



INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)

An International Open Access, Peer-reviewed, Refereed Journal

AMBEDKAR'S VISION OF DALIT ECONOMICS

(Prof. Dr. Lella Karunyakara, Dr. Babasaheb Ambedkar, Sidho-Kano Murmu Dalit&Tribal Studies Centre, Mahatma Gandhi Antarrashtriya Hindi Vishwavidyalaya, Wardha, Mharashtra)

Abstract

Socialism and Capitalism are two models of economics generally discussed. Ambedkar visualized a model of economics addressing Indian socio-economic realities which could be called Dalit economics. Dalit model of economics is a middle path of socialism and capitalism. It doesn't mean that it is something like mixed economy. It is more than that. Dalit economics is about social justice economy.

Key words

Ambedkar, Dalit, Economics, Capitalism, Socialism, Social Justice, Poverty, State, Private, Public, Business, Dalit Vision and Dalit economy.

Ambedkar's Dalit Vision

Dalit race or community historically positioned to socially challenge the dominance of the varna-caste tradition and to build counter hegemony based on the modernity during the colonial period. Ambedkar (1881-1956) was the author of modern Dalit vision.¹ Ambedkar's Dalit vision is not an ideological statement documented in a day. It is a philosophical vision evolved over decades of struggles led by Ambedkar fighting against British rulers as well as fellow Indians who opposed to the interests of Dalits. His struggle for Dalits' emancipation has produced Dalit vision sourced in the modernity which Ambedkar might have experienced as a student of American and European universities. He aimed to re-write the destiny of millions of Dalit Indians for better future.

Ambedkar, in the history of Dalits' emancipation, though positioned himself as a liberator, his work and thought locate him in the history of mankind as a modern philosopher of humanity who laid a path for emancipation of people who have experienced discrimination due to race-caste-ethnicity differences. He opposed communists as well as capitalists and also nationalists. He created his own middle path to align the interests of India with the interests of Dalits and vice versa.

Dalit vision is not all about Dalit power but it is about power of India. How to make India powerful by making Dalits powerful is the question Dalit vision aims to provide answer. Dalit vision believes that without empowerment of Dalits, India can't be an empowered country. Without Dalit, there is no India and without India there is no Dalit. There is a mutual interest between Dalit and India and India and Dalit. Dalit vision of Ambedkar makes 'Dalit' the soul of India by integrating Dalit interests with the interests of India and India's interest with that of Dalits. Dalit emancipation is tied with the emancipation of Indian soul and Dalit liberation is intertwined with the liberation of Indian soul because for Ambedkar's vision Dalit is soul of India and the soul of India is Dalit. Ambedkar's Dalit vision consists of three components which are Dalit Economics or Dalit Economic Vision; Political Dalitism or Dalit Political Vision and Social Dalitism or Dalit Social Vision. This paper is only about Dalit Economics visualized by Ambedkar.

What is Dalit Economics?

Dalit is a Hebrew word which means gentle.² Extremism is not gentleness. Middle Path is gentleness. Communism and Capitalism are two extreme ideologies. Option to choose any one of it is like choosing between two extremes. Communism is about state control of distribution of profit and capitalism is about private control of distribution of profit. Socialism is regarded as middle path of communism and capitalism. Socialism allows private property and at the same time makes state control major means of production. Hence, like capitalism, socialism is compatible with democracy. However Ambedkar same as capitalism suspected even socialism. Suspicion on socialism is because even communists find socialist state as a necessary stage to create communist society. Karl Marx called his ideology scientific socialism.

Now what is the option? Either both socialism and capitalism should be discarded for something new or they need to be synthesized. How about choosing both? Could there be a unity between opposites? Is it a sensible equation to combine socialism and capitalism into one economic ideology? Could it be more than mixed economy? Integration of socialism and capitalism is not possible for their opposite positions on the nature of economic relationship between state and society. This is generally held view as the followers of each ideology believe that their ideology is honey and the other is poison. But if we treat these two ideologies as hot and cold water, we can transform them into a harmonized ideology called Dalit Economics. Democracy is directly against capitalism because will of the people in democracy is not the will of capitalists alone. Democracy is also against socialism because will of the people is not about state control of citizens' life. The basic nature of civil society is to strive for bridging gap between poor and rich. How to achieve this civilized goal? Are capitalist societies fast becoming uncivilized by creating wide gap between poor and rich? Are socialist societies tending to be more undemocratic by shrinking the space for individual freedom and justice? What economic model India needs to be adopted to democratize capital? The answer lies in Dalit model of economics visualized by Ambedkar.

