



## The economic ideas of Mahatma Gandhi

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**Abstract:** Many economists tend to dismiss Gandhian economics as utopian in nature. They regard Gandhi as a medieval mystic who tried to put back the clock of human progress. But much of the criticism is based on gross misunderstanding of Gandhi's views. It requires sympathy; Gandhian economics is based on ethical value and the dignity of man it is regarded as the only enduring alternative to prevalent Western notion of scientific socialism and communism.

**Key words:** Economics Ideas, , ethical foundation, utopian.

### Introduction:

Gandhian Economics Ideas is based on ethical foundation. In 1921, Gandhi wrote, "Economics that hurts the moral well-being of an individual or a nation is immoral, and, therefore, sinful." Again in 1924, he repeated the same belief : "that economics is untrue which ignores or disregards moral values." Gandhian Economic is based on four fundamental principles: Truth, Non-violence, Dignity of Labour and Simplicity. One principle that played significant role in Gandhi's life was: simple living, and high thinking. Gandhi might also be described as the economics of non-violence. Gandhi opposed modern capitalism because it is based on the exploitation of human labour. To Gandhi, moral progress is more important than material progress. "The salient features of Gandhi economic Ideas.

**Village Republics:** To Gandhi, the village was India. He was interested in developing the villages as self-sufficient units. He opposed extensive use of machinery, urbanisation and industrialization of machinery on the

ground that it led to pauperisation of villages and large scale unemployment in the countryside. He thought that industrialisation on a large scale would "necessarily lead to passive or active exploitation of the villages as the problems of marketing and comexploitation of the village as the problems of marketing ." Later on, he added, "under my scheme, nothing will be allowed to be produced by the cities which can equality well be produced by villages. The proper function of cities is to serve as clearing houses for village products." He thought the development of rural civilization on the basis of self-sufficient villages would result in the decentralisation of political and economic power. He opposed modern industrial civilization because he wanted to protect the rural civilization.

**On Machinery :** Gandhi described machinery as ' great sin'. The idea that Gandhi was opposed to machinery on large scale production as such as one of the many superstitions about Gandhi. Gandhi was not against machinery in general. As he put it, "The spinning wheel itself is a machine, a little too pick is a machine, what I object to is the craze



for labour saving machinery. Men go on saving labour, till thousands are without work and thrown on the open streets to die of starvation....Today machinery merely helps a few t rede on the backs of millions." But he was against all destructive machinery. He welcomed such instruments and machinery that saved individual labour and lightened the burden of million of cottagers. For example, he was not against the use of Singer sewing machine.

Gandhi emphasized that he was against large scale production only of these things that villagers can produce without difficulty. He believed that the machinery method was harmful. Emphasizes the need for labour-intensive methods of production in a country with surplus labour.

Gandhi's ideas on machinery are still relevant. In spite of more than two decades of planned and machine using and power driven economic development unemployment is still there and is growing.

**Industrialism:** Gandhi considered industrialism as a cure on mankind. He thought industrialism depended entirely on a country's capacity t exploit. Man will become a salve to machine and lose his dignity. Gandhi categorically said. He described industrialism, a manifestation of capitalism, as the control of majority by a small minority. He believed that industrialism would not remove the poverty of India.

Gandhi opposed large scale industrialism also on grounds of social justice. Machinery would enrich the few at the expense of the many. He thought it would result in the concentration of economic power in a few hands. Gandhi hated privilege and monopoly.

**Decentralization :** Non-violence was the basic principle of Gandhi's life. Since the foundations of large-scale production were laid on violence, Gandhi advocated decentralisation. He advocated a decentralized economy, i.e., production at a large number of place on a small scale or production in the people's homes.

**Village Sarvodaya :** According to Gandhi, real India was to be found in villages and not in towns and cities. So he suggested the development of self-sufficient, self-dependent villages. He wanted every village to develop into a little republic, independent of its neighbours in so far as its vital wants were concerned. Village swaraj was his ideal. And he laid the conditions of an ideal village. Gandhi said : "Indian independence must begin at the bottom. Thus every village will be a republic or panchayat having powers. It follows therefore that every village has to be self-sustained and capable of managing its own affairs even to the extent of defending itself against the whole world."

