

Relevance of M.K. Gandhi's Economic Philosophy in to-days life: A study on Khadi and Village Industries

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Abstract:

Gandhian Economics is a school of economic thought based on the spiritual and socio-economic principles expounded by Indian leader M. K. Gandhi. Gandhi did not believe in any definite scheme of economic thought. M. K. Gandhi's economic philosophy was mainly concerned with individual dignity and the welfare of the poor people. Gandhi considered human beings as wealth. He considered a country to be the richest if it nourished the greatest number of happy individuals. Gandhi strongly believed in the ethics of hard work and that one is entitled to take from the system only as much as he is capable of producing. For Gandhi, this was the only way to fight poverty. Khadi and Village Industries have played a significant role in the country's struggle for political and economic freedom.

Keywords: *Economy, poor, village, non-violence, truth, swadeshi, ethics, khadi and village industry*

Introduction

The economic ideas of Gandhi and his followers may collectively be called Gandhian Economics. As such Gandhian Economics is a school of economic thought based on the spiritual and socio-economic principles expounded by Indian leader M. K. Gandhi who was born on October 2, 1869, at Porbandar (Gujrat). It is largely characterized by rejection of the concept of the human being as a rational actor always seeking to maximize material self-interest that underlies classical economic thinking. Moreover much can be traced from Gandhi's writings, namely, 'The Constructive Programme, The Economics of Khadi, Hind Swaraj, Sarvodaya, Towards Non-violent Socialism, and numerous articles published in Young India and Harijan. He was a great political and spiritual leader. But consistent with his philosophy of truth and non-violence, he gave a set of economic ideas which are sharp in contrast against the traditional economics of the west. Gandhi was not an academician even he was a charming leader of the Indian National Movement with Prime intention of obtaining freedom from the British rule and reestablished self-reliance of India's population. He always works for the well-being of the Indian people who were suffering from the policies of East India Company during the era of British's.

The economic ideas of Gandhi developed in three phases: i) the negative phase upto 1919 during which he criticized the western pattern of economic development and adopted a non-materialistic attitude which is embodied in his book *Hind Swaraj* (1909). ii) the positive phase (1919-1934): During this phase, he presented an alternative to the western civilization in the ideal of *Swadeshi*. iii) the constructive phase (1934-1948): In this phase, Gandhi became practical. He gave a constructive programme for village regeneration and put forward the ideal of *Sarvodaya*.

Methodology

In order to achieve the objectives of the study Secondary data have been used.

The secondary data have been collected from Published and unpublished works on the related topics, books, Journals, News Papers etc. were the main sources. Moreover Internet (web resources) also will be an important source of Secondary data.

Aims and Objectives

In order to make the **study in practical** utility, the following objectives have been aried.

- a) To highlight the M. K. Gandhi's Economic Philosophy.
- b) To examine the importance of khadi and village industries for rural development.

Result and Discussion

M. K. Gandhi's economic ideas are understood in his whole philosophy. His main idea aims at the socio-economic reconstruction of society. 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. A country remains poor in wealth, both materially and intellectually, if it does not develop its handicrafts and its industries and lives a lazy parasitic life by importing all the manufactured articles from outside. There was a time when we manufactured almost all we wanted. The process is now reversed, and we are dependent upon the outside world for most manufactured goods. The past year brought forth a remarkable awakening of the *Swadeshi* spirit. It has therefore become necessary to define *Swadeshi* goods. But in giving a definition care had to be taken not to make the definition so narrow as to make manufacture all but impossible or so wide as to become farcical and *Swadeshi* only in name. We do not want to follow the frog-in-the-well policy, nor in seeming to be international, lose our roots. We cannot be international, if we lose our individuality, i. e., nationality. (*Young India*, 20-8-1931). Gandhi considers human beings as wealth and not gold and silver. He considered a country to be richest if it nourished the greatest number of happy individuals. Thus in Gandhian economic thought, man occupied a prominent position than wealth. Gandhi had an innate sympathy for the poor and deprived. This coupled with a direct observation of the predicament of the poor and the oppressed both in India and in

South Africa led him to design an economic model that would alleviate the condition of the poor and the deprived. He believed that the high capitalist endeavors were at the root of all suffering. He believed that business without ethical considerations was fundamentally evil. This led to discrimination, oppression and exploitation.

Gandhi did not believe in any definite scheme of economic thought. Gandhi's economic philosophy was mainly concerned with individual dignity and the welfare of the poor people. Economics that hurt the moral well-being of an individual or a nation are immoral and therefore sinful. Thus the economics that permit one country to prey upon another are immoral. It is sinful to buy and use articles made by sweated labour. It is sinful to eat American wheat and let my neighbour the grain-dealer starve for want of custom (*Young India, 13-10-1921*). 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.