Dalit Economics is primarily about economic empowerment of Dalit race by integrating economic interests of India with that of Dalits. It is a synthesis of socialism and capitalism; it is hot and cold mixed water or purified water after removing impurities in socialism and capitalism. Dalit economic system is a middle path of socialism and capitalism.

Socialism is about equal share in profit without equal work. In other words, even if a person is not capable of doing a particular work, that person is entitled for equal share in profits earned by others by doing that work. Capitalism is about share in profit as per work. In other words, unless a person is capable of doing a particular work, that person is not entitled for any share in the profit earned by others out of doing that work. From humanitarian point of view socialism looks good and from work point of view capitalism looks good. In socialist society, a man gets pay even without work in the form of ration and subsidies. In capitalist society a man gets not necessarily equal pay for equal work. Exploitation of labour from labourers by giving less pay for more work is norm as profit is the only driving force of capitalist society. The bone of contention between socialism and capitalism is method of sharing profit. Socialism wants state to intervene in the share of profit; through the state intervention equal distribution of profit is ensured. Capitalism wants no state intervention as it doesn't share profit with others who are not owners of capital. Capitalism ensures the owner of capital to hold profit as he or she is instrumental in creating it. Socialism finds social purpose of profit and capitalism finds no such social purpose and the only purpose it finds in profit is personal benefit.

The missing link here is that opportunities to acquire capabilities for doing a work. Without providing sufficient opportunities for people, how could they get ability to do required work? Capitalism may provide jobs but it is not meant for providing opportunities to the citizens for gaining capability. Even if it starts, educational institutions that meant only for wealthy and not open to all. Some races by the accident of history might have got such opportunities to become socially and economically dominant and generations after generations they have accumulated wealth due to opportunities provided by history. What about races that have not got in the history such opportunities and kept them by the dominant in social and economic backwardness for centuries only to gain profits? Capitalism provides only jobs but not ability to do such jobs that challenge monopoly of its capital. It takes all credit for creating profit without providing opportunities to create profit. Hence Socialism wants the intervention of state. But state control over profit produced by private capital denies individual justice and destroys individual freedom. Here comes the role of democracy to arbitrate between economically poor and rich citizens through the elected government. Therefore, democracy is defined nothing but the will of people. Here people mean both poor and rich.

Communism says state is owner of property and people are mere workers under the control of state which takes care of all their needs. Of course in ideal communist society, state withers away. Socialism says state is not owner of property but it should re-distribute property equally between people. Hence there will be no rich or poor in the socialist society. Capitalism says state has ideally no property. Property belongs to the people who own property. Hence all property is private. The only sacred role of the state is to protect the private property. Dalit economics says that the role of state is not to own property unlike communist state; not to distribute property unlike socialist state; not to safeguard private property unlike capitalist state but to enable people particularly historically disadvantaged races to own property by creating socio-economic, political opportunities.

The philosophy of socio-political facets of Dalit economics is that the role of state is though meant to protect private property but not at the cost of public interest. Hence, the sacred roll of state is to provide quality education; quality health; business loans etc., for improving quality life of people who could eventually become capable of creating profit. In the Dalit economic model of governance, there is no need to distribute profit created by others but it has to create special socio-economic opportunities for disadvantaged races to make them at least equal if not more to advantaged races. State refers not mere law, it refers to agencies making and enforcement of law. Hence nature of state in democracy is all about who wields elected power. The pertinent question is which is a ruling race? Who rules whom.

In the present globalised world, in terms of economics, there are two types of Democracy – Manipulated Democracy and Civilised democracy. How the manipulated democracy is made? Capitalists by joining each other formed into corporate entities with profit as the sole motive, manipulate democratic process of electing political power by making voters misinformed with help of media owned by them create a kind of democracy which could be called Manipulated Democracy. In the manipulated democracy, corporate capitalists manipulate all democratic institutions including the three important organs of the state- executive, legislature and judiciary by involving something called corporate political responsibility in the form of political donations and make the state to deprive the poor from quality health and education with intention to get cheap labour for earning higher profits.

