



Gandhian Views on Decentralization of Economic Power

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Abstract: Gandhi's greatest contribution to the social thought of this century is perhaps his insistence on decentralisation of the means of production (i.e. say economic power). There are many who are ready to give thoughtful consideration to his theory because it is the only way out of the problem of unemployment in this country. They argue that it is desirable to go in for decentralisation because huge capital accumulation is needed to industrialise the country through large-scale industries. They also contend that because large scale industrialisation presupposes the existence of foreign markets which this country cannot have, decentralisation is the only cherishable goal. In other words large-scale industrialisation will be preferable in case the problems of capital formation and foreign market are solved. Now this line of reasoning constitutes a danger to the whole theory of decentralisation as put forward by Gandhi. It would be wrong to presume that Gandhi propounded his theory only to suit Indian conditions. The main objective of this paper is to analyse Gandhian views on decentralisation of the means of production and economic power.

Key words: decentralization, of Truth and Non-violence

1. Introduction:

The concept of decentralisation occupies paramount importance in Gandhian scheme of rebuilding India from below upwards. Gandhi's concept of decentralisation can be properly appreciated and understood within the framework of his general philosophy which was built on the solid foundation of Truth and Non-violence. Non-violence was understood to be the basic tenets of Gandhiji's concept of decentralisation. Centralisation, as opposed to decentralisation, means concentration of power and authority either in the hands of a few people or in an institution like the state. Then there will always be the likelihood of its misuse. Gandhiji was totally against the centralisation of power for obvious reasons. Gandhiji was of the considered view that 'power corrupts and absolute power corrupts absolutely'. Over

and above, the more the centralisation the less will be people's participation and the less of democracy. Further violence and the exploitation of the poor will be in the increase. Gandhiji was against all kinds of violence and exploitation and to eliminate both, centralisation should be avoided. Gandhiji stated that centralisation cannot be sustained without adequate force. If India has to evolve along no-violent lines it will have to decentralise many things.

Gandhiji's concept of decentralisation was not an isolated concept but the outcome of his religio-ethical, socio-political and economic concepts and ideas. But he was of the view that life is a unity and hence cannot be compartmentalised into social, religious, political and so on. On the other hand all the different departments of life act and react upon one another.



The ethics of society necessarily involve ethics of other fields. All these directly or indirectly flow from the theme of decentralisation. This ethical outlook is the backbone of Gandhiji's life and message. Gandhiji's philosophy is nothing if not religious and moral. Truth according to him is the substance of all morality. Gandhiji stood for the decentralisation of both political and economic power which he believed is possible only by beginning from bottom upwards and not vice-versa. Village Swaraj was an essential component of decentralised polity or decentralised governance. Swaraj is the best form of governance. It cannot be established by a few people sitting at the top but by sharing authority with the people. Gandhiji envisaged an ideal political order in which everybody is his own ruler and he rules himself in such a way that he is never a hindrance to other. Swaraj of Gandhiji's dream is the poor man's swaraj. It also meant Poorna Swaraj or complete independence. It signifies that the masses should become conscious of their capacity to regulate and control authority when it goes astray. It is not the government of the omnipotent state but the government of the people, by the people and for the people. It is democracy of the highest order for its guiding principle is equality and justice. Real Swaraj comes only by individual initiative and by one's own effort. What others have done for me is not home-rule but foreign rule. Self-rule even if it leads to anarchy is better than orderly foreign rule. Gandhiji preferred self-rule over and above all forms of government.

Gandhiji conceived true democracy along non-violent lines in which non-violence becomes a creed, an article of faith rather than a matter of

mere policy. Gandhiji believed that, true democracy is an outcome of unadulterated non-violence and that government alone can be considered best which governs the largest number of happy and virtuous individuals. True democracy or the Swaraj of the masses can never come through non-violent and untruthful means. In the non-violent democracy of Gandhiji's conception, the basic unit is the villages which will always abide by the ideals of truth and non-violence.

