
Economic Thoughts of Mahatma Gandhi

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Abstract:

Gandhiji is rightly credited with pioneering Satyagraha, resistance to tyranny through mass civil disobedience and vocalizing a transcendent message that helped the Indian National Congress acquire independence from the British in August 1947. Often forgotten or omitted by standard histories, however, are Gandhiji's idealistic leanings about Ram Rajya a state where there would be no representative government, no constitution, no army or police force. There would be no capitalism, no communism, no exploitation and no religious violence. Instead, a future Indian nation would be modelled off the India of the past. It would feature an agrarian economy, self-sustaining villages, an absence of civil law and a moral framework that would express the collective will of the people.

Keywords:- Economics, Truth, Social, Technology, Ideas.

Intoduction:-

Mahatma Gandhi is known as 'Father of Nation'. History of Indian independence is in a way the life history of Mahatma Gandhi. Before studying the economic ideas of Mahatma Gandhi it may be worthwhile to take note of certain formative influences. Gandhiji was greatly influenced by Tolstoy and Ruskin. 'The Kingdom of God within You' by Tolstoy and 'Unto this Last' by Ruskin has a profound influence on Gandhiji. From the philosophy of Tolstoy he derived the concepts of egalitarianism, simplicity, and asceticism, which later on became the foundation of his economic ideas. Further the idea of 'Bread Labour' popularized by Tolstoy influenced Gandhiji and strengthened his conviction that machine technology should be avoided. This concept of 'Bread Labour' made Gandhiji believe that a man who did not do body labour had no right to eat. From Ruskin he developed distaste for material progress. Anarchists like prince Kropotking developed in Gandhi, hatred against

concentration of economic and political power. The present research paper tries to analyse the economic ideas of Mahatma Gandhi.¹

One of the ways in which Gandhi envisaged a new India involved a fresh outlook on economics – a view that dismissed capitalism for its exploitative excesses and socialism for its connection to industrialization. In fact, Gandhi shunned the idea of capitalist society fraught with opportunities for exploitation and ceaseless competition, eschewing laissez-faire and Keynesian economics. No longer should India rely on a global market based on the freedom of exchange of goods and capital, argued Gandhi. Nor was socialism any more tolerable.²

It is obvious that as is other spheres, Gandhiji's ideas have a marked influence in the economic sphere also. This is so not only because of the general influence of Gandhiji's ideas on the masses of the people, but also because the leaders of the Congress who are now in power have imbibed his teachings, and are naturally trying to put the same into practice as far as possible. It is true that we do not have any definite scheme of economic thought evolved by Gandhiji himself, which can be described as Gandhian Economic Thought. His economic ideas are part of his general philosophy of life; they are reflected in his writings and speeches, mixed up with other related topics; they have to be discerned more in his actions, which must be viewed in their entirety not merely in an isolated way. In other words, one has to interpret Gandhiji's economic ideas and build up what may be described as Gandhian Economic Thought from what he did and said in this connection.³

The world economic order is in “crisis mode”. Well-known companies and banks of USA are declaring themselves as bankrupt, one by one. It is feared that the economy may slide down to the days of “Great Depression”. In this context, it is worthwhile to have a look at the economic thoughts of M. K. Gandhi.

Gandhiji's economic thought is imbibed in his overall philosophy. His approach is holistic and aims at the socio-economic reconstruction of society. Once, Gandhiji was asked to

write down the text of his economic thought, he refused, saying that his framework is based on some basic principles which he applies to solve the day to day practical problems. So it can't be summarized in a few equations. These days, many people tend to ridicule the Gandhian thought as "old fashioned and anti-progress". Gandhiji visualized a total socio-economic reconstruction, so his economic thought must be viewed in this context. A look at the history of mankind reveals that those who dream the impossible dream can actually make it happen. Before Karl Marx wrote "Das Capital", no one had ever imagined that large scale poverty can be eradicated but Marx insisted that his theory is a scientific doctrine. All historians, economists and sociologists of that era rose in unison to condemn Marx. But history tells a different story.

Gandhi, Ruskin Bond, Carlyle....all believed that "Economics sans morality is wrong". Gandhi doesn't give any theoretical model regarding economic development but gives some basic tenets based on which we can decipher what kind of economic structure is the need of the hour. Following are the basic tenets -

- Contrary to the popular perception, voluntary reduction of wants is an indication of development and not the desire to satisfy unlimited wants.
- Each person is not always bent on "Maximizing" his/her profit but wishes that he/she gets enough to save for a rainy day after meeting the day to day requirement.
- Co-operation and not competition is a better principle of life.
- It is inappropriate to look down upon physical labour.
- There is latent talent in all individuals. Each person must have access to enough resources so that his/her basic livelihood needs can be taken care of.
- Too much dependence on the "state" is fatal.⁴

Truth and Non-Violence are the foundation stones of Gandhian Economics thoughts. According to Gandhiji, work is not only an economic activity. It's necessary for spiritual growth. Bapu wanted that India should have its own economic policy. It should not follow any foreign countries policy.

