

## CHANAKYA'S ARTHASHASTRA AND IT'S PERCEPTIONS ON TODAY'S ORGANIZATIONAL MANAGEMENT

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### **Abstract**

*The Arthashastra, antiquated Indian treatise indicating statecraft, economical approach and military technique, written in Sanskrit outlines the political musings of Kautilya. This paper contains data on specific points that are applicable to the kings who need to run an authoritarian government. This paper moreover incorporates suggestions on tax assessment, foundation, exchange, organizations and discretion. This paper investigates the Kautilya's Arthashastra, antiquated Indian writing and its points of view on hierarchical the board today.*

**Key Words:** Arthashastra, Irrigation, Infrastructure, Law, Recommendations, Taxation and War.

### **Introduction**

The Arthashastra is the title of a monograph composed on how to run a realm, composed by Kautilya, prominently called as Chanakya (350-275 BCE) an Indian statesman and scholar, boss consultant and Prime Minister of the Indian Emperor Chandragupta, who is the main leader of the Mauryan Empire. The Arthashastra is a Sanskrit word which is alluded to as 'The Science of Material Gain'. In different interpretations, it is alluded to as 'Study of Politics' or 'Study of Political Economy'. This book was lost for a long time yet a duplicate of it which was composed on palm leaves was rediscovered in India in 1904 CE. This version really has a place with roughly 250 CE, numerous hundreds of years after the hour of Kautilya, yet it covers Kautilya's fundamental thoughts. The original copy of thoughts communicated by Kautilya in this treatise are pragmatic and are not wistful. He investigated questionable themes like deaths, choices with respect to rebuffing the relatives, step by step instructions to oversee mystery operators, when it is valuable to damage arrangements, and when to keep an eye on pastors. Because of this, Kautilya is, for the most part, contrasted with the Italian essayist named Machiavelli, who is the

writer of 'The Sovereign' and was likewise called as Indian Machiavelli. It is to refer to that Kautilya's composing isn't reliably without standards yet additionally expounds on the ethical obligation of the lord. He, for the most part, expresses the obligation of a king is "The joy and welfare of individuals is the joy and welfare of the king. His very own pleasure isn't his great, yet the delight of his people is his great".

### **OBJECTIVES OF THE STUDY**

- To know the King's (ruler) jobs and obligations in administering the individuals.
- To study the moral guidelines to be trailed by the Ruler of the legislature referenced in Kautilya's Arthashastra.

### **REVIEW OF LITERATURE**

The Arthashastra refers to a rundown of a few parts of the state: The ruler, the clergymen, populace, topography, shared assets, treasury, armed force, and partners. Kautilya clarified these segments and the significance of reinforcing these components in one's kingdom and debilitating them in the foes' states by utilizing spies and mystery specialists.

Kautilya was a pioneer intact and government organization. His musings were not just on coming up with common sense guide for the government yet in addition in giving his speculations in a deliberate and intelligent way.

He says that the best lord alludes to the Raja-rishi, the wise ruler. As indicated by him, the Raja-rishi has discretion, adapts ceaselessly and develops his considerations, maintains a strategic distance from false and complimenting counsels and consistently partners with the genuine and achieved older folks advances the security and welfare of his kin, improves, what's more, engages his kin, rehearses ahimsa, carries on with a straightforward life and keeps away from unsafe individuals or exercises.

In Kautilya's view, the adversaries of a lord are his desire, outrage, eagerness, pride, haughtiness and imprudence, not others. Kautilya cites government as "without administration, the solid will swallow the frail. In the nearness of administration, the feeble oppose the solid."

**"A person should not be too honest. Straight trees are cut first, and honest people are screwed first." - Chanakya.**

Book 1 and 2 of the monographs talked about how the ruler ought to be prepared and subsequent to turning into the lord should keep learning, select his key Ministers, authorities, organization,

staffing of the court workforce, officers and judges, keep up a gathering and a Purohit (otherworldly control) for his own insight.

