

Gandhian Economic Ideology – A Panacea for the Problems of Modern India

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Abstract

In the present era of globalization and liberalization, fast economic growth is the prime objective of any economy. Same is true in case of India. With the increase in population after independence, there has been growing need for consumer goods in the economy which attracted huge amount of investment in the economy from various sources. But at the same time population has been responsible for the birth of a number of serious problems of which unemployment and poverty are prominent. Planners have used fast industrialization as a panacea to combat these problems but they seem to be in vain considering the growing extent of poverty and unemployment. In such circumstances, whether Gandhian views on rural sector have any relevance for the economy, is a matter of discussion.

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In the present era of globalization and liberalization, fast economic growth is the prime objective of any economy. Same is true in case of India. With the increase in population after independence, there has been growing need for consumer goods in the economy which attracted huge amount of investment in the economy from various sources. But at the same time population has been responsible for the birth of a number of serious problems of which unemployment and poverty are prominent. Planners have used fast industrialization as a panacea to combat these problems but they seem to be in vain considering the growing extent of poverty and unemployment. In such circumstances, whether Gandhian views on rural sector have any relevance for the economy, is a matter of discussion. The village is the basic unit of the Gandhian ideal social order. Gandhi clearly pointed out, "If the village perishes India will perish too...."

Gandhi was influenced by the Marxian doctrine of neutrality, and its emphasis on the "exploitation of labour". Gandhi was very much influenced by Ruskin's heterodox doctrine that the wealth of a nation consisted, not in its production and consumption of goods, but in its people (Chavan,2013). His economic philosophy was mainly concerned with individual dignity and the welfare of the poor people. Gandhi's stress on individual's liberty includes a sense of responsibility towards oneself, to others, to society and perhaps to the world beyond. Thus individual would have more choices of enterprises and prospects. This type of arrangements would ensure a smooth relationship between the labour and entrepreneur which may enhance efficiency with increased labour welfare. Definitely, these institutional arrangement did not fully fruitful and develop an institutional arrangement for harmonious relationship between the capital and labour (Pani,2002). Gandhi's economic ideas are understand in his whole philosophy. His main idea aims at the socio-economic reconstruction of society.

These days, some people criticised the Gandhian thought as —not up to date and un-progressive. He thinks about a total socio-economic reform, so his economic thought must be analysed in this context.

He did not give any economic model regarding the development of economics but gave some basic canons based on which we can decide what kind of economic composition is most preferable for Indian economy (Ishii, 1994). Gandhi has given the concept of useful work which would be helpful among all communities, lack of untouchability, small scale and village industries, focus on basic education, Gram Swaraj. These are necessary social inputs without them economic development is not possible. Reconstruction in the rural areas is the main source of development in villages. In his views, each village is a totally independent and efficient which will fulfil their needs (Bhuimali, 2014). Gandhian mode have very important place in the history of economic thought. Gandhi sponsored the rule of control the wants

However the entire structure of economic thinking which is based on the perception of a constant development of the goods which satisfy unlimited demands. The second has to do with the idea of focusing on the well - Being of the poorest and weakest member of society. This was an essential part of Gandhi's moral view of the world (Nayak, 2005). Therefore, the main focus of this paper is analyzing the present rural sector from the Gandhian perspective.

Rural Sector

Gandhi firmly believed that the essence of swadeshi consisted in producing enough cloth to wrap each Indian, which would be possible through spinning and weaving by the masses. The people needed to pledge themselves to the use of swadeshi cloth only. He added that the use of Khadi cloth for covering the body has greater implications. In his own words, "Khadi must be taken with all its implications. It means a wholesale Swadeshi mentality, a determination to find all the necessities of life in India and that too through the labour and intellect of the villagers.

Gandhi's great approach of Self reliance and Swadeshi is playing a significant role for the improvement of human beings. He presented a very

useful model for economic development in India. Gandhi saw the importance of the rural economy and thought that poverty could be eased by stimulating village economies of agriculture and labour intensive production by using simple technologies on a ground level. Gandhi wanted to re-establish India from the lowest level. Therefore, he gave an idea to Indians to reconstruct the villages. He had imagined self - reliant villages, free from dependency on big cities which cure them from exploitation. He has also strongly advocated for decentralization of economy. According to Gandhiji, if we want Swaraj to be built on nonviolence, we will have to give the villages their proper place. He said that development of the village is depended on their own

self-sufficiency which is only possible when there is no more exploitation. On the other hand the use of large scale industries will create problem of competition and marketing in the economy.

