

GANDHIAN MODEL FOR INDUSTRIAL DEVELOPMENT

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ABSTRACT

Gandhi was perhaps the first Indian social thinker to raise the basic issue of the rural vs. urban antagonism in colonial societies. He had also raised the equally important issues of agricultural vs industry, small vs large industry, labour-intensive vs capital-intensive techniques in Indian economic development. In fact, Gandhi had suggested a number of cottage industries that can be started in villages. These included khadi industries, gur making, basket making, rope making, oil pressing units. Above all, Gandhi gave priority to khadi industry. According to Gandhi khadi is the Central Industry on which all other village industries revolve. He has tried to evolve practical programmes for immediate economic amelioration of the masses and for the restoration of self-respect among them. He believed that economic self-sufficiency for an individual and for a nation is unavoidable. This led him to think the various problems of the country and suggested action plan to solve them. Gandhi is of the view that full employment of human resources is the basic need of a country. It is true that national income will increase if each and every person is employed fully. This can be possible to a large extent with the development of small scale possible to a large extent with the development of small scale industries with labour intensive techniques. The mechanization and large scale production cannot provide all the solutions to the problem of poverty and unemployment. Self-sufficient village economy is an ideal solution to the Indian economy.

KEYWORDS: Concept of Industrialization, Relevance of Gandhi's Economic Ideas, Khadi Industry

Introduction:

Gandhi was perhaps the first Indian social thinker to raise the basic issue of the rural vs. urban antagonism in colonial societies. He had also raised the equally important issues of agricultural vs industry, small vs large industry, labour-intensive vs capital-intensive techniques in Indian economic development. He has tried to evolve practical programmes for immediate economic amelioration of the masses and for the restoration of self-respect among them. He believed that economic self-sufficiency for an individual and for a nation is unavoidable. This led him to think the various problems of the country and suggested action plan to solve them. He combined ethics and non-violence in to economics. The objective of this paper is to trace relevance Gandhi's economic ideas to the present day context.

Gandhi was not an economist in the sense of computing the allocation investment but he had passionate commitment to the revival of the village. He did not want all mills to disappear. He only wanted a non-exploitative relationship between cities and villages. The basic contribution of Gandhi was to focus attention on the conditions of surplus labour in the Indian economy. It is irrational to intensify the application of labour saving technology for expansion of output. It is both economically rational as well as socially desirable to seek

maximization of output through utilization of surplus labour in small scale industry. An economic model for surplus labour utilization, in his view, could contribute simultaneously to the growth of output and as well as welfare of the masses.

He preferred the decentralization of small units of production to the concentration of large scale units in a fewer places. He wanted to carry the production units to the homes of the masses, particularly in village. Evidently one advantage of promoting the village and cottage industries were to ensure employment generation and another was related to the issue of efficiency. Of course, there're many reasons to believe that it is cheaper to produce certain commodities in small and cottage industries these include following: firstly establishment charges are very less, secondly very few tools are required, thirdly there is no problem of storage, and fourthly the problem of over production does not arise since the level of production is determined by the requirements of the community. All these factors make the production by the small scale units economical and, thus provide logical basis to the Gandhian scheme of decentralization of village and cottage industries.

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Concept of Industrialization:

Gandhiji believed that integration of cottage industries with agriculture provides adequate work to the farmers in their spare time and thus harnesses 'all the energies that are at present run to waste'. In fact, these industries increase the income of the villagers and satisfy their basic requirements. These industries would not only remove poverty and unemployment from the villages but also make the villages self-sufficient economic units.

In fact, Gandhi had suggested a number of cottage industries that can be started in villages. These included khadi industries, gur making, basket making, rope making, oil pressing units. Above all, Gandhi gave priority to khadi industry. According to Gandhi khadi is the Central Industry on which all other village industries revolve.

