following the Soviet model, technology too came under the aegis of the State, and this shows another split of thought between Gandhi and Nehru²³:

There were two competing visions. Mahatma Gandhi had a vision of self-reliant villages, with a reinvigorated agriculture and craft production. He opposed modern urban industry because it dehumanized man. Jawaharlal Nehru had a modern scientific mind, and he was much impressed by the economic gains of the Soviet revolution; but he was also committed to democracy... Both Gandhi's and Nehru's dreams were flawed, however, and we have spent a long time chasing after them. **Gandhi distrusted technology but not businessmen. Nehru distrusted businessmen but not technology. Instead of sorting out the contradictions, we mixed the two up.** We have had to deal with holy cows: small companies are better than big ones (Gandhi); public enterprises are better than private ones (Nehru); local companies are better than foreign ones (both). They so mesmerized us that the succeeding generation, whose job was to jettison these foolish ideas, failed to do so and did us incalculable harm.

Thus, another opportunity to separate individual enterprises (such as education and technology, or entrepreneurship) from governance was abandoned. Government education was an institution taken for granted under the British Raj, and remained that way even up to the University level. Another ironic fact comes about due to this mix-up: even though these policies set up IIT's and

²³ Gurcharan Das, *India Unbound*, pg 12, 2000

research institutes with the help of several governments for the betterment of India, the red tape drove the best minds out of the country. The conceptual contradiction became an actual social reality, showing how real life indicates flaws in thought much better than any theory.

This sudden emphasis on technology and economics did not eliminate the activity of the national communities. On the other hand, they were incorporated within the structure of the State itself, where several states of India were carved out based on linguistic boundaries, and the political system itself began to incorporate political parties. Even the cultural problem of caste (such as untouchability) was tackled by governmental fiat like reservation. This sort of overlap was possible only in a Nation-State, yet it was never seriously questioned. Even Tagore's words were a distant memory.

Incubation of Nationalism, Exodus of Entrepreneurs

The 1960's, 70's and 80's were the times when the License Raj rose to a peak and began collapsing in on itself. The dynastic force had begun to operate, passing from Nehru to his daughter Indira Gandhi, who continued the policies of her father to its extreme, nationalizing banks in 1969 and oil companies a few years later, bringing all essential aspects of the economy under state control. As already mentioned, a large number of talented men and women left Indian territory to seek better conditions abroad. The Economy, true to its nature, hence continued to spread.

Pakistan, meanwhile, swung back and forth between democracy and military dictatorship. Urdu had been declared a national language in 1948, in spite of the fact that only 4% spoke it, leading to predictable results: the rise of Bengali language movement and nationalism. The secession movement of East Pakistan from West Pakistan led to another war in 1971, and generated another independent Nation-State: Bangladesh. This war was yet again a repeat of what happened in the first partition, with replacement of language for religion.

In midst of all these upheavals, another movement was slowly gaining ground – Hindu nationalism. This viewed cultural elements politically, as exemplified by its staunch representative, Tilak²⁴:

Why shouldn't we convert the large religious festivals to mass political rallies?

However, the first powerful spark of agitation for this movement had been given during the 1905 Bengal partition, which saw in its aftermath the formation of religious organizations. Just as the formation of the Muslim League culminated in the creation of Pakistan, the formation of the Hindu organizations have also had their own course. In 1905, "India House" was established in Highgate, London by a wealthy lawyer – Shyamji Krishna Varma. This location became the breeding ground for revolutionary activity, especially after the arrival of Vinayak Savarkar in 1907. Following the publishing of the controversial article about the violent uprisings of 1857, and his arrest, Savarkar penned the highly influential "*Hindutva: Who is a Hindu?*" in 1923 from jail in the Andaman island.

