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# Re-Examining the relevance of Gandhian Economic Thoughts in Modern India

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#### **Abstract**

Perhaps one of the most important objectives of any developing or underdeveloped economy is to attain Economic development. Through economic development it is believed that the welfare of the population could be achieved. Post-independence, India also adopted policies, plans and measures towards achieving Economic growth and subsequently development. But even after seventy-five years of independence what the country has managed to achieve is islands of prosperity amidst ocean of poverty. There is no denying of the fact that the centralized planning adopted by our policy makers, the basic and heavy industry-based industrialization has somewhere down the line failed to deliver the desired results. The system was basically a 'one size fits all approach'. India with all its diversity did not need a solution akin to the western world, but what it required was a tailor-made solution suitable to its own unique needs and characteristics. The centralized system grossly failed in terms of ensuring adequate growth rates, eliminating poverty, tackling the problem of unemployment and reducing income inequality. The economic system adopted in the country has accentuated the problem of regional imbalance. Such a situation calls for critically analysing the development strategy adopted by the country so far. There is also a need to re-examine the economic thoughts and ideas propagated by Mahatma Gandhi, as it laid more stress on the human being reassigning the labour the dignity and making the nation self-reliant. Decentralization both in terms of political and economic landscape and keeping the Human at the centre was at the core of Gandhian economic philosophy. In modern times when the western method of development has not worked in our favour an attempt should be made to re-examine the relevance of Gandhi in Modern times.

Keywords: Mahatma Gandhi, economic thought, Atmanirbharta, Gram swaraj

## Introduction

Mohandas Karamchand Gandhi was not an economist per se, neither had he extensively published articles on the subject. Yet it is well evident that he had a clear ideology and has put forth solutions to the problems facing socioeconomic life of the people in his times Gandhiji believed in simple living, selfsufficiency (Atmanirbharta) of villages, Non-violence development of the entire community and the concept of (Sarvodaya) trusteeship. His fundamental thoughts and ideologies which are very much relevant in modern times. There is a need to re-look the relevance of Gandhian economic thoughts because the even after following the New

Economic Policy of liberalization, privatization and globalization we have still not been able to solve the issues of Unemployment, poverty, rural urban migration and inequality. The situation posts Covid 19 lockdown, India witnessed the mass exodus of the migrant labourers from cities to the villages. People from the various villages in India have been migrating to the cities since decades in search of better employment and stable livelihood opportunities, but have to exist in the cities in sub-human conditions. This makes us think is this true development? What happens to human welfare then? This is whose development and for whom?

### Gram Swaraj

Economic development in India is Geographically skewed in favour of urban areas and the rural areas mostly lag in case of development, including access to health, education and basic livelihood facilities. According to 2001 Census, 52 million out of total 1.02 billion population have moved out from rural to urban areas. Similarly Census 2011 has shown that 450 million out of 1.2 billion have migrated from rural to urban areas. Thus, the share of ruralurban migrants has shown a rise from 5.06 percent in the year 2001 to 6.5 percent in 2011. Looking at the gender perspective it becomes clear that the percentage of migration of the male population has risen from 4.6 to 5.7 percent and the percentage of female population migration has increased from 5.5 to 7.4 percent.1

The factors responsible for migration could be divided into two groups

### 1. The 'Push' factors

The push factors include all those factors which are responsible in forcing the people to move out of the place of their residence. This involves food shortages, lack of livelihood opportunities, wars or political or ecological issues in the place of residence as a result they have no option but to move out.

## 2. The 'Pull' factors

The Pull factor does not force people to move out but rather attract people to the urban areas. (Garg & Agarwal, 2021)

Migration of a large chunk of populations to the urban areas exert a lot of pressure on the urban infrastructure. Gandhiji was way ahead of his times when he gave the concept of Gram Swaraj. Gandhiji envisioned a self-dependent village. According to

Gandhiji that every village should produce all its goods and agricultural produce by itself. The village should have facilities of primary education.

# **Khadi and Village Industries**

Gandhiji stressed on the importance of Small-Scale industries, which would be instrumental in self-reliance of the villages and also gives a dignified life to the village population. According to him setting up Khadi and village industries is the solution to economic problems in India. There is a misconception that by stressing upon the use of spinning wheel Gandhi was against the use of machines, actually what he meant was that to produce cloth for our population if we depend on huge mills then it would take snatch away the livelihood of a large section of the population. Post-independence setting up of Khadi and Village Industries Commission (KVIC) has been a step in this direction. The major objectives of KVIC has been of providing employment to the rural population, to produce saleable articles and build self-reliance among the poor.<sup>2</sup>

### **Decentralization**

Gandhiji advocated decentralization as basis of democracy. Decentralization means both economic and political decentralization. Creating large scale industries requires huge capital accumulation. The large and industry based economic heavy development in India began since the second five-year plan. Since independence India has witnessed that the system of centralized planning could not solve the pressing of India. A very recent example of decentralization in today's times is the One District One Product (ODOP) programme of the central Government.

As far as political decentralization is concerned Gandhiji advocated the concept of 'Panchayati Raj'. For the purpose of governance of the villages Gandhiji suggested that every year a five-member committee ofthe panchayat should be elected to govern the village. Every village will be independent in itself having its own powers. According to Gandhiji the panchayati raj will be like a 'Oceanic Circle'. Mahatma Gandhi did not approve of the modern states which is pyramidical in nature with the flow of flow from up to down. In such a state political power and bureaucracy is of centralized nature. (Mathur, K 2015)

## **Industrialization and Machinery**

Gandhiji attributed the poverty in India to the machine-based production system. According to him the western method of development based on excessive use of machinery is evil by design. He had witnessed the enslavement of workers in Indian textile mills. He dwelled upon the dignity of labour. In an article published in the year 1909 in Hind Swaraj Gandhiji talked about how machinery was making the generation into slaves. He wrote that by the extensive use of machinery few were benefitting by exploiting the larger mass of the population. This could on the surface seem as he was against machinery, but the fact is that he used a simple form of machinery 'Charkha' to empower the Indian population. What Gandhiji actually meant was that machine was not evil in itself but should not be used as an effective means ofexploitation. technology and machinery should be to empower the people and not to enslave them.<sup>3</sup>

#### Conclusion

Prima facie it is possible that one may view that Gandhian economic thoughts are kind of utopian and it has little relevance in modern times, but a deeper analysis reveals that it is actually even more relevant in today's times. Gandhiji believed in simple living and high thinking. Simplicity in life is restraining actually from 'overconsumption'. The environmental issues the world is suffering today is more or less the habit of unrestrained consumption. In case India had truly achieved 'Gram Swaraj', we would not have to face the issue of unrestrained rural-urban migration and the subsequent issues of urbanization. Last but not the least the centralized planning system where the entire country's problems were tried to be solved by a single measure has backfired. Gandhi's suggestion of decentralization could have been a better solution. Thus, the paper concludes that there is a pressing need to re-examine Gandhian economic thoughts and implement it in modern day India.

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