

The Economic Philosophy of Mahatma Gandhi A Study**Dr. Pushkar Sunil Gandhi**

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Abstract:

In the current state Indian economy is facing the problem like, poverty, unemployment, economic inequality, problems of urbanization, global warming due to environmental changes, class conflict, unfavorable balance of trade in international trade, privatization of public services, wastage of available resources etc. This research paper shows how the economic ideas put forward by Mahatma Gandhi in the mid-twentieth century through his writings and actions can be a salvation for the economic condition of the country in current scenario. While solving the three major problems of poverty, unemployment and economic inequality, adopting an economic policy based on the principles of truth, non-violence, labor, dignity and simplicity will provide a sustainable answer to all the above economic questions. We all are pursuing the material things and material pleasures. Whole nature is being torn apart while fulfilling our unlimited needs. All this is causing massive pollution of water, soil and air, which is seriously hampering the sustainable economic development of the country. The Indian economy is currently facing serious financial problems and the economic policies that the government is adopting to overcome these issues are temporary and haphazard. Here we explore how Mahatma Gandhi's economic thoughts can be a savior if the economy is to be brought out of this serious economic problem.

Introduction/ Preface:

The Indian economy is facing many economic problems such as the problem of Poverty, unemployment, economic inequality, adverse balance in international trade created by the concentration of industries in certain parts of the country, migration of the workers, increasing slums, economic and social crime, increasing urbanization, global warming due to climate change, industrial unrest due to class struggle, privatization of public services and waste of human and natural resources. This year we are celebrating the nectar jubilee year of Indian independence, which means that even after 75 years of independence the primary and basic needs of Indians such as food, clothing, shelter, education and health have not been fulfilled. In the last 75 years many government schemes have been designed and implemented to eradicate poverty with slogan "Eliminate poverty" but the problem of poverty is still a serious one. Unemployment in the current year is at its highest level in the last 44 years. A handful of industrialist families own 70 % of the country's total wealth. The balance of international trade has been

consistently unfavorable for the last 75 years. Industries are concentrated in specific areas like Mumbai, Pune, Thane, Noida, Calcutta, Hyderabad, Bangalore, Chennai, Ahmedabad, Delhi, and a large number of workers are migrating here from all over the world. Due to this, large slums like Dharavi are being created in those urban areas. Many social problems like juvenile delinquency and prostitution are arising in these slums. Extortion like activities are taking place in this big city, which is leading to gang wars and many types of economic crimes. Due to unlimited and concentrated industrialization, it has had a huge impact on nature and the natural environment has become completely unbalanced. In the industrial sector, there is always a conflict between workers and employers which is causing industrial unrest throughout the country on a large scale. Today, important national services such as nationalized banks, telecommunications companies, and railways in India are being privatized. The limited natural and human resources available are being squandered to large extent, which has brought the Indian economy to unstable state. An attempt has been made here to understand how the economic ideas put forward by Mahatma Gandhi in twentieth

century are useful in addressing the economic problems facing the Indian economy in a sustainable manner in the current situation.

Objectives:

- 1) Reviewing the economic issues which are being faced by economy.
- 2) To examine the relevance of Mahatma Gandhi's economic thoughts in the current context to solve economic problems and their solutions.

Hypothesis/ Assumptions:

- 1) The economic issues in the Indian economy are extremely complex and intricate.
- 2) Ethics and economics cannot be separated.
- 3) The economic policy of the country can be decided on the basis of truth, non-violence, abnegation, simple living and high thinking, trust and Sarvodaya.

Research Method: The secondary data collection method has been fully utilized in this research.