²⁴ Bal Gangadhar Tilak, *Kesari*, September 8, 1896

Inspired by Savarkar and other nationalist ideas, an organization with predominantly Hindu coloring called Rashtriya Swayamsevak Sangh (RSS) had taken form in the 1920's, but had kept out of the political movement for many years, rejecting the Indian tricolor and Constitution. However, in the aftermath of Gandhi's assassination in 1948 by an ex-member of Hindu Mahasabha (and possibly RSS as well), the State exerted pressure on RSS to clarify its role and banned it for a year. Nehru's stance was staunchly against 'Hindu right-wing communalism'²⁵. Even when the Supreme Court fully acquitted the organization and its leader of the time, M S Golwalkar, suspicions abounded and the door was sharply closed for the organization to have any role in politics. In its own constitution of 1949 Section 4(b), the RSS had written:

The Sangh as such, has no politics and is devoted to purely cultural work.

And yet, the fateful decision was made by the chiefs of RSS and Hindu Mahasabha to enter politics and create a political party (Bharatiya Jana Sangh) in 1951. Thus, just as State and Islam were merged for Pakistan, the first step in merging Hinduism and the State occurred. A large section of the RSS was still devoted to social work, emergency relief work, and actual cultural education and development. However, just as one cannot pass through an ocean of water if there is the smallest leak, this transition sprung a leak in the organizational essence.

One can see that all through the rule of the Nehru Dynasty, this organization was growing and merging with the politics of India. When several decisions were also made by Indira Gandhi to bring the Judiciary under control, this added more ballast to the movement. To start with, several workers of the RSS organization did honestly attempt to find out how Nation relates to State²⁶:

Do we strive to make our "nation" independent and glorious, or merely to create a "state" with certain political and economic powers centralized in other hands than those of our present rulers? Do we clearly perceive that the two concepts - the nation and the state - are distinctly different? If we do not, we are merely groping in the dark, and may end by destroying what may be most after our heart.

Golwalkar did not distinguish the Economy and the State, but did make a start in separating the other two functions, even if he did agree to merge them later on in life. Another respected philosopher and social worker, Deendayal Upadhyaya, described it thus²⁷:

A lot of trouble in the West is due to the fact that they confused the state with the nation, they considered the state synonymous with the nation. Truly speaking, nation and state are not the same.

In spite of the well-meaning philosophy, the mixture of the two continued. Just as the ban after Gandhi's assassination had slammed the door shut for this organization, the ban under the emergency declared by Indira Gandhi in 1974 reopened the door wide, allowing the RSS to gain a foothold in a large area. Following the misadventures with two other cultural groups, the Sikh extremists in Punjab as well as the Tamil Tigers in Tamil Nadu/Sri Lanka, both Indira Gandhi and her successor (and son) Rajiv Gandhi, were assassinated within a period of 7 years. This

²⁵ He remarked: "The danger to India, mark you, is not communism. It is Hindu right-wing communalism". (Sankar Ghose, *Jawaharlal Nehru: A Biography*, pg 180, 1992)

²⁶ M S Golwalkar, *We, or Our Nationhood Defined*, pg 37, 1939

²⁷ D Upadhyaya, *Integral Humanism*, Ch. 3, 1965

created the right conditions for the rise of the National forces once more, which are having their effect even today.

After Independence (1991-2014): The Nation-Economy

Just as the Indian subcontinent had a historic stream of long been ruled by Kings, another stream that reaches back several centuries up to the time of the Vedas is the cultural heritage. Regardless of the definitions of secularism, this stream is a powerful river, and a way had to be found to incorporate it into life. By denying a clear expression to this stream, the situation was ripe for a large section of it to be manipulated in manifold ways.

The first alteration of this stream had been done in modern times by Savarkar's work already mentioned²⁸:

But on the north-western side of our nation the commingling of races was growing rather too unceremonious to be healthy and our frontiers too shifty to be safe. Therefore it would have been a matter of surprise if the intense spirit of self-assertion that had found so benign an asylum under the patronage of the Mahakal of Ujjain had not made our patriots turn to this pressing necessity of drawing a frontier line for us that would be as viewed as effective. And what could that line be but the vivacious yet powerful stream-the River of rivers-the 'Sindhu'?