**"Education is the best friend. An educated person is respected everywhere. Education beats the beauty and the youth." - Chanakya.**

Book 3 is devoted to common law, financial relations of manager and representative, organizations, vendors and purchasers.

**"The biggest guru-mantra is: never share your secrets with anybody. It will destroy you." - Chanakya.**

Book 4 spotlights on criminal law, where the ruler or authorities following up for his sake, step up and start the legal procedure against demonstrations of wrongdoing.

**"A man is extraordinary by deeds, not by birth." - Chanakya.**

Kautilya's Arthashastra depicts a bureaucratic welfare state; however, some sort of mingled government, the focal government oversees the subtleties of the economy.

## **RESEARCH METHODOLOGY**

### **Secondary Data:**

- Articles published in various journals.
- Reports of researchers on Arthshastra
- Books are written on Arthshastra by authors and translations of the book itself.
- Research is conducted with the help of secondary data. Secondary data was collected from various articles,
- journals, papers and websites.

### **Data Collection;**

There are numerous books accessible on Kausalya's Arthshastra. Initially, the book was in Sanskrit. Later it was interpreted in English and Hindi by numerous researchers. Wellsprings of information gathering incorporate the accompanying:

- 1 Books were written on Arthshastra by authors and translations of the book itself.
2. Articles published in various journals.

3. Reports of researchers on Arthshastra.
4. Papers published by various organisations on the subject.
5. Internet Websites

### **Welfare State**

Arthashastra establishes the calculated framework for making India the first welfare state. He advocates welfare in all circles. He didn't speak just about human welfare, however, focused on creature welfare moreover. He states, "In the joy of his subjects lies the king's satisfaction, in their welfare lays his welfare. He will not consider tantamount to just that which satisfies him, however, treat as advantageous to him whatever satisfies his subjects."

He advocates the assurance of a job, of a more fragile area, purchaser security and even the welfare of detained Welfare State. Arthashastra establishes the calculated framework for making India the first welfare state. He advocates welfare in all circles. He didn't speak just about human welfare however focused on creature welfare moreover. He states,

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He advocates the assurance of a job, of more fragile area, purchaser security and even the welfare of detainees moreover. The King's dharma is to be simply, reasonable and liberal in securing his kin. His demeanour to his individuals ought to resemble a frame of mind of a dad towards his kids. Kautilya characterized the perfect ruler as one "who is ever dynamic in advancing the welfare of the individuals and who charms himself by enhancing people in general and doing great to them."

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### **Great Governance**

Administration by and large envelops all parts of the manner in which a nation is administered, including its financial arrangements and administrative structure. Kautilya had monstrous

information about different parts of administration, for example, tax assessment, tact, exchange, business, organization, and so on. It is said that he had cognitive learning of medication and soothsaying too. It is a treatise on the political economy like Machiavelli's *The Ruler* and henceforth he has been contrasted with Machiavelli by a few and Aristotle and Plato by others. Kautilya discusses the way a state's economy is sorted out, how priests ought to be picked, war directed, and how tax collection ought to be orchestrated and disseminated. Accentuation is put on the significance of a system of covert operatives and sources which capacity as a reconnaissance corps for the lord, concentrating on Foreign dangers and inner dissidence.

He adopts an all-encompassing strategy to administration and discloses a few zones fundamental to the working of a nation top to bottom. The principle segments manage National security and Foreign Policy, Administration of Justice, Strategies identified with monetary improvement, Taxation, Labor Management, and Financial Management. To him, accomplishment of proper administration necessitates that the goals of the state are satisfied and figured it out. This is conceivable through appropriately composed and guided organization. He recommends that excellent administration ought to keep away from excellent choices and activities. Choices ought to be taken by the circumstance. Singling out Kautilya's four-pronged way to deal with open account and state arranging, which was really financial matters, monetarism and considerably more, in view of "dharma, artha, kama and moksha," the specialists concurred that understanding human welfare was the foundation of Arthshastra, said to be the most established and generally thorough treatise on administration and organization of state on the planet, which put forward speculations of state make and monetarism and furthermore a code of standard and criminal law still significant today.

