

INDIAN ECONOMY AND GANDHIJI

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ABSTRACT

Economics related to Gandhiji is such thought of economy which is based on spiritual and socio-economic principles which was founded by greatest economic leader Mahatma Gandhi. There is no distinction between economics and ethics drawn on the basis of Gandhian philosophy. Such an economy the objective of which is to hurt wellbeing of an individual related to morality is not considered good and is considered sinful. Industries should not only focus upon paying dividends to its shareholders but it should also have an effect upon its employees and their mind, soul and body. According to Gandhian Economics more impact should be upon man rather than on money. Indian economy based on Gandhian principle is having the characteristics of rejecting the concept of human as such an actor who is rational and is trying to maximize self-interest which is the base of classical economic thinking.

Keywords: Gandhian, Trusteeship, Liberalization, Non-Violence, Privatization, Globalization.

Introduction

Indian Economy which is based upon Gandhian principle is based upon decentralization and self-sufficient villages and such industries should be established which are nationalized. Such economy should also be based upon trusteeship. The economy which is based upon such principles should solve the problems related to labour, capital, production etc. In the year 1991 when liberalization policy was adopted problems disclosed above could be solved easily. There is a need to find some alternative solution to solve the problems related to Indian Economy. Although many problems are solved by Gandhian principle there are many more to be solved by the adoption of Gandhian policy and by adopting some alternative means for the solution of economic problems. The concept of trusteeship which was propounded by Gandhiji seeks non-possession of property. For the purpose of economic welfare there is a need for non-possession of property by an individual. In practical life this concept of trusteeship could not be adopted because if we see in the real course of life almost all individuals are very much attached towards their wealth.

Review of Economic Model of Gandhiji

All the regions of the country should be developed simultaneously for the purpose of smooth development of the economy. Balanced development of all the regions results in overall progress of entire economy. There is huge regional disparity in India. Some states are economically developed while some are backward. In a State also some districts are backward than the rest. Theory of Gandhiji is more relevant as one hand it leads it leads to self-sufficiency and on the other hand each region will receive uniform economic pattern. Standard of living of all the people living in the country should be increased by exploiting human and natural resources in an ecofriendly manner.

Economists are of the opinion that problems related to socio-economic and problems of other developing countries can only be solved by following guidelines prescribed by Gandhiji which are as follows:

- **Relationship between Self:** Sufficient economy of village and economic growth which should be balanced and it must be find out.
- **Applicability of Gandhian Self:** Sufficient economy as an alternate to present economy should be find out.
- Alternative model for balanced economic growth should be find out.

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Thoughts prescribed by Gandhiji are more useful today also because even nationalization and privatization were unable to solve many economic and other problems such as unemployment, poverty, environmental degradation etc. Developmental programs are based on science and technology which are centered around material and do not keep into consideration about human. Therefore, there is always a need to rethink about values prescribed by Gandhiji.

Following criteria are decided to test the performance of system of Gandhiji.

- Human needs should be identified and it should be fulfilled.
- Basic needs of every unit should be self-sufficient.
- Poverty eradication should be done and affluence should be minimized.
- Production should be done on the basis of need through small scale units.
- Economic powers should not be concentrated.

Gandhiji was of the view that work is not only an economic activity but is also essential for spiritual growth. He believed that India should have its own economic policy and should not follow the economic policy of any other country. Views of Mahatma Gandhi related to economy were basically of humanitarian in nature which were basically related with the workers of factory, and the unemployed persons. There are some of the beliefs of Mahatma Gandhi which are considered true even today and are as follows:

- **Swadeshi:** According to Mahatma Gandhi true India lived in villages and therefore he laid emphasis upon the development of villages as self-sufficient. He stressed upon the growth of rural economy such as growth of handloom, khadi and handicraft industry. Labour in rural industries were basically family labour and requirement of capital was also less. Selling of goods was also in the local market. Gandhiji laid emphasis upon the setting up of cottage industries and he also emphasized for the use of rural products. Employment and income of the people in the rural area will increase and there will be equality and justice for the rural people.
- **Each Individual will get Profitable Employment:** Gandhiji promoted the use of Charkha and through the use of Charkha people living in the rural area can earn their own livelihood, will be self-reliant. He also favoured for the dignity of labour and he wanted to remove the evils of the caste system and to remove the boundaries between mental and manual work.
- **Wants should be Limited:** Gandhiji basically advocated that wants of human beings should be curtailed and he said that "Nature produces enough to meet the needs of all the people, but not enough to satisfy the greed of any man." Previous classical theories of economics focused on expanding the space for the goods and upon satisfying unlimited wants of human. Two measures were suggested by Gandhiji out of which first was that everyone get sufficient work to satisfy his needs and second measure was that means of necessity production should be kept under the control of the public.
- **Economy should be Decentralized:** Gandhiji was of the view that the result of large-scale production would be profit oriented and it will cause a harm to the society. Violence could also be avoided by decentralization. Factors of production should also not be centralized in a particular area because there are many evils if the factors of production are centralized in a particular area.
- **Technology should be Appropriate:** Gandhiji wrote in 1946 that, "I am not opposed to machinery as such. I am opposed to machinery which displaces labour and leaves it idle." He was not against the use of machinery but he encouraged the use of such machinery and instruments that saved individual labour. He believed that the use of technology will be considered good if does not lead to unemployment.