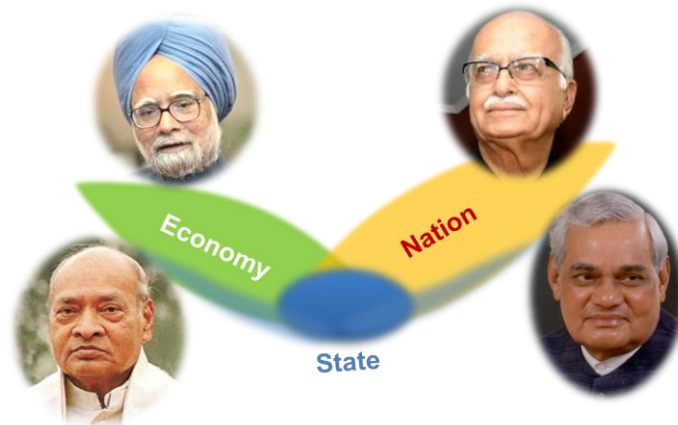
In this work, Savarkar attaches the stream of national identity to the physical river Sindhu (Indus), marking it as the boundary for the Hindu nation. Later on he describes how this land had to be viewed as sacred. Thus, in one stroke, the Nation was linked to the State, a boundary was drawn, and the massive cultural stream was redirected into something that was neither strictly religious nor strictly political, but a blend: *Hindutva*.

Upon its rise in politics, the RSS hence linked itself once more to Savarkar's ideas. When the Emergency ended, within three years, the Bharatiya Janata Party (BJP) was founded. The party, supported by an umbrella of RSS-style organizations (collectively called Sangh Parivar) further extended itself on this basis, by holding religiously significant events of mass appeal. One example was the 1990 Rath Yatra by LK Advani, which generated support for reclaiming a Hindu temple at the site of the Babri Mosque: essentially creating the Hindu equivalent for Mecca. This Yatra, as well as the subsequent rallies in 1992, led to the demolition of the Mosque and a wave of communal riots. The party began coming to power, as it did in 1996 and 1998 under A B Vajpayee. Another wave of riots was also triggered in 2002 due to communal violence, while the nuclear tests and the result of Kargil War (1998) served to boost the national self-image. Thus, just as the Congress Party became the external mask of a deep seated desire for a Kingdom, the BJP has become the vehicle for the deep seated need to cherish and spread ancient Indian culture and heritage.

Meanwhile, a parallel stream had been developing since 1991, when the economy was swung back to liberal free-enterprise, due to the action of Manmohan Singh and Narasimha Rao. The State-Economy became the Economy-State. This reversed a 44-year old policy, at the same time that Soviet Russia disintegrated. The end of the License Raj led to several changes in the economy of the region, including a steep rise in the number of large cases of corruption, with

²⁸ Vinayak Savarkar, *Hindutva: Who is a Hindu?* Chapter 13 (1922).

proof of massive scams coming out into the open. This emphasis on the Economy over the State formed the counterpart to the emphasis of the Nation over the State. The combined effect, the Nation-Economy, completed the swing of the India through all the combinations, starting from the Nation-State, to the State-Economy, and finally to the Nation-Economy, over a period of about 70 years. The essential qualities of the threefold social organism have all had their say.



This brings up the most important questions of all: What now? What are the lessons that have been learned, and what shall guide the decision-making for the immediate future?

4. Yesterday, Today and Tomorrow – Threefold India



If history is not understood, it will repeat, and even more intensely. It was highlighted how the three aspects of social life have to be distinguished clearly, and not mixed up in a haphazard way. This was the knowledge that had been the result of a long transformation in Europe. Due to historical circumstances, India in the 19th-20th century was more attached to Western Europe and England, and was almost isolated from developments in both Central Europe as well as *fin-de-siècle* Russia, hence bypassing the essential seeds of new thought that had formed in Eurasia. Instead of picking the seeds and growing them anew, educated Indians attempted to take the ready-made fruits of European labor of thought and sought to feed it, in different doses and combinations, to the general population.