The Arthshastra likens political administration with financial administration. The end is monetary administration, while political administration is the methods. In any case, as financial targets are not understood in the nonattendance of political ones, at that point political administration turns into an end and monetary administration the methods. 'The end legitimizes the methods', and this should be the premise of Kautilyan theory. Political influence and material riches are the methods and parts of the bargains. What's more, excellent administration - political or financial - relies on defending means as the socio, monetary and political conditions.

As indicated by Kautilya, to guarantee excellent administration there must be an appropriately guided open organization, where the ruler should give up his preferences in light of a legitimate

concern for his subjects, and the workforce running the Government ought to be responsive and 'l'sponsible. Kautilya further stressed that for resident cordial excellent administration there ought to be consistency in the authoritative practices just as able pastors and authorities having characteristics of administration, responsibility, mind, vitality, great good lead, what's more, physical wellness, equipped for taking the brief choice. As per Kaufmann and Kraay," the idea of the administration isn't new. Kautilya exhibited critical mainstays of the craft of administration stressing equity, morals and hostile to dictatorial propensities. He further points by point the obligation of the lord to secure the abundance of the state and its subjects, to upgrade, keep up, and it does shield such riches just as the premiums of the subjects."

A ruler who oversees equity based on four standards: exemplary nature, proof, history of the case, and the common law will overcome the earth.

### **Foreign Trade**

Foreign Trade has consistently been an essential component of any economy. Kautilya perceived that Foreign exchange products and ventures are a noteworthy vehicle for expanding state riches. He said that Foreign Trade ought to be empowered by giving a few impetuses, for example, exception from assessments with the goal that Foreign brokers to make a benefit. He gave especially significance to imports. He further said that Foreign exchange is useful to expand the supply of those merchandises which may not be accessible locally. Through imports, a state can be acquired merchandise all the more economically from Foreign sources. Thusly he detailed a relative bit of leeway perspective on Foreign Trade He said that it is helpful for the various kingdoms when the item being imported are less expensive than those can be gotten locally. He perceived that exchange dependent on the rule of relatively favourable position would be useful for both sending out and bringing in countries. Exchange is a significant wellspring of income for the Treasury.

Kautilya underpins the utilization of taxes, both fare and import obligations. Kautilya promoters were drawing in Foreigners who have great specialized information.

He Supports the utilization of taxes, both import and fare obligations. He recommended an overwhelming tax assessment on that remote merchandise which are things of extravagances and then again on the articles of regular utilization light obligations were forced. Anything which is profoundly helpful for the nation ought to be free from any import obligations.

He was the primary individual to examine the identification is vital to cross the limits.

### **Tax collection**

Jha and Jha(1997) called attention to that "Chankya paid preeminent significance to the support of a rich treasury, which positively influenced whole exercises of the organization." He gave a great deal of consideration to excellent monetary administration and the approaches to build up every one of the segments of the economy. To him, open income does not exist for the delight of the ruler yet as a store to be used to increase the abundance of countries. He conceded the tax assessment is the principle wellspring of income. The intensity of burdening of the state is boundless, yet tax assessment ought not to be over the top.

He upheld that the duty base ought to be expanded, not the assessment rate. He reprimanded the over the top weight of charge on individuals. Kautilya used to state „King must gather assessments like the bumblebee, enough to continue however not all that much to destroy.“ Kautilya indeed recommends a direct annual assessment. He underlines reasonableness, the soundness of expense structure, fiscal federalism, evasion of overwhelming tax assessment, guaranteeing of duty consistence and endowments to energize capital arrangement. He upheld restricting the tax assessment intensity of the State, having low paces of tax collection, keeping up a slow increment in tax assessment and above all concocting a duty structure that guaranteed consistency numerous proposes of Kautilya’s theory of political economy are appropriate to contemporary occasions. In a perfect world, the government should gather duties like a bumblebee that sucks only the appropriate measure of nectar from the blossom so that both can endure. Kautilya's plan of tax collection included the components of penance by the citizen, direct advantage to the citizens, redistribution of pay and duty impetuses for wanted speculations. He suggested expense occasion as a motivator which means in the event that anybody brings new land under development, he ought to be excluded from agrarian assessment for at any rate two years. He advocated a blended economy and contended for an exceptionally active job of government. His discourse on tax collection gave a thought of three standards for example tax collection power is constrained, tax collection ought not to be overwhelming and inordinate and duty increment ought to be moderate. He suggests an arrangement of expense gathering and open consumption of income so as to develop the lasting income yielding limit of the economy. He said assessment base ought to be increased not the duty rate. The beneficial