He proposed the following measures to revitalize the khadi industry in the Indian economy:

- Compulsory introduction of spinning in all primary, and secondary schools.
- Cultivation of cotton in areas where it was not grown
- Organization of weaving by the multipurpose cooperative societies.
- All the employees in education and cooperative departments, municipal and district boards and gram panchayaths should be required to pass a test in spinning.
- Control of prices of handloom cloth woven of mill yarn.
- Imposition of a ban on the use of mills cloth in areas where the hand woven cloth was in abundance.
- Use of hand-spun cloth in all government and textile and weaving department.

The important of foreign yarn or cloth should be banned¹.

Commenting on the consequences of India's de-industrialization, in the wake of Britain's industrialization Gandhiji remarked as follows: *"There are said to be seven lakhs of villages in india. Some of them have simply been wiped out. No one has any record of these thousand who had died of starvation and disease in bengal, karnataka, and elsewhere. I tell you that the pressure from the top crushes those at the bottom²".* Gandhi was somewhat averse to modern industrialization which in his view, was spurred by 'craze' for machinery on the one hand and human greed for 'voluptuousness', leading to continuous multiplication of human wants on the other.

He believed that the western pattern of economic growth will not solve the kind of problems which India faced. Gandhi observed that industrialization had landed mankind in deep economic as well as moral crisis. This was because of the technological dynamism of an industrial society which has resulted in the transformation of it into an acquisitive society and this acquisitiveness, in turn, had been the main propeller of its technological dynamism.

According to Gandhi, the main characteristics of machinery are as follows: firstly, it displaces human or animal labour instead of supplementing it. Secondly it appears to have a law of its own, which results in not only in displacing labour but displacing it at ever increasing rate. He opposed to modern machine-based industrial development. *" I am against machines just because they deprive men of their employment and render them jobless. I oppose them not because they are machines, but because they create unemployment problem⁴".*

Gandhi of course, did recognize the need for heavy industry and modern machinery to some extent. But he wanted them to be chosen and organized so that they would supplement the village industries. He seemed to reject the craze for industrialization and not the industrialization based on small producer and self-employed artisan. He rejected "mass production" and not "production by the masses". Gandhi had favored village-based industrialization, extending to the big cities and large towns. Despite these views a basic distrust of industrialism however, had remained in Gandhi's economic philosophy.

Gandhi must be credited for his emphasis on the role of small scale industries and agriculture in the economic development of an economy. Economists also recognized the importance of small scale industries and the need for their decentralization in an overpopulated and rural-based under developed country on the lines suggested by Gandhi.

Relevance of Gandhi's Economic Ideas:

To attain smoother development of the Indian economy, it is imperative to develop all the regions of the country simultaneously in other words, the overall progress or the entire economy depends only on the balanced development of all the regions of the country. But in India, there exists a huge regional disparity. While some states are advanced and advancing economically, some other states are backward and becoming backward. Moreover, even within the state, some districts are much more backward than the rest.

In this context Gandhian economics is particularly relevant, which supports the attainment of self-sufficiency with planned economic growth pattern for each region. On the lines of

Gandhi's dream of expanding village industries, industrial policy resolutions of 1948, 1956 and particularly 1977 have offered a special favour for the development of small scale and village industries in India. As such the village and small scale industries have been playing an important role in the Indian economy in terms of employment generation and poverty alleviation. This is certainly due to the fact that the small scale industries are more labour-intensive and capital saving.

The Gandhian view of self-sufficient village economy is particularly relevant in the context of reducing poverty and unemployment in India. Although the ratio of poverty has been declining in India, still one-third of its people live in human poverty. Hence, in order to improve the conditions of the rural poor, it is necessary to expand the rural industries further at a rapid rate, on the lines visualized by Mahatma Gandhi, as India lives in its villages.

Conclusion:

Gandhi is of the view that full employment of human resources is the basic need of a country. It is true that national income will increase if each and every person is employed fully. This can be possible to a large extent with the development of small scale industries with labour intensive techniques. The mechanization and large scale production cannot provide all the solutions to the problem of poverty and unemployment. Self-sufficient village economy is an ideal solution to the Indian economy.

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