For example, British influence has been predominantly in the State and Governance. However voting and democracy have a restricted sphere of influence. What temperature water boils at, or which place has more coal or gets more rain – these things cannot be decided by a vote. Nor can the public have a vote on which philosophy or culture appeals to an individual. Thus, education, science, technology, religion and culture are fully distinct from Governance. Yet, for more than century, thinkers in the Indian subcontinent have labored under ideas of government control of prices, national GDP, government education and reservation laws for cultural development. It is in this respect that India has not gained independence yet: the same thoughts are still ruling. It was said that the British Raj in India ‘was like a steel-frame which held the injured body of India together till the gradual process of internal growth had joined the dislocated bones, knit up the torn fibres and enabled the patient to regain inner coherence and unity.’²⁹ Although this might be very true, once the fibres have been knit up and the inner coherence understood, the same frame now becomes the bars of a prison. It is important to know how to get out of it, and for that one has to understand the societal forces.

The three elements – Nation, State and Economy – not only allow one to understand the structure of a society, but also its dynamics. The simplest analogy is chemistry, where for example, combining nitrogen, potassium and sulphur in one particular way produces fertilizers, and in a different way produces gunpowder. The same elements exist in both, yet the combination is all-important. On the same lines, in an organic system, a person would require a certain volume of water every day to live, yet even a few cups of water in the lungs can kill. Thus, it not simply a matter of combining the elements, but it is extremely vital to grasp the fact that there is a healthy and an unhealthy way of relating the three elements to one another. Based on the history of Indian experience after political independence, it is worth specifically identifying the unhealthy

²⁹ E. Bevan, *Indian Nationalism*, pp. 45-6. (1913)

combinations first. It is very important to understand that fundamental falsehoods and errors have a very different effect in social life. In case of a mistake or self-deception in gauging distance while driving, a crash is the immediate result. Yet, in case of a social error or deception such as the discrepancy between State and Nation, the mistake grew like a parasite for several decades and ultimately tore apart the fabric of society in a violent outburst. In both cases, the result is definite, just as one is sure that water flows downward or that hot air rises. It is just that in social questions, the development is very organic and hence not easy to diagnose.

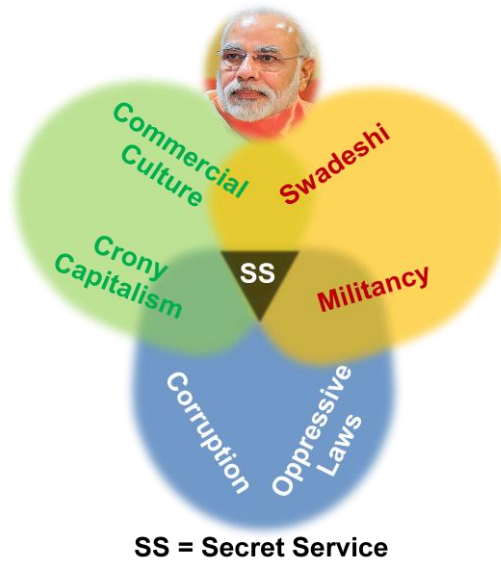
When the State overwhelms the Nation, as it did under the British Rule or even to an extent in the Nehru era, the cultural development becomes dependent on government bureaucracy, choking the free life, freedom of expression or individuality and movement of the people, mostly under the excuse of “National Security” or “National development”. Education becomes a monoculture, almost a factory. If the Nation overwhelms the State (as seen especially around 1990-92 with the Ayodhya Issue and 2002 in Godhra issue), it tries to use the law, military and police to expand its influence, leading to trampling of minority rights (in the worst case, ethnic cleansing), militancy and increased “moral policing”. On a small scale, this would lead to militant extremism, on a large scale to ethnic cleansing.

