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The Gandhian Concept of Business & Economy – Getting Back to our Roots

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ABSTRACT

“Economics that hurt the moral well-being of an individual or a nation are immoral and, therefore, sinful.”

-Mahatma Gandhi

It is not that easy to comprehend Mahatma Gandhi, especially if it is about his economics. The main reason for this is that Gandhi reached his conclusions because of his moral understanding of the world, not because of his understanding of development, investment, demand or supply. This is the reason why it is not possible to put his ideas of economics into left-right-middle-class or communist-socialist-capitalist ideologies. The term 'Gandhian Economics' was first introduced by his famous follower J.C. Kumarappa. Gandhi believed in Swadeshi, in rural self-sufficiency, in cottage and small industries rather than large industries, and in the use of labour rather than machines in production. Tying Gandhi's thoughts into words is a challenging task in

itself. Words can be lacking to understand the simplicity and depth of Mahatma Gandhi's ideas. Mahatma Gandhi was undoubtedly a great thinker. World-renowned scientist Albert Einstein holds the view that- "We are very lucky and we should be thankful that God has given us such a bright contemporary man - he will serve as a lighthouse for future generations".

KEYWORDS

Economic Development, Globalization, Capitalism, Socialism, Trusteeship, Gram Sarvodaya

INTRODUCTION

In this phase of globalization, the glare of cities is increasing, while the simplicity of the villages seems to be tarnishing. Gandhi ji's thoughts take us back to the simplicity and cleanliness of the village streets where lies the enjoyment of dusk, the absence of which is present in today's runaway world. Mahatma Gandhi viewed villages as the smallest unit of production in a nation. Since Mahatma Gandhi was a spiritual man, the village structure he saw in spirituality was inspired by *Ramrajya*, where villages were run democratically, where the ruler worked for the benefit of his people. Equal opportunities were provided to all, there was no place for violence and where all religions and beliefs were respected.

In this era of globalization, the lifestyle of human beings has changed. Therefore many people believe that in today's environment, Gandhi's thoughts are losing grip and his relevance is being questioned. But the fact of the matter is that the economic ideas of Gandhi Ji have become more relevant than before because in this era of globalization, countries like India have to first strengthen their roots and an important aspect of strengthening these roots lies in increasing self-reliance of villages. Mahatma Gandhi wanted India to look self-sufficient. He believed that the soul of India lives in villages, so his vision was that 'village development' is the primary requirement to take India on the path of development. With this in mind, he had placed the rural economy at the top. In his view, the basis of this economy was 'upliftment of rural life'. Therefore, Gandhi Ji gave importance to small industries (cottage industries), not to big industries, such as spinning yarn by spinning, weaving and milling the flour, distributing rice pots and rope etc. In this context, the significance of Mahatma Gandhi's ideas has been strengthened. *Gandhi Ji said that "the economic aspect and the moral aspect are complementary to each other, i.e., in economic competition we should not forget our morality because the laws of nature are absolutely true, but economic laws change with time and space."*

OBJECTIVES

- 1.) To expound the notion of Gandhian idea of attaining economic prosperity.
- 2.) To comprehend Gandhian principles of achieving economic development.
- 3.) To throw light on ways India can proliferate by adopting Gandhi Ji's economic tenet.

GANDHIAN CONCEPT OF BUSINESS AND ECONOMY

Many countries have learned about globalization from their experience that if we are not careful, it can also cause many kinds of damage. We should be careful not to destroy many traditional livelihoods in the storm of globalization. We have to be especially careful to protect our farming and crafts. In the era of globalization, often highly mechanized and capital intensive techniques are propagated. But in countries like ours, traditional livelihoods are linked to labor intensive methods. A lot of traditional knowledge is also associated with them. If all of this was rapidly lost, then a lot of valuable heritage would be lost. Going deeper, it is known that Gandhi's main opposition was from the exploitation of humans by humans and from here begins his objection to the incremental use of machines and automation techniques. Therefore, while he believed, "*capital exploits the labor of some people and increases itself manifold,*" he equally observed that if self-control was not exercised, organized labor would also become a major danger.

But in the new world of automation, globalization and localization, where formal sector jobs are shrinking, our future depends only on our own skill building, self-employment, and self-aggrandizement - and that's what Gandhi wanted. He conceptualized self-employment, where government and industry will play a supporting role in the future and Non-profit organizations will play a larger role in this new adventurous world.

If Gandhi ji's path is adopted, special attention will be given to maintaining self-reliance and livelihood diversity of villages and towns. Based on this we will ensure our food self-reliance which is very important. Similarly, a large part of many other basic needs will be supplied from Khadi and cottage industries. In this way, the impact of world market instability will be less on meeting many basic needs because in this context our villages will be self-reliant. If we keep the economy of our villages and towns strong on the basis of self-reliance to a large extent, then we can face the fluctuations in the world economy more strongly because our foundation will be strong. Let us always remember what Gandhi Ji always reiterated "*The study of Indian Economics is the study of the Spinning Wheel.*"

Gandhi Ji wanted to start India's economic freedom from a low level, for this Gandhi Ji also gave the slogan of 'Gram Sarvodaya' so that the village could save itself and the concept of 'Sarvodaya - rise of all' was introduced. The constitution of Gram Panchayats in the Constitution of India is inspired by this ideology.