Gandhiji strongly believed that laziness and lack of work cause immense physical and spiritual deprivation among the populace. It is impossible to ignite the masses towards a revolution leading to a bigger political or ideological goal if they are weak, both physically and morally. He understood that the new industrial modes of mass and large scale productions that have been ousting the age-old indigenous village techniques are ultimately leading towards unemployment and laziness. Therefore, he worked hard for a resurrection of the village modes of production. Gandhi held that there is enough in this world to feed and cloths all. However, there is poverty and deprivation because one group of people thrives on the labour put in by others. Gandhi deeply believed in the ethics of hard work and that one is entitled to take from the system only as much as he is capable of producing. This according to Gandhi, was the only way to fight poverty and to disarm the world of all its economic woes.

Gandhi was a prominent critic of large scale industrialization. He was fully convinced that the large scale production was responsible for many socio-economic evils. He believed that for the fullest development of mind, body and character, it is essential, that a free scope must be given to the exercise of individual's powers. He feels that the growth of a moral society is prevented by an over-emphasis on industrialization. Gandhi has been able to perceive that such an attitude has given rise to many kinds of ills and evils both at the social level and at the political level. It is on account of an excess of industrialization that such international evils like exploitation of the undeveloped countries, colonial expansion, war among nations etc. make their appearance. Even on the national level also much of industrialization leads to many kinds of unrest and disruptions. It is for the industrialization that a permanent rift between capital and labour is created. Besides, by substituting machines for human labour industrialization creates problems of unemployment too.

According to Gandhi, mechanical devices led to drudgery and monotony. The worker lost all interest in his work. He opposed to an industrial economy because he thought that mill industries and the use of machines created violence. Therefore, Gandhi was in favour of decentralized economy- an¹ economy in which the worker would be his own master. In such an economy, the chances for the exploitation of the worker and of violence would be reduced to nil. He believes particularly strong in the context of the Indian economy. India has plenty of human resources but the capital resources were very low. So absorbing the surplus manpower, it was essential to adopt those methods of production which would be labour absorbing. "Much of the deep poverty of the masses," wrote Gandhiji, "is due to the ruinous departure from Swadeshi in the economic and industrial life.

Khadi and Village Industries have played a significant role in the country's struggle for political and economic freedom. Mahatma Gandhi, Father of the nation, adopted khadi as a livery for those who threw themselves in Swadeshi Movement.¹ Khadi and Village Industries produce goods, which are articles of daily necessity like cloth, oil, gur, leather goods etc. Khadi and Village Industry help in the conversion of waste in to wealth. Gobar gas industry, hand made paper industry, non-edible oil, industry, soap industry are classical examples of production of wealth from waste. Thus Khadi and Village Industries with its intermediate technology and emphasis on viability can fulfill the social objective of creating employment to millions and at the same time fulfilling the economic objective of producing saleable goods of daily use on a decentralised basis.

In course of time Gandhiji realised that both khadi and village industries would be panecea for the economic ills of unemployment and poverty afflicting the Country.² For Gndhi, khadi should be the sun of the industrial solar system and other industries should receive warmth and sustenance from khadi. He founded All India Spinners Association and All India Village Industries Association for the promotion of khadi and village industries. The Khadi and Village Industries fulfill the social objective of providing employment to millions and ensure economic development, and help removal of the main obstacle to growth the vicious circle of poverty.

Conclusion

Gandhiji was a practical economist and a socialist. His socialism recognized the freedom of the individual and was based on non-violence. He was not against capitalists but he wanted wealth to be accumulated on trusteeship basis. Gandhi has contribution largely for the establishment of socio-economic and political order on philosophical foundations. Besides, Gandhian economics

¹ Arunachalam. K., Khadi Economics; A few aspects, Koodal Publishers, Madurai 1974. P. VII

² Gandhi M.K., Cent percent Swadeshi, Navajeevan Publishing house, Ahmedabad 1948 P. 93

suffers from only one defect, that is, it is difficult to be put into practice. As a philosophy of life, non-violence is good but as a practical principle its myth has been blown sky high. As such, Gandhi's scheme of Sarvodaya was also utopian. It is true that Gandhi's schemes and suggestions regarding the revival of the lost glory of India were to a large extent utopian, it cannot be denied that for a poor country like India the only solution lies in their implementation.

Gandhi understood that the very backbone of India was its villages. Unless the village economy could be reformed, nothing could be achieved on the economic front. Thus, Khadi and village industries help increasing employment. Gandhi preferred the decentralization of small units of production to the concentration of large scale units in few places. There is no problem of storage and transport cost is negligible. There is no overproduction and wastes of competition. These industries can increase the income of the village and satisfy their basic requirements. They not only remove poverty and unemployment from the village but also make them self-sufficient economic units. The Khadi and Village Industries programme plays a predominant role in providing employment opportunities to rural artisans. Since agriculture sector has been losing its ability to generate additional employment opportunities for the fast increasing workforce in rural areas, the importance of Khadi and Village Industries has increased to find an alternative and appropriate employment for rural people.

Now unemployment is a serious problem in our society. Sometimes it is the only cause for various violent activities or offences. So, if Gandhi's economic philosophy should be applied in practical manner, there must be developed the economic condition and it is help to remove the unemployment problem and our country will become financially sound. So it is an urgent need to make a systematic study of the problem which can lead to take policy making for revival of Khadi and Village Industries and to preserve the Gandhian views of an Economic Philosophy.

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