

# Gandhian economics is relevant

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In recent years there appears to have been a resurgence of interest in what may be called Gandhian economics. Gandhiji first enunciated some of these ideas about a hundred years ago. These are contained in his *Hind Swaraj*, written in 1908 during a voyage from London to South Africa.

It was later published as a booklet. Gandhiji's economic ideas continued to evolve over the next four decades after he returned to India for good at the age of 45. He altered some of his more extreme positions on, say, machinery, but on a number of core formulations his conviction was unchanged.

Even at the height of Gandhi's virtually unchallenged position during India's freedom struggle there were many within the Congress party, some of them his closest confidants, who were never impressed with his economic formulations. These included, notably, Jawaharlal Nehru and Jayaprakash Narayan.

Nehru never challenged Gandhiji's overall moral and political pre-eminence, but his emphasis on heavy industry and investment planning was at variance with Gandhi's ideas. *Hind Swaraj* was a severe condemnation of modern civilisation.

It aimed for self-rule in a context where the twin principles of satyagraha and non-violence were the core postulates. As one who had the most perspicacious understanding of the Indian countryside, Gandhi felt that the key to the country's progress lay in the strengthening of the decentralised, self-sufficient village economies.

He had a strong adherent in J C Kumarappa, who was possibly the first to coin the expression, Gandhian economics. Gandhi made a trenchant critique of machinery, saying that it was a grand, yet awful, invention. In *Hind Swaraj* he observes: "It is machinery that has impoverished India".

Further, he says: "Machinery is the chief symbol of modern civilisation; it represents a great sin". This was no doubt an extreme position. Few agreed with him on this, but it would be fair to say that Gandhi continued to change his position on this question.

But fundamentally Gandhi opposed machinery because he thought it displaced labour and it concentrated production and distribution in the hands of a few. This is an old question in classical political economy with which Ricardo grappled at length.

Gandhi's concern was not trivial; one needs to address the question of the appropriate choice of technique when looking at a real economy. Perhaps the most controversial aspect of Gandhi's economic formulation was his theory of trusteeship.

This was developed as an alternative to the doctrine of socialism or communism. The thesis was that the capitalists would hold their wealth as trustees for the service of society. Trusteeship was thus to be thought of as a moral compact between the wealthy and society at large.

This thesis has been roundly critiqued in several quarters. But in the present conjuncture when command economies are in retreat and globalised capitalism is the prevalent mode, the need for a moral and ethical basis for business practices has never been more keenly felt.

Two further features of the Gandhian mode ought to assure for it a very special place in the history of economic thought. First, Gandhi advocated the precept of limitation of wants to take care of one's need and not greed.

This is a counterpoise to the entire edifice of mainstream economic thinking which is based on the notion of a continuous expansion of the goods space to satisfy unlimited wants. It is conceivable that this may yet turn out to be the single major Gandhian insight that could dictate the agenda of the long-term sustainability of the ecosystem.

The second has to do with the idea of focusing on the well-being of the poorest and weakest member of society that is contained in Gandhi's talisman. This was one of the last notes that Gandhi left behind in 1948. This was an intrinsic part of Gandhi's moral view of the world.

It was articulated at least a decade before John Rawls's early writings. Gandhi's idea, later developed in Rawls's *A Theory of Justice* published in 1971, was to profoundly alter the course of theoretical welfare economics.

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# Bhoodan & Gramdan

*TIME Magazine, Dec. 29, 1958*

In India, where the symbolic gesture means so much, the 20th century last week sought out the old-fashioned ways. In his personal turboprop Viscount Prime Minister Jawaharlal Nehru flew 500 miles from New Delhi south to Ahmedabad. There he stepped into a red and cream Chevrolet convertible, rode 37 miles into the countryside, and came to a stop in the dingy village of Gangad, a place so desolate that it specifically recalls Gandhi's bitter comment about India's "700,000 dungheaps, known as villages."

Acknowledging the cheers of thousands of peasants who had come swarming into Gangad from 50 miles around, Nehru alighted from his car outside a yellow brick schoolhouse and strode up the gravel path to greet the man he had traveled this distance to see: Vinoba Bhave, a skinny, penniless oldster with sunken cheeks, a wispy white mustache and beard (TIME Cover, May 11, 1953).

For two days the Prime Minister and the 63-year-old holy man talked together, made speeches to the crowds, walked side by side along dusty roads. Nehru's sophisticated aides, their minds on turbo-electric power, had once brushed off this holy man's ideas. But now Nehru needed Bhave's help to find for India a way of raising food production and the peasant standard of living without using the coercion and brutality employed by Red China.

Refusing Landlords. Six years ago, Vinoba Bhave and his followers vowed to collect 50 million acres of land from India's landlords by the simple process of "looting with love." Explained a disciple: "If in a village we find two landlords who refuse, we say we will not force you. Some day the light will dawn in your hearts. Until then, we would lay down our lives to protect your ownership."

So far, Bhave has shamed and wheedled rich men into surrendering some 7,000,000 acres, but much of the land has proved barren and worthless, and other tracts are enmeshed in litigation. But Vinoba Bhave has gained more than land; in a nation that can still be stirred by radically simple spiritual appeals, he has won the hearts of millions of crushed and simple peasants.

One Plus Zero. Nehru himself, whose dreams have always run to government-run industry, giant dams, and steel mills and machine-tool plants, has come to realize that industrialization is being dragged to a full stop by the deadweight of the impoverished villages. He went to Gangad to dramatize his full backing of Bhave's plans of Bhoodan (gifts of land) and Gramdan (pooling of all community resources) in the hope that they will build a future of healthy peasant cooperatives. Speaking to audiences of thousands, as he walked from city to village to city, Bhave expressed his idea in mathematical terms, saying that the people represent 1 and the government 0. Separately, they could not achieve much, but put together they equal 10: India's achievement would be tenfold. Said Nehru: "The land problem is the main problem before us. Vinobaji says that private ownership of land must go. He is right. The land should belong to the community. But even that is not enough. The community must have the necessary organization to develop its economy." He exhorted the peasants to work harder, because "great nations like America and Russia" have progressed through the toil of their people. Then Nehru returned to his Viscount.

At 3 the following morning, under a starlit sky, Vinoba Bhave's disciples rose quietly and loaded their meager belongings in a truck. Ninety minutes later, wearing a grandmotherly shawl over his dhoti, Bhave marched briskly out of the schoolhouse and headed straight down the village road at a brisk pace, looking neither to right nor left. A man with a lantern raced ahead of Bhave to light his way. Following after came some three dozen wraithlike women secretaries and husky disciples—including the barefoot son of a wealthy cotton-mill owner, a nephew of India's Finance Minister, and landowners who had joined Bhave after giving away their estates. As the day slowly brightened, peasants began lining the road to greet Bhave. Some decked him with garlands, others tried to touch him. Gently, Vinoba Bhave discouraged such marks of devotion and walked straight on. His destination: all India. His hope: a saintly communism, achieved through love and nonviolence.

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