



Mahatma Gandhi and his Economic Thoughts

Tripurari Kumar, Assistant Professor

Department of Economics, R.S.More College, Govindpur

Abstract

Mahatma Gandhi is rightly ascribed with pioneering Satyagraha, resistance to tyranny through mass civil disobedience and vocalizing a transcendent message that assisted the Indian National Congress obtain independence from the British in August 1947. Often disremembered or omitted by standard histories, however, are Gandhi'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 communism, no capitalism, no exploitation and no religious violence. Instead of this, a future Indian nation would be displayed off the India of the past. It would feature an agrarian economy, self-sustaining villages, an absence of civil law and a moral outline that would express the collective will of the people.

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

Introduction: -

Mahatma Gandhi is recognized as 'Father of Nation'. Indian independence struggle is in a way the life history of Mahatma Gandhi. Before we study the economic ideas of Mahatma Gandhi it may be sensible to take note of certain formative influences. Mahatma Gandhi was greatly influenced by Tolstoy and Ruskin. 'The Kingdom of God within You' by Tolstoy and 'Unto this Last' by Ruskin has a deep influence on Gandhi. From the philosophy of Tolstoy, he derived the notions of egalitarianism, simplicity, and asceticism, which later on became the footing of his economic ideas. Further the idea of 'Bread Labour' promoted by Tolstoy influenced Gandhi and strengthened his belief that machine technology should be sidestepped. This concept of 'Bread Labour' made Gandhi believe that a man who did not do body labour had no right to eat. From Ruskin he advanced distaste for material development. Radicals like prince Kropotkin developed in Gandhi, hatred against concentration of economic and political power. The current research paper tries to analyses the economic ideas of Mahatma Gandhi.

One of the ways in which Gandhi envisioned a new India involved a fresh outlook on economics – a view that fired capitalism for its exploitative excesses and socialism for its connection to industrialization. In fact, Gandhi rejected the idea of capitalist society fraught with opportunities for exploitation and ceaseless competition, shunning laissez-faire and



Keynesian economics. No longer should India depend on a global market based on the freedom of exchange of goods and capital, argued Gandhi. Nor was socialism any more tolerable.

It is very obvious that as is other spheres, Gandhi's ideas have a marked impact in the economic sphere also. This is so not only because of the general impact of Gandhi's ideas on the masses of the people, but also because the leaders of the Congress who are now in power have gulped 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 advanced by Gandhi himself, which can be labelled as Gandhian Economic Thought. His economic ideas are part of his general philosophy of life; they are replicated in his writings and speeches, mixed up with other related topics; they have to be distinguished more in his actions, which must be viewed in their entirety not just in an isolated way. In other words, one has to understand Gandhi's economic ideas and build up what may be labelled as Gandhian Economic Thought from what he did and said in this connection. The world economic order is in "crisis mode". Well-known companies and banks of USA had declared themselves as bankrupt, one by one some years back. After Covid-19 also It is feared that the economy may slide down to the days of "Great Depression". In this context, it is useful to have a look at the economic thoughts of M. K. Gandhi currently.

Mahatma Gandhi's economic thought is imbibed in his whole philosophy. His approach is all-inclusive and aims at the socio-economic reconstruction of society. Once, Mahatma Gandhi was asked to write down the version of his economic thought, he refused, saying that his framework is based on some basic principles which he applies to resolve the day to day practical problems. So it can't be summarized in a few equations. These days, many people incline to ridicule the Gandhian thought as "old fashioned and anti-progress". Mahatma Gandhi imagined a total socio-economic reconstruction, so his economic thought must be observed in this context. A look at the history of mankind discloses that those who dream the impossible dream can actually make it happen. Before Karl Marx wrote "Das Capital", no one had ever envisioned that large scale poverty can be eliminated 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 states a different story.

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



1. Contrary to the popular opinion, voluntary reduction of wants is a sign of development and not the desire to satisfy unlimited wants.
2. Each person is not at all times bent on “Maximizing” his/her profit but desires that he/she gets enough to save for a rainy day after meeting the day to day requirement.
3. Co-operation and not competition is a better standard of life.
4. It is inappropriate to look down upon the physical labor.
5. There is concealed talent in all individuals. Each person must have access to adequate resources so that his/her basic livelihood needs can be taken care of.
6. Too much dependency on the “state” is fatal.

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

In this Research paper some of the most important points of Mahatma Gandhi's Economic ideas are discussed following.

1. Swadeshi

Swadeshi factually means ‘of one's own country.’ Swadeshi is defined as that spirit within us which contains us to use the service of our instant surroundings to the exclusion of the more remote. It targets at the removal of unemployment and poverty. It doesn't advocate denunciation of foreign trade, in fact it advocates a healthy and non-exploitative form of trade. According to Gandhi, Swadeshi is not just good, it does embrace of our culture, tradition and values. Gandhi desired that people in India should have sufficient demand for their produce and therefore, he besought for the use of Swadeshi goods. However, it's wrong to assume that Gandhi was overall against foreign goods. It's clear from his word that says, “It is criminally foolish to make the goods which are not profitable to be produced in our country, instead of producing them we should import them.”

