

Relevance of Gandhian Economy in The 21st Century: Principles and Practice

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Abstract

Gandhian economy is mainly based on decentralization, non-violence, self-sufficient village unit industries, swadeshi, the theory of trusteeship, social justice, full employment, harmonious labor-capital relations etc. These, in turn, would solve the problems pertaining to labor, capital, production, distribution and profit etc. Since 1991, we are following market-oriented free economic system but the old problems are yet to be solved and higher growth remains to be achieved and hence there is an urgent need to find out some other alternative solution to the present economic problems. Economists like Gunnar Myrdal are of the opinion that socio-economic problems of India and other developing countries can be solved to a great extent by following Gandhi's guidelines and principles.

Keywords: Decentralization, full-employment, non-violence, self-sufficient, trusteeship.

1. Introduction

The first basic principle of Gandhi an economy is a special emphasis on plain living, high thinking which helps in cutting down the expenditure and being self-reliant. The second principle of Gandhian economy is small scale and locally oriented production using local resources and to meet local needs so that employment opportunities are made available everywhere promoting the ideal of sarvodaya. The third principle of Gandhian economy is trusteeship principle in order to get the basic needs and welfare of all. The three principles mentioned above, when followed are expected to minimise economic inequality. Gandhi emphasized on cottage and small scale industries which have significant importance for the development of the socio-economic condition of the common people. He has proposed very constructive economic ideas so that these ideas are required to implement in practice. India would have been relieved many socioeconomic problems and issues. In the age of globalization Indian society is facing many socio-economic problems on account of large scale industries and mechanization. In such scenario, there is urgent need to rethink over Gandhian economic principles and practice. Gandhian philosophical ideas came to shape his ideas on the economy centrally because economy is the basis of the society. Therefore, his economic principle revolves around the following normative ideas:

1. Economic process must work towards equality and non-exploitation on the basis of Marxist economy.
2. It must be consistent with full employment on the foundation of communist principle.

3. It must provide low priced consumer goods which satisfy the needs of the people on the principle of socialism.
4. All those industries with sophisticated technology must be in the public sector which based on modern technology.
5. No mass production without equal distribution which cannot lead to socialist economy.

According to Gandhi, the two cardinal principles of economic thought are the promotion of equality together with social justice .For the purpose of the three principles which he prescribed are:

1. Non-possession i.e, economic policies to be pursued on need-base and not on the want base.
2. In equality arises which irrational desires to have more than what one wants.
3. In technologically advanced countries, people do not consume good in the same proportion they produce: labor-intense technologies are to be preferred to the capital-intensive ones.

Gandhi's economy stressed one quality, social justice, full employment, harmonious labor-capital relations etc. The last two centuries produced a good number of social thinkers and scientists. Marx offered an alternative to the capitalistic system articulated by Adam Smith, the classical economist. He called it communism which is the socio-political-economic system of the country. Socialism lies in between capitalism and communism. Capitalism gave rise to colonialism and exploitation of the poor against Gandhi fought all through his life. He strongly opposed capitalism as much as communism because there is no individual freedom. According to Gandhi, the individual freedom, dignity and satisfying life were more important than mere economic progress, which both capitalism and communism promised to deliver .Anything that did not liberate the man was unacceptable to Gandhi. Besides he contributed not only to the political thought but also to the economic sphere. Once again his economy can be divided into two parts broadly such as, i) moral approach to economy i) swadeshi economy. Gandhi was not only in favor of decentralization of power in the political field but also stood for economic decentralization of power in the favored of cottage industries but stood against individual basis of large scale industries because it leads to large scale production which in turn to the exploitation no flavor by capital. Actually he was not an economist but his economy programme was based on the ideal of self-sufficiency. Man was the final consideration so that he wanted economic progress through small scale industry and large scale industries should be in the hands of public sector only but not the private sector which is the most important central idea of the Gandhian economy. On the other hand, Gandhian economy is mainly focused on the traditional Indian economy which can give employment to millions of Indian masses and produced a basic need whatever is required. He advocated non- violence and hence his economy may be called economy of non- violence which is based on the classical economy.

Statement of the problem

The genres of literatures produced so far discuss on Gandhian economy which found different viewpoints written by different writers. Generally, I feel the idea of sustainable economy so that it is quite challenging and also inspiring me to take up the present research paper on "RELEVANCE OF GANDHIAN ECONOMY IN THE 21st CENTURY: PRINCIPLE AND PRACTICE". So this study is still

Lagging behind and quite distinct from the others' write ups.