Public-Private Competition

Ambedkar's economic vision is the core of Dalit Economics. Ambedkar rejects Communism (Marxism), and Capitalism. He rejected Communists' idea of state ownership as well as capitalist's idea of private ownership of all resources. His vision of Dalit economics is the Buddha's middle path. In the Dalit economics the state is owner of certain resources of the country and at the same time allowing the private capital to own certain resources. Public ownership along with private ownership makes business competitive. Otherwise, private players form a syndicate to control prices of buying and selling which earn more profits to private businessmen but ruin countries economy. If there is only private capital, poor becomes poorer and rich becomes richer. If government also own business there will be positive competition in the market and buying and selling prices would be as per benefit of common people and small business men.

To make Indian economy deeply competitive and dynamic, there must be competition in the business. Consumer can benefit only when there is a competition between private players. Private companies generally never compete with each other. They involve in competition only at peripheral level. Once the competition is removed, syndicated companies now it is called corporates could control consumer. Without participation of public companies, the profit will be monopolized by a few private business houses who formed into a syndicate instead of competing with each other. The consumer controlled economy will become corporate controlled economy. Consumer can control market forces only when there is a level playing field. That level playing field is government controlled companies. Private companies connect with each other and only syndicate in other words corporates determines the country's economy which is detrimental to nation's economic growth. Corporate hospitals determine the cost of people's health and corporate schools determine

the cost of people's education. Hence Ambedkar, though disliked communism, treated capitalism as enemy of people. Ambedkar's Dalit economic vision is public-private competition and not public-private partnership. In the competition between public and private companies, public is beneficiary as the elected government is the owner of profit. In the public-private partnership model private companies are benefitted more than public as corruption plays major role from awarding contracts to high cost and low quality work.

Dalit economics subscribe neither socialism nor capitalism but middle path economics. Ambedkar's Dalit Manifesto known as Scheduled Caste Emancipation – Draft Manifesto written in October 1951 in view of the first Lok Sabha elections in independent India held in January 1952 states, "The pattern of industrial enterprise will be a matter regulated by the needs of the time and circumstances...Where national undertaking of an industry is possible and essential, the Scheduled Caste (Dalit) Federation will support national undertaking. Where private enterprise is possible and national undertaking not essential, private enterprise will be allowed."³ If economic inequality is rampant, then it is the business of the government to do business to rescue citizens from poverty. Therefore, state owned business entities are very much required to alleviate masses from poverty and hunger which social responsibility of corporates can't compensate.

Even in capitalist state like USA, Joe Biden within months after becoming President in 2021 made a law for '\$1.9tn Covid relief package' aiming payments of \$1,400 to more than 100 million Americans to rescue them from economic burden in virus pandemic times. "One estimate calculates that the move will, at a stroke, cut child poverty by half. The poorest 20% of families will see their income rise by 20%. The law expands subsidies for healthcare and introduces something akin to child benefit. It directs \$4bn to black farmers, in what some have hailed as a first step towards reparations for slavery."⁴

What about reparations for former untouchables for practicing untouchability by touchables in India? Anyhow, in the words of conservative columnist David Brooks, Biden's Covid relief law is "one of the most important pieces of legislation of our lifetimes".⁵ It means it is the responsibility of government to work for the welfare of citizens. This is what Dalit Economics. It strives for racial equality in economic relationship. Dalit economics argue that it is the responsibility of state to make citizens capable of paying taxes. State has to provide equal economic opportunities for all races to make every citizen tax payer.

Industrialization of agriculture

India is an agricultural country because majority Indians involved in agricultural activities and not because it produces more agricultural products. Absence of industrialization is the reason for agricultural backwardness in India. England is not regarded as agricultural nation but it produces more wheat than India. Wheat yield per hectare in England is 8.5 Metric Tons but in India it is only 3.4 Metric Tons.