In this paper I would be highlighting on some points:

- Swadeshi
- Mechanization
- Industrialization
- Trusteeship
- Villagism
- Decentralization

Swadeshi:

Swadeshi literally means 'of one's own country.' Swadeshi is defined as that spirit within us which restricts us to use the service of our immediate surroundings to the exclusion of the more remote. It aims at the removal of unemployment and poverty. It doesn't advocate rejection of foreign trade, in fact it advocates a healthy and non-exploitative form of trade. According to Bapuji, Swadeshi is not just good, it does comprise of our culture, tradition and values. Bapu wanted that people in India should have sufficient demand for their produce and therefore, he pleaded for the use of Swadeshi goods. However, it's wrong to assume that Bapuji was altogether against foreign goods. It's clear from his words that says, "It is criminally foolish to produce the goods which are not profitable to be produced in our country, instead of producing them we should import them."

Mechanisation:

Gandhiji had no objection to mechanization of production if it doesn't hurt the dignity of man and self-reliance of villages. He believed that mechanization is good when the hands are few for the work to be done. In a country like India, where labour is abundant, maximum industries should be labour intensive and not capital intensive.

Industrialisation:

Gandhian economics is not based entirely on handicraft and cottage industries. Gandhiji visualized that electricity, ship building, iron works etc. should exist side by side with

village and cottage industries, Industrialization leads to maximum exploitation of man and nature. Industrialization is based on large scale and highly sophisticated technology which leads to unemployment, poverty, urbanization, deforestation, desertification, pollution etc. large scale industries should be owned by the state and administered wholly for public good.

Trusteeship:

According to Gandhi, capitalist and rich should consider themselves as trusty of society and make use of their wealth for the benefits of society which is known as trusteeship. Gandhiji wanted that co-operative system should be developed in India, in agriculture and many other fields so that everyone economic welfare can be achieved.

Villagism:

Gandhiji always said that India can't be developed unless we develop the village of India, there has to be grass root development. In his opinion and which very correct that the process of development in India should being from village level. Gandhiji always profounded that agriculture should be supported by some subsidiary occupation like bee keeping, animal husbandry, khadi, paper making, mud utensils etc. Gandhiji advocated that women should contribute in agriculture and I subsidiary industries or by the way of playing charkha. He wanted that every home there should be charkha which will enable the use of local productive resources and man power able in villages.

Decentralisation:

Gandhiji strongly advocated decentralization of economic system. Gandhiji believed that centralization is the root cause of exploitation which leads to unemployment and poverty in India as the powers are concentration in the hands of few because of centralization. There has been wide gap between the haves and have notes that is rich are become richer and the poor are becoming more poor.⁵

Sarvodaya or the rising of all:-

Sarvodaya means the rising of all in the society. In the economic context, it means the economic welfare of all. Gandhi believed that the followers of non-violence will not stop at the utilitarian principle 'greatest good of the greatest number' but move ahead and achieve the greatest good of all. The rich could uplift their moral statue and walk the ethical path by giving up their privileges and become trustees by dispossessing their wealth for the welfare of all. Gandhi paraphrased John Ruskin's book 'Unto This Last' into Gujarati with the title 'Sarvodaya'. Literally, sarvodaya means the rise of all human beings. The society should function as an organic whole rather than being disjointed into economic classes or social castes. In order to maintain purity in personal life, Gandhi wanted the people to follow vegetarianism and be teetotalers. The practice of non-violence, respect for others religion, serving neighbors and eradicating untouchability were at the core of the principle of Sarvodaya. Gandhi felt, if justice and right wages were given to all, no person will be able to accumulate wealth beyond his requirements. According to Gandhi, women epitomized non-violence. She must enjoy equal rights with men. There should be no illiteracy and disease in the society. Poverty and cowardice shall be banished from the society following Sarvodaya. A Sarvodaya State shall be a secular State. The Sarvodaya program as charted out by Gandhi and supplemented by Dr. Rajendra Prasad, the first President of independent India has the following features:

1. Farmers and workers will be at the center of a Sarvodaya State. There will be no exploitation of the farmers and the workers. To this end, the farmers and the workers should organize themselves.
2. Children will be given basic education and adults will be given basic as well as technical education.
3. Village industries, health and hygiene will be emphasized.
4. The villages to become self sufficient republics.