If the State overwhelms the Economy, as it happened under the License Raj, there is very little scope for free collaboration of investors, producers and consumers, and the Red Tape rules. Entrepreneurs either leave, or try to seduce the Government into action using crony capitalism. On the other hand, the State itself becomes extremely corrupt when the Economy overwhelms it, and starts passing laws suitable to the ones controlling the funding for politicians. This became clear with the liberalization of the economy and the subsequent scams that have plagued the region for the last two decades. Crony capitalism and corruption are hence two faces of the same coin, and they come into play as a natural consequence of the issues of the two spheres getting linked.

Whenever the Nation overwhelms the Economy, it gives rise to concepts like Swadeshi or its more recent international guise: “Make in India”. Cultural identity becomes tied up with the economic process, allowing specific cultural or ethnic groups to amass wealth and monopolize economic decisions. When the Economy overwhelms the Nation, all cultural enterprises become extremely commercial and get co-opted for profitable purposes, and entertainment gains priority over quality. On the educational side, private schools that require heavy tuitions begin to proliferate, and scientific research becomes heavily dependent on commercial results. The Judiciary also becomes corrupt, getting influenced by monetary incentives.

Probably the strongest social poison by far is the overlap of all the three: the Nation-State-Economy. In this, the Nation and Economy together make use of the State for their own purposes, by creating nationalistic laws on one hand and selling out to commercial interests on the other. This also prepares the ground for an insidious organization to gain more power: the Intelligence or Secret Service. Combining the clout of national pride, immunity from the law (under “national security”), and a black budget, the Secret Service creates havoc in the name of the highest ideals.

This makes the 3-in-1 geographic unit called “India” literally a tinderbox, as both monetary power and national sentiments get locked within the state – giving it both the economic power and nationalistic sentiment to either explode through war or implode through suppressing individuality. This is the current stage of the Indian unit, as shown by the Gujarat model where all three elements are strongly connected and represented by Narendra Modi who is carrying the role of National Ambassador, King and Economist all rolled into one.



The entry of India and Pakistan into the world stage as Nation-States meant that they are subject to an international web of relationships woven on the basis of these units. International alliances, particularly the engagement with the Intelligence services of the different Nation-States have hence followed a predictable pattern.

There are two major sides in the global game currently, one where the Nation and Economy dominate over the State, and the second where the State dominates the Nation and Economy. There have been some key changes that occurred in past 25 years i.e. Russia in 1991 got converted from a State-Economy to a State-Nation, and China transitioned at the same time from a completely closed Communist State to a State-Economy. Even if there are several reforms in the Chinese economy, the State still holds the reins. Hence the four powers on the chessboard are:

Nation-State: Israel

State-Nation: Russia

Economy-State: USA

State-Economy: China

States of Russia and Israel are both strongly rooted to the land, and move little just like the King-piece, while USA and China, just like the Queen-piece, move all over the globe establishing either military bases or corporations. When the Nation-State is imbalanced in any part of the globe, it leads to ethnic conflicts which redraw the State boundaries, a process known as *Balkanization*. When the State’s power is focused over the nation, it leads to the toppling of the regular government and setting up of a *Dictatorship*. When the economic power is utilized to

gain access to a State, it is economic *Colonization*, which is still rampant in Africa today. When the economic power is provided to an ethnic or religious minority to topple a state, it leads to *Terrorism*. These are some of the forces used in the globe to move the pieces on the board.



From the period 1971-1991, India leaned more towards the Soviet Union than USA while Pakistan did the opposite, and following the collapse of the Soviet Union, the global rearrangements have been sharp and quick. India resumed full bilateral relations with Israel, and gradually with USA as well. Israel encouraged the Nationalistic endeavors (with India being the biggest market for Israeli weapon sales) using major alliances with the BJP, while USA encouraged liberalization efforts of the Congress governments in 1991, and enabled Nuclear Commerce exchanges in 2007 and massive trade deals following that. Russia continues to supply weapons to India on a large scale, while trade relations with China have grown significantly. Even though there is considerable overlap between the different spheres, on the whole, these four players and their respective Intelligence Services influence which way India moves.