**Bread Labour:** Gandhi realized the dignity of human labour. He believed that God created man to eat his bread by the sweat of his brow. Bread Labour or body labour was the expression that Gandhi used to mean manual labour. He did not regard all manual labour as the "curse of Adam". He asserted that "man cannot develop his mind by simply writing or reading or making speeches all day long. Gandhi made use of the concept of 'Bread caviar' to tell people to utilize their idle hours which in villages are equal to the working days of six months in the year.

**The Doctrine of Trusteeship.** Gandhi has developed the doctrine of trusteeship to provide an alternative to Marxian



socialism. Gandhian socialism is based on non-violence. In this respect Gandhi was the very opposite of Marx.

- The salient features of the trusteeship formula of Gandhi's ideal social order:
- Trusteeship provides a means of transforming the present capitalist order of society into an equalitarian one. It gives no quarter to capitalism, but gives the present owning class, the chance of reforming itself. It is based on the faith that human nature is never beyond redemption.
- It does not recognise any right of private ownership of property except in as much as it may be permitted by society for its welfare.
- It does not exclude legislative regulation of the ownership and the use of wealth.
- Thus, under state-regulated trusteeship, an individual will not be free to hold or use his wealth for selfish satisfaction on this regard of the interest of society.
- Just as it is proposed to fix a decent minimum living wage, even so, a limit should be fixed for the maximum income that could be allowed to any person in society. The difference between such minimum and maximum incomes. Should be reasonable and equitable and variable from time to time so much so that the tendency would be towards obliteration of the difference.
- Under the Gandhian economic order, the character of production will be determined by social necessity and not personal whim or greed."

**On the Food problem :** Gandhi was against any sort of food controls. He thought such controls only created artificial scarcity.

**On population:** Gandhi opposed the method of population control though contraceptives. He was, however, in favour of birth control though Brahmacharya or self-control. He considered self-control as a sovereign remedy to the problem of over-population. Gandhi did not agree with the view that food shortage was caused by excessive growth of population. He believed that "by a proper land system, better agriculture and a supplementary industry, the country is capable of supporting twice as many people as there are today."

**On prohibition:** Gandhi advocated cent per prohibition. He regarded the use of liquor as a disease rather than a vice. He felt that it was better for India to be poor than to have thousands of drunkards. Once Gandhi wrote that "if he were appointed dictator of India, only for an hour, he would, in the first instance, close all the liquor shops without compensation, and compel the mill-owners to start refreshment rooms to provide harmless drinks to the workmen." Of course, Gandhi was aware of the fact that evil of drinking cannot be stopped by mere legislative action. Gandhi did not agree with those who held the view that the introduction of prohibition would cause steep fall in the revenue of the State and that funds would not be available for social service expenditure on items such as education.

#### **The relevance of Gandhian economic ideas to modern India**

Many economists tend to dismiss Gandhian economics as utopian in nature.



They regard Gandhi as a medieval mystic who tried to put back the clock of human progress. But much of the criticism is based on gross misunderstanding of Gandhi's views. It requires sympathy; Gandhian economics is based on ethical value and the dignity of man it is regarded as the only enduring alternative to prevalent Western notice of scientific socialism and communism. Gandhi was a practical idealist. His economic thought is basically sound and is relevant to our times. His economic ideas are not medieval and out of date. Gandhian thought has significant relevance for modern India and many things which have happened since he passed away have not diminished but heightened its relevance.

Gandhi's emphasis on non-violence, decentralisation, and village swaraj are all relevant today. Gandhi firmly believed that communist methods of violence and class-war are unsuitable to Indian conditions.

It would have been a better thing if the state governments had continued the policy of prohibition without looking at it as a profit and loss account. Gandhi was right in opposing controls. For the licence-permit-quota policies of the government have resulted in monopolies and concentration of economic power in a few hands.

#### Conclusion:

Gandhi belongs to the future, and not the past. It may conclude with the words of Louis Fisher, a great admirer of Gandhi: "If man is to survive. If civilization is to survive and flower in freedom, truth and decency the remainder of the twentieth century and what lies beyond must belong not to

Lenin or Trotsky, not to Marx or Mao or Ho or Che but to Mahatma Gandhi."

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