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5. Every household will spin yarn in the village.
 6. There shall be social justice and communal harmony.⁶

Ethics and Economics

Gandhi's abiding concern remained with the economic conditions of the ordinary Indians. In India, the very first movement - Champaran movement - that he came to lead was related to economy. His work on khadi, village industries, Harijans, health, technology, etc., was all concerned with economic issues. No doubt, these are not economic issues alone. And that itself is a pointer to how Gandhi understood economics - it could not be separate from human condition in its totality, including human relations and human dignity. Hence Gandhi's economics comes bundled with morality. Gandhi said, "I must confess that I do not draw a sharp or any distinction between economics and ethics." Interestingly, perhaps, the only paper that he read at a large gathering of economists (that included Prof. Stanley Jevons, the founder of The Indian Journal of Economics) at a meeting of the Muir Central College Economic Society on December 22, 1916 was entitled, 'Does Economic Progress Clash with Real Progress?' and this paper brings out the core of Gandhi's economic ideas. He clearly places moral progress (real progress, according to him) decidedly above economic progress. He believed that fixation on economic progress is inimical to the 'real progress', though it must not be taken to mean neglecting economic sustenance: "No one has ever suggested that grinding pauperism can lead to anything else than moral degradation." In the world of Gandhi, economic study would be much less concerned with 'what is' and more with 'what ought to be'. In the ensuing discussion to his talk, he reportedly remarked that if an economist did not investigate laws of God and show... how to distribute wealth so that there might not be poverty, he was a most unwelcome intrusion on the Indian soil.⁷

Individual and Society

Gandhi held that there was enough on earth for everybody's need, though, but not enough for anybody's greed. Hence, he laid great emphasis on the individual and his transformation. He writes in Harijan in 1942: "Man's happiness really lies in contentment. He who is discontented with however much he possesses, becomes a slave to his desires. And there is really no slavery equal to that of his desires. And what is true for the individual is true for society." Much earlier in Hind Swaraj, he had remarked: "We notice that the mind is a restless bird; the more it gets, the more it wants and still remains unsatisfied. The more we indulge our passions, the more unbridled they become." Hence, in his view the task of economics is not merely to study human economic behaviour as a bundle of given facts but to work on principles of transformation for a well-ordered society - an indication of which, in his own words, is as follows: "In well-ordered society, the securing of one's livelihood should be and is found to be the easiest thing in the world. Indeed, the test of orderliness in a country is not the number of millionaires it owns, but the absence of starvation among its masses."⁸

Conclusion:-

Six decades down the line, India today faces all kinds of problems across the segments of the population and across the length and breadth of the country. In his times, there were seven lakh plus villages and today we have six lakh plus villages. More than one lakh villages have got transformed into urban areas. There are overcrowded villages and overcrowded cities. Unemployment is widespread both in the cities and in the villages. Poverty is widespread across the country. There is mal-nutrition, disease and early death amongst a large number of poor. Then organic farming and organic food was the order of the day. Today, the affluent is willing to pay double the price for what is called organic food which is sold through the modern retail food chains. What was consumed by the ordinary person until the early 20th century and even today, in the villages, has become fashionable amongst the urban-elite.

It is true that India cannot be isolated from the comity of nation States which are rapidly industrializing and growing and some of these have already become developed and powerful

nation States. India must compete and run along with other to find her place in the sun and to do that India has no alternative but to go along with rapid industrialization and economic growth which means increasing the pace of urbanization or transformation of villages into cities. However, the problem confronted by Gandhi during his times continues to confound us to this day. In the name of modernization, we neither have modern cities nor have we modern villages. What we have today in the name of cities and villages are both moth eaten.

The heavy industry city centric model of development paid lip service to rural development leading to massive rural to urban migration. Today the so called great metropolises of India do not provide any comfort to the ordinary man. The village swaraj model of development could have been implemented in select villages of the country by ensuring sufficient flexibility in the techniques of production so that these villages not only attain self sufficiency but also generates sufficient agricultural and village industry surplus for the growing urban population of the country. More and more villages could have come under the village swaraj model under various five year plans and over the years the village swaraj model could have evolved to be in sync with the changing times without losing sight of the basic objectives. Industrialization, urbanization and village swaraj could have simultaneously taken place and perhaps the growth of overgrown villages and cities with their attendant evils could have been avoided.

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