Every village is a self-sufficient republic or panchayat. The government of the village will be the panchayat of five persons annually elected by the adult villagers both male and female. It is considered as the unit of local self-government. It is the original custodian of all authority. The panchayat system as viewed by Gandhiji represents a village community. It is an autonomous Indian political institution as far as the internal village administration is concerned. Panchayat Raj means a political structure with its base at the village level with legislative, executive and judiciary powers. Gandhiji had evolved a three-tier system of Panchayat Raj linking up the village Panchayat with the Block and District levels. In Panchayat Raj system envisaged by Gandhiji, people's independence begins from the village level. In true democracy of Gandhiji's dream the humblest and the lowest Indian is equally the ruler of India with the tallest in the country. The individual has complete freedom to manage his own affairs. The spirit of non-violence coupled with individual freedom and equality provide the solid foundation for Gandhiji's concept of decentralisation in the political sphere.



Gandhiji's vision of rebuilding free India was a corollary to his larger vision to end exploitation and construction of a 'Just' social order with equality prevailing in every sphere of human life. In his conception of Sarvodaya social order, Gandhiji has assigned importance to economics founded on ethics. Economics, for Gandhiji, is a normative science. The moral economics of Gandhiji is essentially humanised and welfare-oriented. True economics never militates against human welfare. Gandhiji's non-violent economy was a panacea for most of the economic ills. Gandhiji was in the lookout for an indigenous economy model based on agriculture. He was for an agrarian non-violent rural economy order, in which there is no scope for exploitation and competitions of man by man. He favoured decentralisation in the economic field as well. Gandhiji's non-violent economy model stood for production by the masses rather than mass production. He had dreamt of an ideal economic order based on indigenous culture and civilisation and hence became a trenchant critique of western civilisation and industrialisation.

2. Decentralisation of Industrial Units:

Gandhi's theory of decentralisation was the result of his keen and almost prophetic insight into the numerous political, social and cultural ills which the age of large-scale industrialisation has brought in its wake. This is what Bertrand Russell has to say as regards Gandhi's concept of decentralisation: "In those parts of the world in which industrialism is still young, the possibility of avoiding the horrors we have experienced still exists. India, for example is traditionally a land of village communities. It would be a tragedy if this traditional way of life with

all its evils were to be suddenly and violently exchanged for the greater evils of industrialism and they would apply to people whose standard of living is already pitifully low..... "

Therefore, one has only to understand the magnitude of those "horrors" of which Russell speaks, before one can truly appreciate Gandhi's idea of decentralisation.

Large-scale industrialism is at the base of the centralisation of political power in few hands. It is in the very nature of large-scale industries to centralise economic power in the hands of a few individuals. Under capitalism this power comes to be concentrated in the hands of individual capitalists and under socialism it is arrogated by managers, technocrats and bureaucrats. Thus the centralisation of power in the State negates the very conception of democracy.

This is why Gandhi did not favour the so-called democracy in the West. In his view, Western democracy was only formal. In reality it was totalitarian in so far as only a few could enjoy the political power in this system. Apart from the political consequences, there are the evil effects of industrialisation on the personality of man. Industrialism starts by snapping the navel chord of man which binds him with soil and corrosive and all-enveloping shadow of giant machineries. As a result he is reduced to a mere cog in the wheel. Since industrialisation is based on the division of labour, it limits man's self-expression. The famous illustration of Adam Smith that a pin has to pass through ninety hands before it is completely manufactured only reaffirms the above charge. Hence the work loses its variety, initiative and colour. No doubt such a division increases the



productivity. But it obstructs the full foliage of man's natural skill. Not only this, industrialisation does not cater to the biological needs of man. Man as a biological being requires "a specific temperature, a specific quality of climate, air, light, humidity and food". It is by working in such conditions that man maintains his bodily equilibrium. Industrialisation usurps these organic needs of man.

Moreover industrialisation tends to gather man in the collective. This inevitably fosters the growth of totalitarian impulse in man. Man becomes oblivious of his own sovereignty. He merges his personality in the collective with the result that ultimately he is accustomed to tolerate every form of tyranny and cruelty in the name of the collective wellbeing of the society. There are some of the most eloquent ills which result from an unchecked pursuit of industrialism. As a matter of fact, many thinkers and social reformers, Wen, Simon, Fouriser and especially Marx tried to go into the causes of these ills. According to them, the root of the malady lay in the system of ownership; all social, political and cultural ills were due to private ownership of the means of production. Once this private system of ownership was removed and instruments of production socialised they thought the malady would disappear, rather melt as if into thin air. But experience gave a lie to the rosy picture which these reforms Marx had painted. Even after socialisation the ills tended to appear in diverse other forms. Liberty disappeared. And the mad pursuit after power tended to reduce man to the lowest denominator of beast living as George Orwell would like to call on 'Animal Farm'. Where lay then the root of the disease, the fallacy in

the whole approach? Undoubtedly much of the evil originated from the system of ownership. Gandhi accepted Marx in this respect.