Key comments/ Considerations:

Even in the current situation of the Indian economy, many other economic problems such as poverty, unemployment, economic inequality, uneven balance of international trade, concentration of industry, migration of labor, growing slums, economic and social crimes, increasing urbanization, global warming, industrial unrest, privatization of public services and many other economic problems are challenging our economy seriously. Even in the last 75 years we have not been able to solve them. We have designed and implemented many programs and schemes to solve them, but we have not been able to achieve any success. We have not been able to fulfill the basic needs like food, clothing, shelter, education and health. This means that there is a mistake somewhere in the economic policy. There is something wrong with the Indian government's economic policy. The disease is at the root but we are only pruning the branches. There should be sustainable and permanent solution to the economic problems that have arisen. To solve the serious economic problems faced by economy with sustainable and permanent solution we need to implement Mahatma Gandhi's *Sarvodaya*, trust, *Gram Swarajya*, decentralization of the indigenous industries, Khadi village industry and small scale

industry (*Kutit Udyog*). If these ideas of his were integrated with the economic policy of India we will be able to solve the many economic problems. His economic philosophy contains the all inclusive solutions with Indian context to solve the economic problems that have arisen due to the rapidly increasing population but we Indians have never paid attention to it.

Mahatma Gandhi's Economic Thoughts and Philosophy:

1) Economic and Social Crimes:

In the rapid growing large scale slums many problems are arising today such as juvenile crimes, prostitution and crimes like extortion and smuggling are happening on a large scale. If an economic policy is formulated according to the economic philosophy of Mahatma Gandhi, the migration of laborers towards the cities will be stopped. Slums will not be created. We ignored this and that caused the increase in economic and social crimes. If emphasis had been placed on the development of small scale village industries in rural areas, various problems arising in urban areas would have been solved. Mahatma Gandhi's economical philosophy have answers for all the today's economic problems such as increasing urbanization, global warming, industrial unrest, privatization of public services.

2) Poverty:

Poverty is big curse and stigma on the Indian economy. After 75 years of independence, we have not been able to remove this stigma. The main objective of the 12 Five-year plans, various schemes and programs of the NITI Aayog throughout 8 years was aimed to eradicate poverty, but even today 20 % of the people are reported to be living below the poverty line. Mahatma Gandhi introduced the concept of self-reliant and self-sufficient villages. Even though urbanization has increased greatly in the country, there are still 6.5 lakh villages in India. Even today, India lives in villages, which is why Gandhiji always said, 'Let's go to the villages'. Villages should become self-reliant and self-sufficient. If Khadi and village industries are revived, everyone in the village will get work. If the money in the village stays in the village, the purchasing power of the people in the village will increase to large extent which will increase the standard of living of the

people of the village and bring them above the poverty line resulting eradication of poverty. But Gandhi's economic philosophy was completely ignored. As a result, instead of moving towards sustainable economic solutions, that is, towards the economic philosophy of Mahatma Gandhi, we went in the opposite direction. Gandhi's economic philosophy has a huge potential from which the economy can get new energy and it can give a blow to poverty.

3) Unemployment:

In a labor-intensive country like India, a big machine is a system that saves human labor and time but does not provide employment opportunities to the people of the country. Small scale industries should be established in large numbers in India because they use very little mechanization and can use lot of human labor, but today the country is begin mechanized rapidly; due to which unemployment is increasing every year. In 2020-21, the unemployment rate was the highest in the last 40 years at 44 %. The youth of the country is being pushed into mass of despair. Mechanization does not have the ability to give work to people's hands, so Gandhi used to promote *Khadi* yarn production as a small scale industry in every home. In country with huge population, there is no alternative but only small scale village industries which could alleviate the problem of unemployment and Mahatma Gandhi was aware of this truth.

4) Economic Inequality:

In the last 75 years of independence economic inequality has increased instead of decreasing. The gap between the rich and the poor has widened. Wealth has been concentrated in the hands of handful industrial families. 70 % of country's total wealth is concentrated in these few families. Economic inequality is at a peak level and it needs to be reduced. Gandhi has introduced the idea of trustee through the concept of *Aparigriha*. *Aparigriha* means the attitude of not accumulating wealth. According to him, if rich people decide not to accumulate wealth, economic inequality in society will reduce. Gandhi was against all kinds of inequality but he was not against owing private property. He felt that private property should not be misused. He opposed the idea of person getting a large amount of wealth by inheritance or by acquiring

it through his own efforts and becoming the sole owner of it. The rich people in the society should keep enough wealth to meet their own needs and use the remaining wealth for the society, and the inequality in the society will be reduced only through this attitude of non-accumulation. Although the concept of non-accumulation seems to be possible in only ideal society it is acceptable. It is possible to bring about a non-accumulation attitude among the rich people through a change of heart, and through this class conflict in the society can be avoided.