Gandhi felt that India's dependence on imports from other countries was the main reason of much adversity in India. His basic approach has always supposed about the intentional needs, the need for independent villager and very close to his philosophical and sociological thoughts. He was paying attention on the development of common person and more significantly the development of the depressed and needy group of people. Therefore, he has to focuses on the village being self-reliant, mechanized mainly for use. The term Swadeshi which used by Gandhi consists to promoting and stimulating indigenous industries like small scale and cottage industry of Khadi, Handloom spinning and weaving

mills. He offered khadi as a sign of patriotism, equal opportunity and independence. It was his idea by using Khadi India can defeat the British rule and which can also rebuild of the Indian society. Therefore, Gandhi has started his movement for khadi in 1918. He suggested that if we wear and produce such type of clothes then British cloth must be abolished from the Indian market and India become an independent economy. He imposed small scale and cottage industry in India which would be beneficial to Indian economy because these industry are based on family labour and low investment. Raw material is easily available in villages from agricultural

products like cotton, food and many other crops. So this would lead indigenous market. Gandhi gives pressure on the growth of the rural industries like khadi, handlooms, sericulture and handicrafts. Gandhi was of the opinion that large-scale industries have capital intensive which would concentrate of wealth in the hands of few.

If small scale industries introduced then people would never face the problem of production and external market. Small scale industries play major role in Indian economy it is a source of Employment generation. The most probable problem is faced by the Indian economy is increasing pressure of population therefore there is need of employment opportunities. Only small -scale industries can solve the problem of unemployment because small-scale industries use labour intensive technique. The small-scale industries gives equal distribution of income and wealth in the among labour .This is mainly due to the fact that small scale industries are wide-ranging as compared to large scale industries and are having large employment potential. These industries have more capability to generate or attract innovation. They provide abundant opportunities for the advance technology. The entrepreneurs of small industries play a deliberate role in expansion of new innovation and goods. It also make easy to transfer the technology from one to the other. As a result, the economy collects the benefit from small units.

Rationale of Gandhi's Views

The great economic ideology of Gandhi enhanced the development of rural areas and minorities by giving them equal and sustainable earnings, therefore question presents itself: What is his relevance of economic thought of Gandhi ji today for Indian economy. Globalization has been playing a vital role in Indian economy .

The economy of India is currently the world's fourth largest in terms of real GDP (Gross Domestic Product) after the USA, China and Japan. It has registered ninth position in terms of GDP (Gross Domestic Product) and fourth position in terms of PPP (Purchasing Power Parity) and recorded

highest constant growth rates in the 21st century. It has accounted for a remarkable rate of growth in 2011-12, which is estimated at 7.1 per cent (Economic Survey 2011-12). Going back, in the Year of 1947, when India achieved independence from British rule, it had faced stagnation in economy and was caught up in a vicious circle of poverty. Then Indian government took a policy of 'laissez fair', which was articulated by Jawaharlal Nehru. India focused on the import substitution policy. Due to this ongoing process India has give stress on expansion of industrialization on large scale. As a result new and foreign industries are coming to Indian market which enhances India's growth. But this type of progress is one sided because the profits goes to only entrepreneurs and people who are benefitted from these reforms and globalization are entrepreneurs and belonging to business class.

Therefore the gap between the rich and poor has increased. Most of the private enterprise is established in urban and big cities so that villages are totally ignored by the industrialist who would lead them demoralize. On the other hand India is a country of villages where most of the people lives (Nachane, 2007). However, the production on large scale would create conflicts between labour and capital. Here capital takes upper hand over labour. Such conflicts may not occur in the case of rural industries. Rural industries are the symbols of unity and equality. In India large -scale industries have been concentrated in a few big cities and in rural areas there is no big industry like khadi, handlooms, sericulture and handicrafts. The small -scale and cottage industries would give a deliberate place in our planned economy towards the fulfillment of the socio economic objectives of Gandhi's particularly in achieving equitable and sustainable growth. So there is need to move back to Gandhian economic ideology who was always in fever of Swadesi and self-reliance of villages. If all the land and resources that is available was fully utilized, it would definitely fulfill the needs of human being. If we should try to improve villagers workmanship and buy their products in spite of imported products or even articles produced in big cities, big factories. In other words, we should induce the creative talent of the villager and develop their indigenous market in the

present 21st century. Gandhi's term 'Swadeshi' consists in enhancing and stimulating cottage and small industries. It also provides opportunities to the original talent and imagination of the people. It can generate employment for Indian youth in the country that is in search of job. So India should adopt the economic model and idea of Gandhi which totally in favour of today's Indian economy because India's balance of payment is unfavourable as India imports more from other countries rather than produce in our country by using labour intensive technology. The products which are imported by India are high technology based. If India follows his ideas of self sufficiency and 'Swadeshi,' it will never face these types of problems. So, India must need to go back Gandhian economic ideology.

Conclusion

Gandhi's economic thoughts have great impact on Indian economy. He 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 and if these ideas implemented, India would have been relieved many socio-economic problems. India should emphasis on the policy of Gandhi ji which specially represent the Swadeshi policy and work for human being. In the age of globalization, Indian society is facing many socio-economic problems on account of large scale industries and machanization. In such scenario, there is urgent need to rethink over Gandhi's economic ideology. Small scale industries play a key role in our economy for its development and specially for its villages in the context of employment generation. These industries are basically using labour intensive and high potential for employment generation. Gandhi's thought that industrialism which uses capital intensive technique is based on the exploitation of people. As a result most of the people would be suffered from this type of mechanism. Hence we need small and simple occupations in our rural sector

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