

The Code of Dandamis

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INTERESTING encounters have been recorded by Greek historians who accompanied Alexander in his expedition to India. The most admirable feature of Alexander's unsuccessful invasion was his interest in Hindu philosophy. He had heard about a great Brahmin Sanyasi by name Dandamis. He sent his aide Onescratus to bring Dandamis to him. When Onescratus encountered Dandamis in the forest, he gave him the message that

"Alexander, the sovereign Lord of all men, the only son of the mighty God Zeus has ordered him to come to him. He will give you gold and other rewards but if you refuse, he may behead you."

When Dandamis heard that, he did not even raise his head and replied lying on a bed of leaves,

"God the Great King, is not a source of violence but provider of water, food, light and life. Your king cannot be a God, who loves violence and who is mortal. Even if you take away my head, you cannot take away my soul, which will depart to my God and leave this body like we throw away an old garment. We, Brahmins do not love gold nor fear death. So your king has nothing to offer, which I may need. Go and tell your King, that Dandamis, will not come. If he needs Dandamis, he must come to me."

When Alexander came to know what Dandamis' reply was he went to the forest to meet Dandamis. Alexander sat before him in forest for more than an hour. When Dandamis asked him, why he has come to him because –

" I have nothing to offer you. Because we have no thought of pleasure or gold, we love God and despise death, whereas you love pleasure, gold and kill people, you fear death and despise God."

The conversation that followed between them is recorded by Greeks as the famous Alexander-Dandamis colloquy.

Such was the moral caliber of the Indians of yore.

Centuries later, on the very same sands, another encounter took place. 711 A.D., – Muhammad –Bin-Qasim, an Arab invader assaulted Debal (Sindh and parts of Punjab of modern day Pakistan) the outermost Hindu kingdom of Bharatavarsha – Debal, ruled by Raja Dahir. The fearful assault of the Arabs was repulsed and the frustrated enemy was soon tiring. However, one night, the Brahmin priest of the main temple of Debal, sneaked into the enemy camp and divulged the secret that the flag mast of the temple contained a talisman that was protecting the kingdom. The next day's attack concentrated on the destruction of the flag mast. The successful invader, captured the kingdom and thus commenced, centuries of **FDI – Foreign Direct Invasion.**

Thereafter, a long trail of foreigners ravaged India for centuries – Arabs, Turks, Persians, Mongols, Afghans, Central Asians, Portuguese, French, Dutch and the English. The last of the foreigners – the English, used trade and commerce as a façade to conquer unsuspecting small kingdoms. The East India Company conquered India with ease. Those who dared to resist were overpowered by the Army with support from mercenary traitors.

The known economic history of India begins with the Indus Valley civilizations. Around 600 B.C., the Mahajanapada minted punch-marked silver coins. By 300 B.C. the Mauryan Empire united most of the Indian subcontinent. The political unity and military security allowed for a common economic system and enhanced trade and commerce, with increased agricultural productivity.

India produced its classical civilizations such as the Rashtrakutas and Hoysalas. During this period India is estimated to have had the largest economy of the ancient and medieval world between the 1st and 17th centuries AD, controlling between one third and one fourth of the world's wealth upto the time of the Marathas, from whence it rapidly declined during European rule.

The Hyndman: Report on India of the Social Democratic Federation (Great Britain), Stuttgart (1907) gives a revealing insight into the deleterious effects of foreign rule:

RUIN OF INDIA BY BRITISH RULE

The British Empire in India is the most striking example in the history of the world of the domination of a vast territory and population by a small minority of an alien race. Both the conquest and the administration of the country have been exceptional, and although the work has been carried on, save in a few directions, wholly in the interest of the conquerors, we English have persistently contended that we have been acting really in the interests of the subdued peoples. As a matter of fact, India is, and will probably remain, the classic instance of the ruinous effect of unrestrained capitalism in Colonial affairs. It is very important, therefore, that the International Social-Democratic Party should thoroughly understand what has been done, and how baneful the temporary success of a foreign despotism enforced by a set of islanders, whose little starting-point and head-quarters lay thousands of miles from their conquered possessions, has been to a population at least 300,000,000 human beings."

Another work "The Rise And Fall Of The Great Powers-Economic Change And Military Conflict From 1500 TO 2000" by Paul Kennedy, a professor of history at Yale University is about the changing balance of power in the past 500 years. The book explains the interaction between economics & strategy and relates military conflicts to economic progress. As the author puts it,

"Wealth is usually needed to underpin military power and military power is usually needed to acquire and protect wealth".