5) Adverse trade balance:

In international trade, the balance of trade has been consistently unfavorable for the last 75 years, because the country has a situation where imports are more and exports are less. According to Mahatma Gandhi, our economy should become self-sufficient and for this we should adopt *Swadesi* as much as possible which will boost the industries and business in the country and increase employment. But in the last 75 years, we have completely ignored the *Swadesi* principal due to which our imports are higher and exports are lower, resulting in an unfavorable balance of trade.

6) Centralization of Industries:

Large scale industries were localized in specific parts of the country which has led to many economic problems. Due to regional discontent in economic development, Mahatma Gandhi emphasized on the decentralization of industry and said that small scale industries and village industries and industries based on the resources of each village should be established. But we have completely ignored his economic thoughts in the last 75 years and this problem has taken a serious turn today.

7) Migration of Labors:

Today, due to the lack of employment opportunities in rural areas, a large number of workers are migrating to big cities. If we had adopted Mahatma Gandhi's policy of developing small- scale and village industries the above problem would not have arisen.

8) Problem of Slums:

The migration of laborers from rural areas to urban areas for employment in the last 75 years is constant and serious. Since these laborers don not have affordable houses for residence, they live in slums on government land and spend their lives there

in very unsanitary and dirty conditions. Mahatma Gandhi has offered very effective solution by directing us to villages and utilizing small scale industries to employ and improve these people's lives. If we would have followed this the migration of laborers could have been prevented permanently and the problems of slums would not have arisen.

Conclusion:

- 1) Only through Mahatma Gandhi's *Swadesi* thoughts country can become self-reliant and self-sufficient.
- 2) By adopting Mahatma Gandhi's concept of trusts economic inequality can be reduced significantly and sustainably.
- 3) Welfare of the last person in the economy can be achieved through the concept of *Sarvodaya*.
- 4) Limited mechanization and adoption of labor-intensive production methods can provide a sustainable solution to problems like unemployment.
- 5) To make India self-reliant, there is no option but to adopt *Swadesi Gram Swarajya* on large scale.
- 6) Gandhi's economic philosophy can provide a sustainable solution to the economic problems like poverty, unemployment, and economic inequality.
- 7) Gandhi's economic philosophy based on the principles of truth, non-violence and dignity of labor leads to sustainable and stable economic progress.
- 8) Mahatma Gandhi's economic idea of decentralization of industry permanently solves the problems of migration of labor and slums in India as well as the social and economic crimes occurring there.
- 9) The eternal answer to all the economic questions faced by Indian economy today lies in Gandhi's economic thinking.
- 10) Institutions like *Khadi* and village industries commission (KVIC) are based on Gandhi's ideas. Even today initiatives like 'Make in India' reflect Gandhi's *Swadesi* idea.
- 11) Gandhi's principle of "Need, not Greed" is important for the problem of global warming and pollution.
- 12) Schemes like Mgnrega are in line with Gandhi's idea of *Gram Swarajya*.
- 13) The *Atmanirbhar Bharat* campaign has a modern meaning for Gandhi's *Swadesi*.

Summary:

Today Indian society has completely forgotten the noble goals of life and is completely pursuing materialism. This materialism has created many economic and environmental problems. Today Indian society is struggling with ethics and economics; due to which Indian society has completely ignored Gandhi's economic philosophy with ridicule, but if we think consciously we come to know that Gandhi's economic philosophy have sustainable answers for the problems being faced by Indian economy.

Gandhi's economic principles such as Trustees, *Sarvodaya*, *Swadesi*, *Gram Swarajya*, decentralization of industries are perfect solutions for problems like poverty, unemployment, economic inequality and most of economic problems. The economic problems being faced by Indian economy are becoming more complex due to the indiscriminate adoption of Western production methods and technologies. Mahatma Gandhi's economic thoughts are solutions to the economic problems.

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