



### Economic Thought of Mahatma Gandhi: Present-day Relevance

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#### Abstract

Mahatma Gandhi was not only a politician but also an embodiment of peace and non-violence. He offered a tool of agitation through non-violence. He believed that the main reason for extreme poverty was the lack of sustainable employment, and he prescribed cottage and village industries as the saviour. The villages have their resources, and nature has created such resources for them. He found that village and cottage industries communities can create mass employment, and 'Khadi' can supplement such production. He wanted the distribution of income in equal proportion amongst the people of the country. A high level of GDP and per capita income did not satisfy him. Gandhiji's economic thoughts cover almost all areas of the material and ethical development of the people. Besides the areas discussed above, he also expressed his views on many other areas like population control, environmental protection, management, accountancy

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### Introduction

Mahatma Gandhi is the father of our nation. He led freedom movement and played pivotal role in making country free from British imperialism. Mahatma Gandhi was not only a politician, but also a great personality and embodiment of peace and non-violence. He offered the world a novel concept 'Satyagraha', a tool of agitation through non-violence. Entire world remembers him in reverence. They get solace from him, they get mental strength from him by sitting even at the bottom of his statue only. They fast to strengthen their demand in the path of Mahatma Gandhi who went on fast several times during his life for self-restraint and also as a political weapon. However Mahatma Gandhi's thought was not confined to politics alone. He expanded his vision at most of the areas of human welfare and consequently economics comes in the forefront. Gandhiji did not get formal training in economics and he learned it from his own perception. His economic theory is based not only on economy alone but also on total human development. Mahatma Gandhi believed that main reasons of intense poverty in our country is lack of sustainable employment. He prescribed cottage and village industries as the saviour. The villages have their own resources. Nature has created such resources for them. People in most of the villages have also traditional skill. There are potters, carpenters, idol makers,

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black smiths and also there are people with many other traditional skills in most of the villages. By way of imparting them minimum training and providing other supports many of them can produce high quality products which may also create high demand. There is also scope for innovation and such examples are also not scarce.

Gandhiji felt that production by masses (i.e mass production) in village and cottage industries can create mass employment and he found 'Khadi' as an area that can supplement such production. The name 'Khadi' is derived from khaddar which is a hand spun and woven natural fibre cloth. The first piece of the hand-woven cloth was manufactured in the Sabarmati Ashram during 1917-18. Gandhiji called it Khadi for its coarseness. During freedom movement Mahatma Gandhi encouraged people to use khadi clothes. Even in those days of freedom movement many people spun yarn in charka, an indigenous spinning wheel. Gandhiji also used khadi as a means promoting national self-sufficiency. He advised people to boycott British products and use khadi dress as far as possible to show their bonding with the millions of fellow Indians. In order to give shape of Gandhiji's Khadi dream, All India Congress Committee in 1923 had set up 'All India Khadi Board.'

There are also many other reasons for which Gandhiji laid emphasis on cottage and village industries. People can work in his own village from his home and he is the owner of his own enterprise. The person can satisfy his ego by producing something new. Idol makers or carpenters or others experienced in many such vocations sometimes create such an innovative product which is widely acclaimed and monetary value of the product may increase manifold. Further, in such enterprises the person concern is his own boss and there is no conflict between boss and workers. Even women can lay their hands after completing family work. Further, this type production is environment friendly in contrast to large industries which release smokes and effluence creating health hazard. Even farmers can take such non-farm work as a source of supplementary income and they can use their farm- waste for this purpose. Gandhiji was a man of high ethics and felt that various unhealthy and unethical activities like consumption of liquor, resort to gambling and various criminal activities which are rampantly found in the surroundings of big industries are mostly absent in the sphere of village and cottage industries.

After independence Government of India came forward to give khadi a legal footing. In 1956 they passed in parliament 'Khadi and Village Industries Commission Act'. Thus KVIC was formed and in 1957 it took over the work of former All India Khadi and Village Industries Board. It is now an apex organization under the ministry of Micro, Small and Medium Industries. Regarding employment generation through village and cottage industries Gandhiji's forecast came true. Data revealed that estimated

employment generation through Khadi and Village Industries in FY21 stood at 1.58 crore – up 3.8 per cent from 1.52 crore in FY20 and 7.9 per cent from 1.46 crore in FY19.

However Gandhiji was not against big industries. He supported use of modern science and technology to shape modern India. Accordingly he wanted big industries like steel, electricity, railway and other infrastructure projects. But he cautioned that such big industries should not snatch jobs of poor citizens. He wrote in 'Harijan' in 1938, " If I could produce all my country's needs by means of 30,000 people instead of 30 million, I should not mind it, provided that 30 million are not rendered idle and unemployed". However he wanted that these industries should be built up by government and should be continued under government control. He also wanted that thousands of small industries should flourish surrounding these big industries. After independence through different five years plans government built good number infrastructure projects throughout the country and also started setting up big industries one by one. Surrounding these big industries several small industrial parks were also set up. People boasted of public sector and they have pride of it. Of late government has changed their mind regarding public sector and India's five year plans. Planning Commission has already been dispensed with and public sector is losing its shrine day by day.