Dalit economics visualizes Special Agricultural Zones (SAZs). Same on the lines of Special Economic Zones (SEZs) for industrialists and corporates to establish industries, there must be Special Agricultural Zones (SAZs) to establish special farms with targeted agricultural produce. SEZs are manufacturing business but SAZs are producing business. Ambedkar's Dalit economic vision is for the large tracts of agricultural holdings with mechanized farming supported by chemical fertilizers and hybrid seeds

totally eradicate food shortage in India and makes India world leader in agricultural produce. In the Dalit vision of economics, a state is the owner of major and heavy industries and establishes such industries in SEZs. The state owns SAZs and an employer of farmers as workers. In other words, agriculture is an industry. Farmers work as both partners and workers in SAZs. They are paid wages and bonus like industrial workers. State is responsible for crop failure but farmers share profit in the form of bonus.

Ambedkar's Scheduled Caste Emancipation – Draft Manifesto states, “1. Agriculture must be mechanized. Agriculture in India can never become prosperous so long as its methods remain primitive. 2. To make mechanized farming possible, cultivation on small holdings must be replaced by large farms. 3. To increase yield, there must be provision of manuring and supply of healthy seeds.”⁶

Industrialized modern economy destroys caste based traditional economy and makes India from poor country to wealthy nation by liberating more people from traditional caste based occupations to modern mechanized occupations. Therefore, Ambedkar visualized industrialization of agriculture. Surplus production is not possible in small land holdings. Large farms naturally enable surplus farm produce that could make India self-sufficient and also could become savior of poor in neighboring countries.

State and Business

Some people are of the view that state has no business to do business. But Ambedkar visualized Indian state to do business for the sake of representation of Dalit, Adivasi and Shudra in the workforce of Public Sector Undertaking from worker to executive level. He wanted Indian government to be a business entity in Parliamentary democracy. Private sector always pursues profit. But public sector is for more than profit. It makes democracy stronger by making social diversity in workforce. The competition between public sector and private sector destroys monopoly of a few business families and makes Indian market to work on the principle of national interest first. Private companies work for making personal interest first. But with the public companies in the field of business nation's interest become first. Privatization can put India on growth path only when opportunities for talented Dalit, Adivasi and Shudra races that constitute largest majority of India are ensured. Private capital driven by personal or family profit, never ever venture into the socialization of workforce.

In his political manifesto Ambedkar said, “Generation of electricity is in the opinion of the Scheduled Caste (Dalit) Federation the foundation of economic prosperity of India.”⁷ No private company could electrify India, it had to be work of public sector. Earlier almost every part of India is electrified by the public undertaking companies. Today private companies are involved in electrification of India. Now the problem is high electricity bills due to privatization of electricity generation and distribution. India is economically highly imbalanced nation of races and regions with majority Indians are leading poverty stricken lives. History is proved that whatever prosperity India is witnessing since independence is because of the contribution of public sector. Dalits would be beneficiaries of these public sector companies in terms of being part of its workforce which they will not be in private sector.

How to make India out of poverty that could eventually make Dalits out of poverty? Ambedkar felt that the only way to bring India out of poverty is production. He said, “Looking at the intense poverty of the people of this country, no other consideration except that of greater production and still greater production can be the primary and paramount condition”.⁸ How to ensure production? Industrialization is the answer. Even today India is awaiting for industrialization. More industrialization means more work. Public sector means more jobs with decent wages. More private sector means more manipulation of work force in terms of less wages and high number of working hours. Industrial production, particularly in the manufacturing sector, under public sector undertakings makes India prosperous.

The most important characteristic of Dalit economics is freedom to people in rule based system. It gives freedom to all Indians particularly Dalits to leave caste occupations for becoming socially and economically prosperous. Ambedkar in his party manifesto declares that All India Scheduled Caste (Dalit) Federation protects the right of every Indian the freedom to choose any occupation that provides dignity. About the party, the manifesto said, “It will sustain the right of every Indian to freedom: religious, economic and political.”⁹

The most important right that Indians particularly Dalits have been deprived is equality of opportunity. Dalit economics believes in the principle of equality of opportunity. About the party’s stand on the issue of equality of opportunity, Ambedkar’s Dalit manifesto said, “ It (AISCF/Dalit Federation) will uphold the right of every Indian to equality of opportunity”. Here opportunity can be read as economic opportunity which has been deprived for Dalits and majority Indians due to the dominance of varna/caste ideology. Dalit economics believes that varna/caste occupation is bane for the progress and prosperity of Dalit Indians as well as non- Dalit Indians. It argues for providing equal economic opportunities to all citizens of India irrespective of their race/caste and religion.