relationship which talked about Kautilya in Arthshashtra between the pace of personal assessment and the size of duty income is presently I have communicated as far as Laffer bend.

He pushed backhanded expenses like extract and custom obligations and direct charges as an annual assessment on people, riches assessment and calling charge. He likewise upheld land income, water assessment and toll, fine and punishments. Agreeing to him, charge receipts can be partitioned into three sections; salary earned through duties on products delivered inside a nation, Income earned through duties on merchandise created in the capital and paid earned through charges on imports and fares. He advocates that rich people should make good on higher government obligation as per their paying limit. In along these lines, he thinks about the capacity to pay approach. Expense ought to be imposed one out of a year.

### **Development Oriented Public Expenditure**

Kautilya upheld that the more significant part of the income created from tax collection ought to be spent on profitable exercises and open welfare. He talked about various things where satiate ought to bring about consumption, for example, on national barrier, open organization and pay rates of the priests, government divisions, support of national storage facility and silos, upkeep of armed forces and on the securing of significant pearls, stones and trimmings and anything that remained ought to be stored to the treasury.

### **Framework**

Kautilya considers foundation as significant for the state improvement and furthermore extremely helpful for advancing business and exchange exercises. He recommends that the state ought to contribute roads, especially so that foreign trade and commercial activities can be increased and so that states revenue. Roads would be helpful in opening up new markets for both domestic and imported products.

### **The relevance of Arthshashtra in modern time.**

Kautilya, also known as Chanakya or Vishnugupta, is one of the most famous Indian political thinkers.

Though he lived a long time ago, certain principles from his theory are still relevant in today's framework. The book, written in Sanskrit, discusses theories and principles of governing a state. Kautilya demonstrated an extremely vital imperative: governance, polity, politics, and progress have to be linked to the welfare of the people. Having discussed some economic ideas of

Kautilya, it can be said that even the terminology employed in Arthashastra may have changed, but the nature and role of the state in the economic system seem persistent in all settings. Covering various topics on administration, politics and economy, it is a book of law and a treatise on running a country, which is relevant even today. His ideas remain accessible to this day in India.

He provided a valuable basis for economic science. It contains handy economic ideas on foreign trade, taxation, public expenditure, agriculture and industry. Good governance and stability are inextricably linked. If rulers are responsive, accountable, removable, recallable, there is stability. If not, there is instability. This is even more relevant in the present democratic setup. Heavy taxation should be avoided. If tax rates are high, the public will not be willing to pay the tax and find out the ways of tax evasion. Low rate of taxation will yield more revenue to the state. He was fully aware that terms of trade did not just depend on economics but also on various parameters. There is no autonomous mechanism that will ensure that a nation would benefit from trade in the absence of certain safeguards and policy measures.

Social welfare is the centre point of Kautilya's economic ideas. The State was required to help the poor and helpless and to be proactive in contributing to the welfare of its citizens. The emphasis that Kautilya gave to human capital formation is relevant in current times because development is

not possible without human capital accumulation.

Apart from these ideas, there are a number of things in Arthashastra which is very relevant such as conservation of natural resources.

Arthashastra provides much basic knowledge about economics, and several of his ideas are still relevant.

### **Conclusion**

Kautilya's Arthashastra provides a valuable basis for the economy. It contains useful insights into economics. It can be used to the glen of relevance to our time and can be useful to illustrate several modern economic ideas. He offered a set of different economic policy measures to promote economic development in the economy.

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