Relevance of the study

Gandhian thoughts are more relevant even today because both nationalization and privatization have failed to solve many problems like poverty, unemployment, inequality, environment degradation and so on. Growth programmes based on science and technology which are material centric but not human centric and hence, there is a need of rethink about Gandhian self-sufficient village economic model to solve all our problems and issues.

Major finding of the study:

Gandhian economy is mainly based on sustainable development.

It is critical of the conventional ways of economy about human beings and their proper place in the natural world.

It is constructive for it aims to outline the institutions of a society that values the natural world, practices sustainability and attends to long-term implication of present economy policies and strategies.

Objectives

To find out the possibility of the applicability of the Gandhian self-sufficient village economy as an alternative to present economy.

To examine the relevance of Gandhian model of self-sufficient village economy in the 21st century.

To find out relationship between self-sufficient village economy and balanced economic growth.

To suggest alternative model for balanced economic growth.

Methodology

The study is based on secondary data. The secondary data are collected from the printed books, journals, magazines, newspapers and documents.

Different facets of Gandhian economy

(a) Decentralization as self-sufficient village economy

Gandhi warned about the dangers of crores of people living in densely packed towns. The growing concentration in towns and cities as a result of urbanisation and the ever widening the gap between the few very rich and very poor has resulted in a milieu in which crime, violence, exploitation area regular feature of uban life. The Gandhian solution, therefore, is “every village to provide and use all its necessities and in addition produced a certain percentage as its contribution to the requirements of the cities1’’. Gandhi believed in small-scale decentralized and small-scale cooperative organization to correct the evils of centralised industries. The decentralisation of economic power through the development of cottage and village industries was a means to eradicate the concentration of economic power in a few hands2. He was against the growing income and wealth disparities arising out of the growth of large scale industries. In the stage of development people can enjoy the fruits of development with social justice; everybody has an equal opportunity for capability expansion and enjoyment of full freedom3.

(b) Relevance of trusteeship and swadeshi

The Gandhian concept of trusteeship, unlike the capitalist system, does not permit an owner to misuse his wealth. He is the owner of only that portion of the income which is necessary for his existence, it being fixed by the state. On the one hand, Gandhi an economy keeps the check on exploitation and on

the other it strikes at the very root of misery by trying to convert the present man in a self-sufficient and decent man believing in non-violence and dignity of labor. Gandhi was of the opinion that, “the rich people who have accumulated excessive wealth should distribute it for maximising the welfare of the rest of the community. The wealth really belongs to the entire community. Wealthy people should consider themselves to be the trustees. However, no force should be used to acquire their wealth. Their wealth should be used properly, through their consent as trustees⁴”. Swadeshi thinking is necessary to protect the interest of mass people. The craze for foreign articles among the country’s elite has no limit. Their possession has become a status symbol. Such an attitude is not a healthy one; it will hamper the country’s progress and development. We lose our individuality and become slaves once again. Therefore, we must revive the spirit of Swadeshi and encourage the use of Indian goods, Indian resources and modernize indigenous technology. Swadeshi in consumption is essential for evolving a self-reliant economy. The positive content of Swadeshi should be used as the corner stone for there construction of our economy. The principle of swadeshi is not based on narrow and regional consideration. If everyone makes use of locally produced goods all the goods produced in the world will be locally consumed. According to Dr. Bhole L.M. “swadeshi is the philosophy of political, economic, administrative and technological decentralisation and diversity. It requires, among other things, the development and use of the simple, soft labour-intensive, non-violent, human-faced small scaled, decentralized, indigenous, local technologies for which international technology transfer is required next to nothings⁵”. The modern development has not been in a position to deal with the problem of unemployment successfully. The problems of under employment and seasonal unemployment also have become more acute because of the destruction of small allied economic activities. Swadeshi would help in solving the problem of unemployment and under employments in respect of both the aspects -quantity and g quality.

(c) Sarvodaya as an economic development

In Gandhian economy, there are two stages of achievement of the final goal of human development. The first stage is attainment of political in dependence and second, the economic self-sufficiency of the basic needs through the regeneration of village and cottage industries that can ensure a critical minimum level of income for every family. At the first phase of development, swaraj will, therefore, ensure political in dependence as well as economic security and independence. The second stage of development is a higher stage marked by a better quality of life and equal opportunities for the development of all. In the same line, Jayprakash Narayan writes about sarvodaya, “what we desire is the establishment of a society in which there will be no exploitation, there will be perfect equality and each individual will have equal opportunities for development. He further added sarvodaya aims at a classless, casteless and non-exploitative society⁶”. Sarvodaya is neither dreamy nor idealistic. It is pragmatic and can be put into practice. It aims at reducing inequality in society. Friendship, respect, sympathy for every human being is the path of sarvodaya. Sarvodaya wants to create a society, which will be casteless, classless and devoid of exploitation and in which every individual as also community will find scope for its all-round development. Truth and non-violence would make it possible. According to sarvodaya material progress is not enough, man must attain spiritual progress also. Social justice, equality and new social structure are the important aspects of sarvodaya. In this context, Justice Chandrashekhar Dharmadhikari says, “the concept of justice can be basically moral and human only. Man’s right to live is his birthright and it includes living with dignity because undignified living cannot be human. For this purpose, there will