Constitutional mandate of representation of various Indian races in Indian business can only be fulfilled by public sector. The constitutional mandate of public sector in business is to create honest competition in the market by not allowing the private capital monopolize the profit which could ensure a strong and dynamic economic democracy in India. Another mandate of public sector is providing space for social diversity in workforce which could ensure social democracy to thrive in Indian society. Indeed, the healthy and unbiased competition applied by common tax laws both public and private companies could create civil society by working for national interest which is basically an economic interest but combined with social interest. For example, public and private banks making a provision for ‘collateral free’ lending to Dalit business entities with credit not above 1% annual interest or easy educational loan to Dalit students.

Conclusion

Dalit Economics doesn’t detach totally the state from society because the basic responsibility of state is to address staggering inequality in the society. In an ideal capitalist society all races able to compete with each other socially and economically. Even in USA the ideal capitalist society doesn’t exist. Just because of some races are wealthy by the accident of history, they can’t be given free hand to exploit socially and economically weak races in a civilized society. Therefore state can’t withdraw totally from the economic

control of society. Since the starting line for every race in the field of business is not same, the state can't leave business entirely to free enterprise.

For Dalit economics, doing business by the state is the economic will of the people in democracy particularly the will of the races like Dalit race who are facing racial discrimination and economic exploitation. In the Dalit economic model the state does business representing the people will. Hence Government sector is called public sector. At the same time Dalit economic model allows the right to private property. In representative democracy the state is mandated to do not only business on behalf of larger interests of society and also to make affirmative policies for preparing future capitalists, investors and business men from hitherto socially and economically excluded races. Dalit economics tries to create private property for people by engaging with methods of creating public property. Hence Dalit economics visualizes more than partnership there is need for rational, reasonable and visible competition between public and private enterprises and also industrialization of agriculture by making larger farms.

Urbanization is another important aim of Dalit economics. Ambedkar wanted urbanization of India through industrialization. Dalit economics damages social status of feudal castes in rural India that makes Indian society become socially moral. Dalit Economic model allows Dalits to experience freedom to dress and freedom to eat and ultimately freedom to live with dignity. Dalit economics advocates population control as population explosion adversely effects economic status of the country.

Dalit economics dismantles feudalism as it is against caste based traditional occupations. Therefore, it strengthens democracy. Dalit economics creates a new society where ritual pride of social superiority is dismantled and every citizen becomes socially equal with equal opportunities to grow economically.

End Notes

1. Ambedkar referred Depressed Class or Scheduled Castes as Dalit in his all Marathi writings and speeches. He popularized Dalit identity as a dignified social identity throughout Maharashtra while using the terms like Depressed Class or Scheduled Castes in English writings and speeches. Therefore, no should have any confusion with regard to Ambedkar's relationship with Dalit identity. In this paper the term Dalit is retained to refer Depressed Class or Scheduled Castes while using Ambedkar's English writings and Speeches to bring unity and clarity in the Dalit identity.
2. Generally it is understood that Dalit is a Sanskrit word, but there is no evidence to show that any Sanskrit text or Sanskrit speaking society ever used it. Dalit is first name of many Hebrew speaking Israeli Jews even today. Dalit word is used in Hebrew as an adjective and also noun. For more refer Lella Karunyakara's *History of Dalit Identity*, Dalwis Publishers, Nagpur, 2021.
3. Vol.17, Part I, p.391.
4. Jonathan Freedland, "Joe Biden is giving left parties the world over a masterclass in how to use power" *The Guardian*, Friday 26 March 2021, Opinion.
5. Ibid.
6. Vol. 17, Part I, p.392.
7. Vol.17, part I, p.393.
8. Vol. 17, part I, p. 391.
9. Vol.17, part I, p.387.