



Dr. L.N.Sinha's Approach to Welfare Economics

Dr. Madhusudan kumar singh

“Resource Person” PGJMC

University Department of Hindi

B.R.A.B.U. Muzaffarpur

The logical structure of Indian economic thought which has a close bearing on the historical concrete of our national freedom movement constitutes a significant revolution in the sphere of observation and measurement of economic phenomenon to specific problems of specific time and has a considerable influence on the modification and refinement of various complicated economic issues and their pragmatic assessment and solutions to the wider trends of major and pressing features of the Indian economy. Thus, the different economic ideas have grown historically out of changes in the prevailing social conditions which give birth to new economic problems in response to the specific situations and motivates new question and the mode of thinking.

The Late Dr. Lakshminarayan sinha was a distinguished scholar in economic theory with progressive and liberal ideas. He was a disciple of Jayprakash Narayan, one of the greatest thinker leader of activists of modern India. Dr. Sinha specialized himself in the area of the relation between value theory and growth theory. He wanted to integrate distribution theory in the setting of the relation between value and growth. He contributed immensely to the development of the economic faculty and department at Bihar University which has a rich scholastic background rooted in secular thinking on various subjects in ancient India.

The vision to designing a new Bihar and turning the model of development from backward to developed remains. Unmatched among the Economists from Kautilya to Amartya Sen. A prominent Economics thinker and academician Dr. L.N. Sinha was one of the synthesizers who proclaimed the concept of welfare economics. His significant effort on the poverty of Mithila and the resources available in that particular area attracted the mind of different people.

Late Sinha was the economist who focussed attention to welfare economics even before Amartya sen, who got Noble Prize in economics for his sheer effect on welfare and development economist. In contrast to Sinha's Mithilanchal poverty and available natural resources management policy. Mr Sen took the case of people living under poverty in Bangladesh due to famine.



Dr, Sinha has always been concentrically on humanitarian side of any issue. He provided panacea for proper development of mithila including darbhanga, Madhubani, sahran and even katihar Which are the part of Koshi river. Dr. Sinha even provoked the downtrodden people of the region for doing movement for the development of Mithilanchal. He man the Active personality in the formation of L.N. Mithila University Darbhanga.

PROF SINHA'S APPROACH TO WELFARE ECONOMICS

The social approach and welfare judgment have been a subject of intense academic controversy in spite of massive scholarly contributions by a number of noted economists rights since its foundation laid by Alec pigon in 1912 as a special branch of welfare economics.

The well-established contribution of late Lakshminarayan Sinha is his widely recognized views on the Economics of Welfare. To him the failures of positive economics are held responsible for the evolution of welfare economics "The pioneers of both classical and neo- classical schools had faith in the laws of economics they discovered and believed to be inexorable. They had no need, therefore, to denote themselves to what came later to be welfare economics. If positive economics has the adequacy long searched for welfare economics is redundant. Further more, distribution of income is an issue which has baffled analytical efforts of many great economics. It has two aspects : functional and personal. The first is conserved with distribution of output into wage and profit. The second in concerned with inequality of income (wage and profit together) is accruing to individuals. The first, the issue of functional distribution, awaited discovery the true law of economics about it, the second the issue of personal distribution, is largely a matter of social arrangement or social structure as keynes called it. Much depends on whether means of production are under private of public ownership, whether these are concentrated in a few private ownership. Or whether these are under the control of bureaucracy. Or collectives. Craft guilds or workers syndicates in case of public ownership. Apart from these social and political arrangements there is a little economics about it. If there are inequalities in distribution of wealth and income initially, these are bound to increase in course of economics operations. If the initial inequalities in ownership of capital are to be merely retained



and not to be allowed to grow, fiscal measures are called for to eliminate increase in inequalities, With increased use of statistics it is possible to measure the increases and employ efficient fiscal tools to wipe these out (Value & Growth,1974,P.190)".

According to Prof Sinha external economics, another issue in welfare economics, belong largely to activities of the Government, Road, railways, postal arrangements, foreign policy, defense, education, health services provided by the Government have significant external economic effects for operating units. Private and public in manufacture and trade (value and Growth. P.191)". He suggests that the Government should be sensitive on this external issue of welfare economics.

He emphasizes that distribution of income is one of the determinates of social welfare, the Government to increase the extent of maximum social advantage of the people in the country out of revenue received from the imposition of taxation on the people. If the Government is efficient and effective, the maximization in welfare of masses would be greater otherwise vice-versa. Food crisis in a country occurs due to inefficient Government and people have to face the tragedy of famine on account of failure of Government's machineries. By giving a citation of East -Pakistan Prof. Sinha makes it clear that the inefficient, weak and corrupt military rules were responsible for wide spread starvation, poverty, famine and food crisis of the people there in 1970. The real causes of these problems were not economic - the shortage of food- stuffs- but political negligence of the duty of the Government. For the solution of these problems he has suggested in his famous said book the " Given qualities of labours and capital, social welfare is maximum when the resources are put to their optimum use. If capital sufficient to absorb all labour, optimum use of capital alone is the issue in the short. In such a state optimum use of labour is a problem of dynamic welfare economics. If capital has capacity to absorb all labour. The maximum consists of full capacity use and full employment. The issue of static welfare economics is, their establishment and maintenance of the optimum equilibrium state, given the economic structure. The solution has come easily in our system by the application of this equation $\{(u+r)KP=lw=yp\}$

Thus Prof Sinha enriched welfare discussion by bringing with right hand core expressed truth of the real world so that negative result could be circumvented and the



issue could be approached from the angle of enjoyment of certain basic rights which all individuals should absolutely be entitled.

References -

1. Dr. L.N. Sinha – Wealth of Mithila ...1956
2. Dr. L.N. Sinha – Capital and employment problems of developing economy ...1964
3. Dr. L.N. Sinha – Indian polity ...1974
4. Dr. L.N. Sinha – Value and growth ...1974
5. Dr. B.N.P. Singh – Ideas of L.N.Sinha and Amartya sen on welfare economics.
www.biharonline.com/Iromodel)
6. Dr. Jyoti Sinha – Articals the first economics of world
www.biharonline.com/Iromodel)
7. Dr. M.K. Singh (Ph.D. theses unpublished)- economics ideas of Prof. L.N.Sinha with special references to value theory and economic growth – 2003.