3. Ownership and technique of production:

Gandhi went a step further and delved deeper. According to him both the system of ownership and the technique of production were the real cause of the malady. Marx attacked the system of ownership in his humanistic zeal. But he left the technique of production altogether untouched. Gandhi focused his attention on the technique also. He suggested that large-scale technique should give way to small-scale technique. This, therefore, forms the core of his decentralisation theory. Does this mean that Gandhi was against the application of science to the instruments of production, i.e. machinery? To this he replied, "What I object to is the craze for machinery, not machinery as such...." (Young India, 1925). Indeed he favoured the application of science towards developing the small-scale technique: "I would welcome every improvement in the cottage machine", he wrote in Young India. Replying to a suggestion whether he was against all machinery he said, "My answer is emphatically no. But I am against its indiscriminate multiplication. I refuse to be dazzled by the seeming triumph of machinery. But simple tools and implements and such machinery as saves individual labour and lightens the burden of millions of cottages, I should welcome." (Young India, 1926). We see therefore, that Gandhi was not against machinery as such. His whole approach to machinery and the use of science was radically different, deeply revolutionary and humanly conscious.



A technique which tends to make man a robot robs him of his perennial urge to freedom and makes an all-out invasion on his political, economic and social liberties is not acceptable to Gandhi. "Science in so far as it consists of knowledge, must be regarded as having value, but in so far as it consists of technique, the question whether it is to be praised or blamed depends upon the use that is made of the technique. In itself it is neutral, neither good nor bad and any ultimate view that we may have about what gives value to this or that must come from some other source than science." This is what Bertrand Russell has to say about the use of scientific technique. According to Gandhi, the scientific technique, therefore, must be informed by a deep awareness of values which it is out to create. In other words, the advancement of technique and perfection must accord with the general aims. Large-Scale technique strikes at the very root of the general aims. Gandhi, therefore, does not show any quarter to it.

4. Methods of Production:

More and more things are produced to supply our primary needs, less and less will be the violence. The more we produce luxuries, the greater will be the violence that is generated. If you starve people and try to produce luxury articles, it will lead to violence. Production of a luxury like tobacco at the cost of a primary need like cereals, will weigh the scales towards violence. The complexion of the economic organisation will indicate generally, whether that organisation will generate violence or will bring about peace and prosperity to the people. We want to see the principles which will guide us towards the realisation of Nonviolence

and Truth (the moral considerations we have taken for granted in the Gandhian Economy) steadily pursued and adopted. Less of luxuries and more of primary needs would mean more chances of nonviolence. If we want to infuse non-violence and truth into our society, we have got to remember these principles and organise accordingly.

There are two different methods of producing articles. We can produce them in either one of those two methods. According to the method we choose, the principles used will be different. We shall consider production first and consumption later. Supposing the mother is making something for her children. How does she go about it? What are her objectives and how does her method differ from any other way of preparing it? Assume that she wants to prepare halva. How will she do it? The mother who understands what she is doing, will probably select the wheat and grind it herself to the necessary fineness and keep the atta whole, without polishing it and taking out of it any of the nutritive elements contained in it. She will, in other words, preserve all that there is in that wheat. Then if she has a cow of her own, she will churn the curd produced out of the milk and prepare her own butter and ghee. Grinding the wheat is very difficult. Preparing ghee is troublesome. Why does she not purchase Vanaspati or cheap ghee in the market? She is willing to take all this trouble because her objective is the nutrition of her children: She is intensely interested in the welfare of her children. She considers any amount of labour which she takes fully compensated when she finds that her children get the benefit of it all. It is out of a sense of duty and affection that she does all this. If she is



an intelligent woman, she will study dietetics and find out how these things should be prepared without destroying the food values in the constituents. She has the satisfaction that the children have had the best of what she can afford to give. This is production for use.