THE RISE OF THE WESTERN WORLD

In 1500, few could have predicted the tremendous economic progress the western world would make. Compared with other great centres of cultural and economic activity Europe's relative weaknesses were more apparent than its strengths. But Europe went ahead due to a combination of circumstances. The decentralized, largely unsupervised growth of commerce and merchants and ports and markets allowed economic progress to take place unhindered.

In Europe, there were always some authorities willing to tolerate merchants and their ways even when others plundered and expelled them. Gradually, most of the regimes of Europe entered into a symbiotic relation with the market economy providing domestic order and a non-arbitrary legal system. In return, they received taxes."

Our present day is witnessing a hot debate about permitting FDI – now known as Foreign Direct Investment (not Foreign Direct Invasion). India is now facing a situation

where higher growth is a problem and lower growth is also a problem. India's GDP is expected to grow at 4.9% for 2012-13 as per the International Monetary Fund (IMF). The IMF growth forecast for India is the most pessimistic of the lot with every other agency, except the RBI and the government (at 6.5% levels), forecasting growth for the country between 5.5% to 6% range.

India's fiscal deficit is expected at around 5.3% of Gross Development Product (GDP) and above for 2012-13 against budgeted levels of 5.1% of GDP. India cannot spend more and increase the fiscal deficit as it will take up inflation which at 7.8% for September 2012 is the highest for calendar 2012. Higher fiscal deficit will also take up government bond yields, leading to rising cost of borrowing in the economy. India is grappling with high inflation, high interest rates and a slowing economy.

However, pulling up growth is a difficult task and the government has decided to seek foreign direct investments to push growth higher.

For this purpose, the government has come out with some reforms of allowing higher FDI in a few protected sectors such as retail, insurance, pension and aviation.

But, can the debt-ridden European governments or a weak American economy invest in India? As world economy is slowing these nations are seeking new territories to market their products through giant retail enterprises. Huge supermarket chains are eyeing India and its vast market as a lucrative hunting ground. And what are they going to market here, - wines, liquor, cheese, olive oil, iconic cars and bikes.

The latest press reports are revealing as to what is sought to be marketed in India:

CARS, WINES FROM EU SET TO BECOME CHEAPER

Come 2017, you can hope to drive in the latest Audi or BMW at a considerably lower price as the government may lower the import duty to 30% by then and scale it down further to 20% in 2020 as part of the Broad-based Trade & Investment Agreement (BTIA) with the European Union.

Similarly, customs duty on "high-end" wine and spirits is proposed to be slashed to 30% from the near 150% levels now. Although the move may not be palatable to local players, for consumers, this could mean as endless party as anything that costs over USD3.75 a bottle is likely to be subjected to lower import duty.

In case of automobiles, when to reduce import duty to 30% is a bone of contention. The 27-nation bloc is demanding that the levy be slashed to that level in 2017 itself, while Indian negotiators had got the Trade & Economic Relations Committee headed by the Prime Minister to agree to the cut some time around 2022.

The current tariff for import of automobile is 100%, although the notified rate, which is applied to new cars, is 60%."(Ref: The Times of India, November 12 th 2012)

Another potential market is in alcoholic drinks. A report states

"Alcohol consumption is absolutely and visibly on the rise in India. Yet, the untapped market is huge because only 22% of men and 2% of women in India consume alcohol. Therefore, the foreign liquor companies see huge potential here."

In fact, according to TIME Magazine, India's market size of USD14 billion in 2009 was projected to grow at 10% per year, exceeding the market growth for alcohol of China,

US and Europe combined! One that smart liquor, wine or beer companies anywhere in the world would be foolish to ignore. And, they aren't.

Foreign retail chains prefer access to new markets, away from the ones that are saturated. India, with its 1.2 billion population is an ideal investment haven.

In anticipation of the expected bonanza, various study reports are in circulation, like this one for instance:

"China-India consumer spending to triple by '20

Combined USD10 trillion a year will be spent.

Consumer spending in emerging market powerhouses China and India is expected to triple by 2020 to a combined USD10 trillion a year potentially helping to boost economic growth and corporate profits in the developed world, researchers said on Tuesday.

The study done by Boston Consulting Group (BCG), is based on a survey of 24,000 consumers as well as interviews with business leaders. The business strategy consultancy predicts consumers in China and India will spend a combined total of USD64 trillion on goods and services in the decade leading upto 2020.

Annual spending on consumer goods will be three times the level spent in 2010, according to the book The Trillion Prize: Captivating the Newly Affluent in China and India.