Following are some of the main ideas of Gandhiji which had its impact on Indian Economy:

- **Economy based on Non-Violence:** Gandhiji always believed upon the principle of nonviolence and therefore his economics was also called as non-violence economics. Gandhiji believed that even if there is violence in any minor form it will result in violence in major form. We can see that in Capitalism there are always chances of workers being exploited and if there is exploitation of workers it may result in form of violence which leads to strike and lockout and thus economy will be put to hold.
- **Khadi Industry:** It was the belief of Mahatma Gandhi that since India is a very big country It therefore the increasing demand of the people of India could not be increased by increasing the number of cloth mills. Due to that problem he gave more stress upon the development of Khadi Industry. He believed that Khadi could be used as a symbol of pride for the people of India and would give economic freedom to the people of India. It will also create equality among the people of India.

- **Use of Machines:** Gandhiji believed that use of Machinery would have an adverse impact upon humanity because use of machinery would lead to frustration, unemployment and many more social problems will also emerge. Also increasing use of machinery would have an adverse impact upon health of a person. The use of machinery will make rich people richer and poor will become poorer. Also, the creativity of man will also be destroyed which can be seen in hand made products.
- **Economic Laws:** In Indian economy Gandhiji believed that that whenever any economic laws are prepared it should always be developed keeping in mind social harmony advancement upon morality. Since the laws of nature are universal therefore there should not be any conflict between laws of nature and economic laws. Economic laws always differ according to different countries, there laws and their climatic conditions. Whereas natural laws are always same in all the countries and in all the conditions.
- **Setting Up of More Cottage Industries:** Gandhiji was against large scale industrialization because he believed that large scale industrialization would lead to many social and economic problems. He believed that more and more cottage industries should be set up and developed which can lead to social equality in the country and also equal distribution of income. He believed that India is having very rich natural resources and optimum utilization of these resources can be done if more and more cottage industries are developed.

After his successful South African initiative when Gandhiji came back to India he found India economy in a condition of trouble. He was in a pain when he found Indian economy broken down by the British authorities. He suggested a two-way action for the solution of this problem. First solution was that Gandhiji had to instill the moral courage so that Indian economy could be economically self-sufficient, Production should be done in a traditional way by fulfilling primary needs in home grown products.

Ethics and Economics prescribed by Gandhiji

No distinction was drawn in Gandian economics between ethics and economics. Such an economy which affects morality of an individual or of nation will be considered as immoral and it will be considered as a sin. In the case of an industry its value will be more by the effect it shows upon the people who are employed in that industry, body and soul of such an employee. As per Gandhian philosophy consideration should be given more on man rather than on money. Basic principle of economic thought by Gandhiji is on simple living and due to it wants of the people will be cut down and it will enable a person to become self-reliant. Emphasis should be given more upon enrichment of cultural and spiritual values rather than only increasing standard of living.

Conclusion

Welfare of worker and providing proper wages to the worker were some of the main areas upon which Gandhiji laid more emphasis. In the weekly publishing newspaper Harijan Gandhiji wrote on 9 June 1946 that all the work which are useful should give equal wages to the workers. If the worker is not paid proper wages due to any reason, then he should be paid at least that much of amount from which he can sustain his life and would be able to fulfill requirements of his family members. If we have a look at thoughts presented by Gandhiji we find that they are more effective even today because the policy of liberalization, privatization and globalization which was adopted by government to solve economic problems is not completely successful and not able to solve economic problems like poverty, unemployment, inequality etc. Various developmental programmes which are based upon Science and Technology are not able to solve various problems related to human beings.

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