Mahatma Gandhi wanted distribution of income in equal proportion amongst people of the country. Government's delight regarding high level of GDP and per capita income did not satisfy him. He felt that Per capita income itself is an illusion. It is obtained dividing GDP by number of people. It is an average figure. X's income Rs. 10 lakh and Y's Rs. 2 lakh and the average is Rs. 6 lakh. We can see the difference between 2 lakh and 6 lakh. He wanted more or less equal distribution of wealth among the people. Different study has shown that despite increase of GDP, employment generation has decreased. Between 2004/05-2009/10 average GDP growth was 9.8 per cent, but during this period rise of employment was only 0.2 per cent. Gandhiji did not support accumulation of wealth in few hands and also yawning gap of income at the lowest and highest level. He opined that this gap should be limited to certain level and this level may be allowed to change from time to time. However he suggested that people should not be deprived of their basic needs. Everyone should contribute to the society as per his ability and take from the society as per his need. An elephant requires food thousand and thousand times more than an ant and this type of inequality should be accepted. Here we find conformity between economic vision of Gandhi and Marx. However the path was different. Gandhiji wanted changes through non-violence and by changing people's mind. On the other hand Marx prescribed violence for change of society. However we see in India now high level of inequality amongst its citizens. The richest 10 per cent of Indians own 80.7 per cent of country's wealth. The trend is going upward every year, which means rich are getting richer at a much faster rate. On the other hand poor fails to elevate their living standard

up to the prescribed mark. India has the highest inequality among the major economies of the world.

Gandhiji propagated the theory of 'Trusteeship Doctrine'. As per this theory if a person can amass immense wealth either through heritage or business, the wealth should not belong to him alone and should belong to entire society and should be spent for welfare of all. Gandhiji did not prescribe any violent means to snatch his wealth. He wanted rich persons to be trustees of this wealth to be utilized for peoples' wellbeing. He wanted change of mentality of the rich.

Mahatma Gandhi always laid emphasis on physical labour. He felt that without physical labour wealth cannot be created. Even the persons who earn their livelihood through intelligent work should also do some physical work. He suggested that spinning of yarn on the wheel (charka) may be a good physical work. Even he advised poets to spin on wheel for at least half an hour a day and this will increase their efficiency in writing poems. He felt that want of labour is the cause of all ills and only by removing this ailment many of the ills in the society may be redressed. He has also referred from Bible which states-one should take his meal only after shedding his sweat. Even he did not support giving alms or arranging free meals for destitute. He wanted them to involve in physical work and Government should arrange such work.

Mahatma Gandhi also gave his thoughts on exchange economy. He supported barter economy to some extent and especially in the villages. Every Indian village should be self-sufficient by producing their requirements themselves. However they may be also dependent on other villages for some commodities which they do not produce. Medium of exchange will be commodities and one commodity may be exchanged against another. He felt that money cannot totally play as medium of exchange and it may be cause of exploitation of the weak by the strong. He suggested, regarding khadi products medium of exchange may be yarn i.e. yarn currency.

Gandhiji always propagated for all-round cleanliness and never compromised with it. He found relationship between cleanliness and economic development. Heaps of filth and dirt around us are not only indecent and unhygienic but cause economic disaster. Plague in Surat in nineties of last century century played havoc in economy and millions and millions of rupees were lost in business. He advised countrymen to inculcate habit of cleanliness. He advised villagers to clean their ponds and roads and process garbage to get fertilizer. Regarding cleanliness not only he preached for total cleanliness but also practised himself. In South Africa he himself cleaned human faeces and even once he compelled his wife Kasturba Gandhi to do the same. Further he himself cleaned latrine in

congress session in Calcutta in 1901. In our country present Government at the centre has taken number of steps for total cleanliness and sanitation.

Gandhiji's economic thoughts cover almost all areas of material and ethical development of the people. Besides the areas discussed above he also expressed his views on many other areas like population control, environmental protection, management, accountancy. These areas are also equally important in regard to a country's economy and people's welfare. He wanted all round development of the people, but wanted people to live a simple life. He was against all sorts of extravagance. Like Marx Gandhiji also wanted an egalitarian society, but unlike Marx he wanted to achieve his goal through non-violence. In his economy ethics has mingled with economy. Sometimes People feel that Gandhian economy is as utopia. In many respects it may be so, but not totally. There are also scope of application of many areas of Gandhian economy and some of them have been discussed in this article. Ex- Prime Minister Morarji Desai commented on Mahatma Gandhi's economic thought in the following words:

“He dreamt of such a society where everyone will have same respect, same opportunity and same freedom for self development. He wanted such a society where economic progress and social justice will go hand in hand. He wanted us to restrain our inner enemies like greed and desire. Because greed of these enemies is boundless.”