Possibly, the most important idea that Mahatma Gandhi gave us, which kept him completely flawless even in the times of failures of capitalism (2008) and socialism (1989), was his idea of trusteeship. By trusteeship, Gandhi meant that industrialists should run their enterprises for profit, but the money earned from it should not be utilized solely for personal extremism but for the benefit of all sections of society. The idea was accepted by Jamshed Tata, who put all his shareholders in a trust to return the rest of the money to the society in addition to the profits required for development. Gandhi Ji was clearly not against wealth creation, but he was only against the unlimited use of property for personal gain.

Today more than 150 billionaires have pledged to donate more than half of their wealth, including Mark Zuckerberg, Vinod Khosla, Elon Musk, Larry Ellison, and David Rockefeller. Here in India, our I.T. Billionaires, Narayanamurthy, Azeem Premji, and Shiva Nadar are spending crores for philanthropy. However, this trend of charity is still not mainstream. Perhaps, it is only a matter of time before they begin to see themselves as trustees of inherited wealth or the wealth they have created.

Humanity occupies the foremost place in Gandhi ji's economic ideas. Gross domestic products and other development related issues matter only as long as they achieve the goal of public welfare. Gandhi Ji makes one nation, one youth, one citizen, one farmer, one student aware of the preference for emptiness whose sole purpose is to build an ideal nation by transcending all the ultimate limits of humanity. A "Person" occupies a central place in Gandhi's economics. He believed that every part of the society should work only to increase the welfare of the people. Thus betterment of the masses is the ultimate aim of all economic decisions.

GANDHIAN PRINCIPLES OF ECONOMIC DEVELOPMENT

Gandhian economics is based on the concept of an economic system in which "class" has no place. Gandhi's economics talks about establishing a social system in which one person does not exploit another. That is, Gandhian economics is based on the principle of social justice and equality. The salient principles of Gandhi's economic thought are mentioned under:

1. The value of everyone's labour in society is equal.
2. There is no conflict between labour and capital.
3. Gandhi ji believed that no matter how rich a person is, he must do so much physical work that he can fill his stomach. That is, those who do mental labor should also do manual labor.
4. His Principle of Trusteeship states that the real owner of the capital is not a capitalist but the whole society. The bourgeoisie is only the keeper of the property. He believed that the property that the capitalists have is the heritage of the whole society.
5. Gandhi's economics is in favor of small and labour-intensive industries. Gandhi ji was opposed to big machines; however, this thing is slightly less meaningful in the present time. He believed that an inanimate machine works for many human beings, due to which unemployment increases in the society.
6. Gandhi ji believed that if the person gets used to living with less resources, then there is 'nothing less' in the person's life. They believed that the requirements are similar to antelope and the requirements increase as much as the requirements are increased.
7. The goal of production should be to fulfill the need of society and not to make profit.
8. Gandhi ji did not want to completely destroy the capitalist but he wanted to make it useful for the society.

9. Gandhi ji used to say that not every capital is guilty, wrong use of capital makes capital wrong. Excessive capital is the enemy of society.
10. The quantity of production in Gandhi's economic system is determined according to the need of society. There is no place for personal desires and greed in this.
11. Every person should produce only to fulfill his needs. The production of excess goods puts additional pressure on nature.
12. Gandhi ji was opposed to nationalization. He believed that nationalization increases the state's autocracy.
13. Gandhi ji considered the strike done for the right purposes as valid. He was opposed to selfish and violent strike.

It is clear from the above mentioned points that in Gandhi's economics, "person" occupies a central place. He believed that every part of the society should work only to increase the welfare of the people.

PROLIFERATION OF INDIA THROUGH GANDHIAN ECONOMICS

Gandhi ji's mantra was that whenever taking any work in hand, keep in mind that what will be the benefit of the poorest and the last or the weakest of the society? If we talk about the recent decade, the kind of inclusive development that the Congress government had been talking about and the idea of present Modi government of 'Sabka Saath Sabka Vikas' also focuses on the goal that the rays of development must reach the weakest person. Mahatma Gandhi believed that the goal of economic development should be to make humans happy. He did not believe in such modern thinking of prosperity, in which physical development is considered to be the basic criterion of progress. He believed in the principles of Bahujan Sukhaya-Bahujan Hitay and Sarvodaya i.e. the rise of all. Although Mahatma Gandhi was not opposed to material prosperity, nor did he denied the use of machines under all circumstances.

Swaraj was the mainstay of Mahatma Gandhi's economic ideas. By Swaraj, he meant a society in which every person gets a chance to live a life honorably and equal opportunities are available for development. He gave the idea of a society in which economic progress and social justice are simultaneous.

He wanted that the crores of rupees that go out of India should be saved and used in the development of the country. Swadeshi means strengthening the companies and factories of the country. Under this thinking, Holi of foreign goods was burnt and Gandhi ji encouraged Khadi and village industries. He believed that Khadi could become a symbol of unity of Indians, their economic independence and equality. The emphasis on 'Made in India' or 'Make in India' by the current rulers is a form of this thinking.

Mahatma Gandhi wanted the villages to be made self-supporting economic units. This means that small and cottage industries should become the center of the villages. Villages and small cities should be made the