Halwa is also prepared by others; the mother has not got the monopoly. The confectioner too engages himself in this work. What is his objective? His objective is no doubt to produce something; but his main objective is not the production of those articles, but to transfer the money that the customer has got into his own pocket, and he seeks the easiest method by which he could effect that transfer. For that he will do all sorts of things. The lesser the out-going the better it is for him. He finds out where he can get cheap wheat, perhaps worm-eaten wheat, mill-ground at the cheapest rate, where he can get the cheapest kind of oil or so-called ghee or some adulterated stuff. If the halwa does not smell well, he sprinkles some rose-water and adds some colouring matter so that it is made to look attractive. All other smells disappear, as it were, in the overwhelming odour that comes from the stuff he puts in it. One who eats that halwa will suffer from diarrhea. The confectioner does not bother about it. The doctor will perhaps have a share of the customer's money too. This is what is called industry or production for exchange.

Naturally work does not go without a reaction on the producer and his personality. In so far as one develops, one is developing by one's own actions. By turning on the radio one will not learn music. One has got to sit up and practice on the instruments until one's neighbours get tired! The muscles of the

fingers and the nerves of the ears and eyes should be co-ordinated. It is this practice that creates and develops a musician and not merely listening to a radio.

Every action has its own reaction, and these two methods of preparing halwa have their reaction. What is its reaction on the mother? Her intense study of dietetics will give her a better understanding of the body and its requirements and she does this for the love of her children and that makes her a better woman.

The confectioner wants to give as little as he could and take as much as possible. This is in other words robbery. The larger the margin of profit one is able to make, the more successful one is considered as a businessman or as an industrialist. This carried to the logical extreme may lead to killing a man and taking away the money he has and will bring a cent per cent return. This can very well be done. This leads to gangsterism as a profession. This is the mentality that is developed by the confectioner preparing halwa. He develops greed and irresponsibility. The reaction is thus one of creating parasites on society who indulge in robbing one another. When this is done on a national scale, we produce a world war. The Mithaiwala economics creates false standards and violence, while the mother's method of production develops her love and truthfulness, but entails hard work. An industrialist produces for exchange but the mother produces for home consumption. Mother's work is based on the self-sufficient economy but when we work on an exchange economy, we are apt to act like the confectioner and finally end up as gangsters.



5. Exchange and trade:

When goods that are in short supply enter the general market there is likely to be dissatisfaction which will lead finally to violence. True trade can only take place in surpluses. Supposing there are about half a dozen laddus and we give them to a boy. He goes on eating one after another. He gets a certain amount of satisfaction when he eats the first, and then the second, then the third and by the time he comes to take the fourth one, he feels a minus value. After that he is thirsty. At this stage another boy appears with a glass of water. There are one or two more laddus left and the first, boy, whose appetite for laddus is satisfied, does not know how to dispose of these. He says to the other boy. "Give me some water and I will give you laddus." If they then exchange, both will profit. The thirsty boy gets the water and the hungry one gets the laddus. This is an example of exchange in surpluses which is mutually beneficial. For human satisfaction must be mutual to be real. On the other hand, if there is one pot of water and if all people want to drink, it will not be sufficient and there will be a fight for it, and in the scramble all the water may be spilt over and none will be satisfied.

Even trade is directed to luxuries from providing the prime necessities of man through the use of money. Rich people can afford to spend money freely and so the merchants and manufacturers organise to cater to their demands rather than supply the needs of the poor, as the latter business has little chance of profit in it. Rice cultivation will barely meet the cost of production while toilet soap manufacture will yield attractive dividends. From human standards this is an anti-social direction of economic

activity made possible by the agency of money. These and such evils are both violent and dishonest. Barter or exchange in commodities will minimise such danger to a great extent. The economic models of India are hardly successful to remove the maladies on the rural front; rather these have paved the way for transfer of resources from rural to urban in the form of humans and raw material. It is high time to formulate a new model, which is based on the Gandhian ideology.

6. Conclusion:

Mahatma Gandhi always canvassed about the decentralisation of industrial production and economic power. He pleaded for simplicity and reduction of wants rather than its multiplication. He pleaded for the use of less machinery and stressed the ideal of manual labour. Mechanised economy model is no longer a valid model for India for the individual will be a slave to machinery. What Gandhiji objected was not machinery as such but the craze for machinery. Economic decentralisation is related to rural economy and cottage industries located in the rural areas. India need a new matrix of economic development, in which progress is measured in terms of development of human capability, dignified employment for everyone, equitable distribution of income and wealth, ecological sustainability and social well-being of the community. Gandhiji's ideas are more relevant today than ever before, specially his philosophy of self-reliance and decentralisation.

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