have to be social structure, which will make for justice in all walks of life. This is what Mahatma Gandhi had called cent percent swadeshi. He has alluded to seven social sins in this respect⁷". The progress of science says Justice Chandrashekhar Dharmadhikari, has no doubt provided newer and newer life-saving drugs and instruments; man's life span has gone up. Yet more than 'life-saving' drugs and instruments it is the life-taking" -killing-weapons that have been produced. Non-violence is a social value. No one should kill a fellow being for any reason. Hence, Vinoba Bhave had worked out an equation: Science + Violence = Total Destruction: Science + Non-violence = Sarvodaya. If this equation is considered in relation to the prevalent circumstances, it shows how sarvodaya is relevant to modern society. To some people, sarvodaya appears as an indulgence in a dream or utopia. Dr. Indu Tikekarhas refuted this opinion with various arguments. According to her, "the classless and free from exploitation society that will emerge after sarvodaya cannot be called an indulgence in dream⁸". His concept of development was very broad, encompassing not only economic development but also social and human development. Economic growth without human welfare of all is not a development at all and hence the Gandhian concept of development may be stated in a formula as: Development= Economic Growth + Sarvodaya. Gandhi was of the opinion that human resources should be the focal point of planning and policies. He said that, "I heartily believe that any such policy which uses only raw materials and ignores powerful human resources is merely a waste and human equality can't be established in such manner⁹". Gandhi's concept of development is based on the provision of basic needs for all the people in the country. Unless poverty and unemployment are wiped out, Gandhi is not prepared to accept that the country has really attained prosperity and freedom. For Gandhi:- "Real wealth does not consist of jewellery and money, but in providing for proper food, clothes, education and creating healthy conditions of living for everyone of us. A country can be called prosperous and free only when its citizens can easily earn enough to meet their needs¹⁰. "His programme shows three stages of development. In the first stage of rural development, the aim was to reconstruct the villages through the development of village industries and handicrafts (Khadi) to generate more employment and income and to reduce the level of overall poverty. The basic idea was to make village self-sufficient and self-reliant. Gandhi wanted self-reliance in everything. In the second stage of development under Swaraj, it would be necessary to eliminate the colonial structure and attain Swaraj. This stage also aimed at eliminating the city-village dichotomy through decentralisation. The workers would arm the means of production in this stage. In the last stage there would be sarvodaya or benefit of all classes of people; their basic physical needs would be provided for, and there would be enough scope for the development of body, mind and spirit. Gandhi's development paradigm follows the principle of balanced development. It would be a stage of holistic balanced development.

(d) Role of the state as Ram Rajya

According to Gandhi, political power means capacity to regulate the life of the nation. through its genuinely elected representatives. In. course of time it is expected that the national life would become so perfect that it will be self-regulating. But till the perfect state of statelessness is arrived as Gandhi suggested the reorganization of existing political system on the basis of non-violence and decentralization Gandhi was against assigning any important role to the government. He believed that the society would be just not only when it is casteless and classless but also when it is stateless. According to his greatest harm to mankind by destroying individuality, which lies at the root of all progress. Centralization of power was a sin and violence to him. Gandhi, therefore, wanted a democratic

government based on non-violence and decentralization of power where man is supreme and the state is only a servant. He called it Ram Rajya. Gandhi further advocated for Ram Rajya where the princes and paupers interest were protected which is called Praja Raj.

Conclusion

Most of the contemporary problems are due to capitalist, urban and large industry -oriented economic programmes. The solution to all these problems lies in adopting Gandhian economy. Implementation of economic reforms did not bring substantial changes due to the most of the developing nations are facing many fold economic problems today. This global failure of economic reforms has forced developing countries to search for a new alternative. Gandhian economy seems to be the most probable one. No country in the world has followed this pattern for socio-economic reforms. We need to have Gandhian reforms rather than economic reforms. In short his economy focused on the idea of human understanding, trusteeship without exploitation of men by men along with full employment, low priced consumer goods, equal distribution with social justice, harmonious labour-capital relations so that his economy policy was nearer to the socialist economy in spirit rather than capitalist economy.

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