2. Mechanisation

Mahatma Gandhi had no objection to mechanization of production if it doesn't offend the dignity of man and self-reliance of villages. He thought that mechanization is good when the hands are few for the work to be done. In a country like India, here labour is abundance maximum industries should be labour concentrated and not capital concentrated.

3. Industrialization



Gandhian economics is not based completely on handicraft and cottage industries. Gandhi envisioned that electricity, ship building, iron works etc. should exist side by side with village and cottage industries. Industrialization primes to maximum exploitation of man and nature. Industrialization is founded on large scale and highly sophisticated technology which leads to unemployment, poverty, desertification, urbanization, deforestation, pollution etc. Large scale industries should be possessed by the state and administered wholly for public good.

4. Villagism

Mahatma Gandhi always said that India can't be advanced unless we develop the village of India, there has to be grass root development. In his opinion and which is very correct that the course of development in India should be from village level. Gandhi always propounded that agriculture should be supported by some subsidiary occupation like bee keeping, animal husbandry, Khadi, paper making, mud utensils etc. Gandhi encouraged that women should contribute in agriculture and its subsidiary industries or by the way of playing charkha. He sought that every home there should be charkha which will enable the use of local productive resources and man power available in villages.

5. Trusteeship

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

6. Decentralisation:

Gandhi strongly supported decentralization of economic system. Gandhi thought that centralization is the root cause of exploitation which primes to unemployment and poverty in India as the powers are concentrated in the hands of few because of centralization. There has been a wide gap between the haves and have-nots that is rich are becoming richer and the poor are becoming more poor.

7. Sarvodaya or the rising of all

The term Sarvodaya means the rising of each member in the society. In the terms of economics, it means the economic welfare of one and all. Mahatma Gandhi thought that the followers of non-violence will not stop at the utilitarian principle 'greatest good of the greatest number' but will move ahead and attain the greatest good of all. The rich could lift their moral stature and walk the ethical path by giving away their privileges and become trustees by dispossessing their



wealth for the welfare of one and all. Gandhi paraphrased John Ruskin's book 'Unto This Last' into Gujarati with the title 'Sarvodaya'. Factually, Sarvodaya means the rise of all human beings. The society should function as an organic whole rather than being fragmented into economic classes or social castes. In order to uphold purity in personal life, Mahatma Gandhisought the people to follow vegetarianism and be teetotalers. The practice of non-violence, respect for other religions, serving neighbors and eradicating untouchability were at the very core of the principle of Sarvodaya. Gandhi sensed, if justice and right wages were given to all, no person will be able to amass 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 Mahatma Gandhi and supplemented by Dr. Rajendra Prasad, the first President of sovereign India has the following features:

1. Farmers and workers will be at the core of a Sarvodaya State. There will be no exploitation of the farmers and the workers. To this end, the farmers and the workers should unite themselves.
2. Children will be provided basic education and adults will be provided basic as well as technical education.
3. Village industries, health and hygiene will be emphasized.
4. The villages will become self-sufficient republics.
5. Every household will spin yarn in the village.
6. There shall be social justice and communal harmony in the country.

8. Ethics and Economics

Gandhi's enduring concern remained with the economic conditions of the ordinary Indians. In India, the very first movement - Champaran movement - that he came to lead was connected to economy. His work on Khadi, village industries, Harijans, Health, technology, etc., was all related with economic issues. certainly, 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." Fascinatingly, 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 openly places moral progress which is real progress according to him is decidedly above economic progress. He thought 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 relentless pauperism can lead to anything else than moral degradation." In the world of Gandhi, economic study would be much less connected with 'what is' and more with 'what ought to be'. In the ensuing discussion to his talk, he reportedly stated 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.

9. Individual and Society

Gandhi thought that there was enough on earth for everybody's need, though, but not enough for anybody's greed. Hence, he placed great emphasis on the individual and his transformation. He writes in Harijan in 1942: "Man's happiness really occurs 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. Much earlier in Hind Swaraj, he had stated: "We take note that the mind is a restless bird; the more it gets, the more it wants and still remains unsatisfied. The more we pander our passions, the more unbridled they become." Hence, in his view the task of economics is not merely to study human economic behavior 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.

Conclusion

Seven decades down the line, India today is up to all kinds of problems across the various segments of the population and across the length and breadth of the country. In his times, there were seven lakhs plus villages and today we have six lakhs plus villages. More than one lakh villages have got changed into urban areas. There are congested villages and overcrowded cities. Unemployment is rampant both in the cities and in the villages. Poverty is rampant 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 rich are willing to pay double the price for what is called organic food which is sold through the modern retail food chains. What is 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 very 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 contest and run along with other to find her place in the sun and to do that India has no alternate but to go along with rapid industrialization and economic growth which means growing 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. 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 applied 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 breeds 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 changed to be in sync with the changing times without losing sight of the basic objectives. Industrialization, urbanization and village swaraj could have at the same time taken place and perhaps the growth of overgrown villages and cities with their attendant evils could have been shunned.

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