"We are at a turning point in history where relative wealth will shift from the West to China and India, but absolute wealth including in the West, should increase", said Michael J. Silverstein, a senior partner at BCG and the book's co-author." (Mail Today, October 3 rd 2012)"

But, see how we can be misled and unsuspecting citizens tormented by money hungry foreigners. Indore based NGO 'Swasthya Adhikar Manch' alleged that foreign multinational companies were using Indians as guinea pigs for clinical trial of their newly patented drugs.

The NGO quoted a parliamentary committee report which said 2,374 persons died during such trials between 2007 and June 2012 and that families of only 37 victims had been paid meager compensation in 2010-11.

The NGO said the foreign pharmaceutical companies holding patents of New Chemical Entities (NCEs) use developing countries as soft targets, given the low cost and absence of mechanism to fasten liability on them for mishaps, for finding out the efficiency and side-effects through clinical trials." (Ref: SC: Give Info on clinical trial deaths – MNCs Use Indians as Guinea Pigs – The Times of India – October 9 th 2012)

How quickly we have forgotten the Bhopal Gas tragedy, and Enron? The mischief makers are safe in their country, protected and rolling in incredible wealth, while many victims struggle here to meet even their paltry medical bills.

Are we really not able to generate wealth here? Then consider this:

"BCCI among richest sporting bodies, boasts of Rs.5300 crore revenue"

The Board Of Control For Cricket In India (BCCI) confirmed its status as one of the

richest sporting bodies in the world, with annual report of 2011-12 boasting of USD1 billion or Rs,5,300 crore revenue.

The BCCI generated a standalone income of Rs. 850 crore, a jump of 46.2% in 2011-12 over previous year. But when clubbed with other income including those from IPL, T-20, BCCI generated an income of around Rs. 2,400 crore, over 10% jump from 2010-11. The stand alone net surplus of BCCI also went up against Rs. 189.73 crore in 2010-11." (Ref: The Financial Express, October 5 th 2012)

A sporting body has raked up so much of revenue without any foreign support or investment, how?

Not convinced, dear reader, then consider this:

"Goa's Casinos: It's all black

"It's a mind boggling parade of a lot of the nation's black money. Money dumped into floating and land casinos in Goa by a growing number of heavy rollers, funded by hawala operators, cricket bookies and the most influential money dealers called the Junket Kings.

*Over 3000 crores rolled annually in off shore and on shore casinos, less than 30 crores paid as taxes,

*Amount close to the entire annual spend of Rs 4200crores of the Goan government.

*Cricket bookies and junket agents pump crores. "(Ref: The Goan, November 3 rd 2012)



It means incredible wealth is floating here in this country. All that we need is visionaries like Chanakya to lead us. We need Chanakyas in politics, bureaucracy and in Judiciary. Chanakya envisioned India as a nation which would place itself as the forerunner – politically, economically and socially. His magnum opus, "Arthashastra", depicts in many ways the India of his dreams.

Although, he lived around the third century BC, his ideas and principles show concurrence and validity in the present day world. His foresight and wide knowledge coupled with politics of expediency founded the mighty Mauryan Empire in India. Even today, one of his maxims on taxation is very much alive and calls for adherence by the governments of the world. According to Chanakya, "Taxation should not be a painful process for the people".

Some of his important prescriptions for a country are:

- * *"A self sufficient economy should not be dependent on foreign trade."*
- * *"An egalitarian society where there are equal opportunities for all"*
- * *"The state should monitor the most important and vital resource – land."*
- * *"Laws of the state should be the same for all."*

** "Security of the citizens is very important, because, state is the only savior of men and women, who get affected, only because of the negligence of the state."*

Every word spoken by Chanakya is valid even today, perhaps even with greater relevance.

If FDI and ultimately foreign multinationals are to decide the economy, our politicians like kings of yesteryears would be having an intercessory role only. They would be rendered impuissant as the control of the economy would have slipped into the hands of foreign multinationals. Politicians would become mere canvassing agents. Newspaper leaks in Western countries reveal how former French President Nicholas Sarkozy and British Prime Minister Tony Blair collaborated with slain Libyan leader Col. Gaddafi to facilitate multi-billion pound deals. (Ref: DNA, October 2 nd 2012)

Politicians would become agents for multinational supermarket chains, just like our erstwhile Maharajas and Nawabs who were reduced to mere agents of the British. The story of our slavery to foreigners of all kinds is spanning over 1000 years.

Our track record of handling foreigners is not inspiring, rather, they have conquered, controlled, manipulated and subjugated us. They came as traders and went on to become conquerors. Our over 1000 years of slavery is proof that we cannot deal with foreigners adroitly, rather they have suppressed and oppressed us successfully.

Let us not forget the trenchant observation of George Santayana that -

"Those who forget to read History are condemned to repeat it."

(The views expressed are strictly personal)

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