However, the recent push in relations indicate that India is strongly on its way to becoming a powerful Nation-State-Economy, dreaming the dream of being a superpower and taking center-stage. This would mean that India, on par with Iran, ends up becoming a strategically placed time-bomb on the global stage, just as Austria-Hungary was about a century ago. The world has not learned from its misadventures in Europe at the time, and has willingly or unwillingly continued along the same path with greater speed, with little regard for the realities of social life. India has followed suit, becoming, as one writer has put it³⁰, a 'Burning Train' going blindly out of control. No amount of sloganeering, whether it is "Garibi Hatao", "India Shining", "Make in India", or "Swacch Bharat" will make an iota of difference in front of the dynamics of actual social forces in the world, or prevent the dream of superpower from becoming a nightmare.

The only way out of the Great Game is not by graduating from being a pawn to being a King or Queen, but by getting out of it altogether. The Chessboard has to be abandoned. It is important to understand that the current collection of Nation-States is an elaborate prison, while people who do not understand how the doors work believe it to be an apartment complex. This chimera of

³⁰ See article *India: The Burning Train* by Satya Sagar (<http://www.countercurrents.org/sagar150813.htm>)

“national progress” can only be safely directed by dispelling the myth of a unitary India and pointing out the nature of the prison in which it has been caught.

India the multi-cultural Nation can have no boundaries, and can be chosen just as one chooses a religion. When depoliticized, Bharat Rashtra can no longer be a political weapon, and will also encourage independent scientific investigation of our cultural heritage – which has not been sufficient so far to counteract the religious extremism. In addition, cultural exchange can proceed without mental barriers, without considering British culture to be “foreign” or “manipulative” by projecting the image of the British Raj on all aspects of British life. Allowing the Ramayana and Mahabharata to mingle sans politics with Tolkien’s Ring Saga or JK Rowling’s world of magic would allow the best of both streams to respect and nurture each other.

India the State can have boundaries only under the justification of administrative convenience and safeguarding of human rights. Without nationalistic fervor to back it up, militarizing would no longer feed the national ego but would simply do its job for the common man’s stability, just as the army works in case of a natural disaster. India’s economy, similarly, can no longer restrict itself to national boundaries, nor will it have to corrupt the State and buy out the press to make a profit, but can work on its own terms and in cooperation with the Indian culture. It can then uphold the unique economic trusteeship principles of India, as well as apply its closed village economy model to the global village. This way the culture and economy do not choke each other, but rather enliven each other.

It is only when a small region understands the necessity of the threefolding approach, and actually begins to apply it, will the social life get a chance to express its true nature. India is not simply India, but three ‘Indias’ struggling to express their own true nature, as a trinity. This will bring out the true meaning of the tricolor of India, where each color stands for a different stream altogether. Just as the stream of time has a past, present and future, India too has different obligations towards each one of them. It is time to get out of the game, and enter real life. In the words of the poet³¹:

The temptation which is fatal for the strong is still more so for the weak. And I do not welcome it in our Indian life even though it be sent by the lord of the Immortals. Let our life be simple in its outer aspect and rich in its inner gain. Let our civilization take its firm stand upon its basis of social cooperation and not upon that of economic exploitation and conflict. How to do it in the teeth of the drainage of our life-blood by the economic dragons is the task set before the thinkers of all oriental nations who have faith in the human soul. It is a sign of laziness and impotency to accept conditions imposed upon us by others who have other ideals than ours. We should actively try to adapt the world powers to guide our history to its own perfect end.

³¹ Rabindranath Tagore, *Nationalism in India*, 1917

