
RELEVANCE OF M.K. GANDHI'S ECONOMIC IDEAS WITH SPECIAL REFERENCE TO TRUSTEESHIP

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Abstract: Mahatma Gandhi was a great freedom fighter and is a celebrated national leader had certain positive economic ideas which have considerably moulded economic thinking and economic policies in India. His economic ideas and those of his followers have come to be known as Gandhiji Economic thought. Gandhian economic thought which presents a counter theory to the modern economics of the West, aims at revitalizing an under-developed economy which might develop into a full-fledged stabilized economic systems. Its study is important particularly for Indian students. Mahatma Gandhi often said that the real India was to be found in villages, not in cities and towns. He described the exploitation of villagers, lack of supplementary occupations, inadequacy of medical attention, insanitary conditions, extreme poverty etc. He wanted every village to develop into a little republic. He evolved the ideal of village swaraj. In his scheme of Sarvodaya every individual would have equal opportunities for the satisfaction of his economic wants. His scheme aims at the revitalization of village economy. In this paper an attempt is made to analyze the economic philosophy of Mahatma Gandhi with special reference to trusteeship council.

Keywords: Non-Violence, Welfare, Income, Positive, Negative.

Introduction: Mohan Das Karam Chand Gandhi was born at Porbander on October 2, 1869. In 1887, he went to England for education in Law; and was called to the bar in 1891. Two years later he went to South Africa where he practiced law; and successfully led the Indian community in its movement against discriminations. It was there that he evolved the conception of satyagraha or non-violent agitation.

When he came back to India in 1906, he assumed the political leadership of the country, re-invigorated the Indian National Congress; and started the non-violent movement for the achievement of political freedom. In 1921, he started the non-co-operation movement, in 1930 led the salt Satyagraha (Dandi) and in 1940 started the individual civil disobedience movement. In 1942, under his leadership the Indian National Congress passed the "Quit India" resolution. He was jailed several times for his political activities. While going to his daily prayer meeting he was shot dead by an extremist on January 30, 1948.

For Mahatma Gandhi Economics is a part of way of life. Only two life principles govern all Gandhiji's economic, social, political and other considerations, viz. Truth and Non-violence. Anything that cannot be satisfactorily tested on these touch-stones, as it were, cannot be regarded as Gandhian. If a scheme of things leads to violence or necessitates untruth, then we may regard that as non-Gandhian.

Objectives:

1. To trace the forces behind the origin of economic ideas of Mahatma Gandhi.
2. To examine the concept of Trusteeship and its relevance in modern society.

Economic Ideas of Gandhi: The economic ideas of Mahatma Gandhi developed in three distinct phases – up to 1919, between 1919 to 1934, and 1934 to 1948. In the first phase he rejected Western civilization, method of production, use of machinery, etc., and developed although an anti-materialistic approach to different problems, which is evident from his book Hind Swaraj(1909). It was, in a sense, a negative phase. The second phase witnessed the evolution of his economic ideas based on the Swadeshi Movement – the development of a positive counter-theory to western civilization. The third phase was a practical one in which he evolved the ideal of sarvodaya; and prepared a concrete programme for the

regeneration of village economy, revitalization of village industries and decentralization of productive organization.

In ancient India there was no economic problem, villages being self-sufficient, self-dependent and self-contained isolated units. Even before the advent of the British rule in our country, its economic organization was satisfactory. There being a small number of towns, the seats of the courts of rulers and religious places, the majority of people lived in villages. Every village had three classes of people; cultivates, artisans and village officials and a panchayat. The towns and important villages of those days were famous for handicrafts.

But new problems were created in our country after the advent of the British rule. The organization of village communities was gradually disrupted, the economic life of the country underwent a drastic change, and cottage industries declined. As a result of the decline of cottage industries a large number of workers became unemployed who were driven to villages. Their purchasing power was curtailed; and the pressure on land increased. People were already poor on account of the payment of heavy taxes, exorbitant rates of interest, and dependence on land. Exploitation increased with the growth of industrialization. Gandhi was, thus, faced with the problems of appalling poverty centralization of economic power, unemployment, low standard of living etc.

Gandhi's non-violence in its negative aspect will persuade producers to refrain from exploiting the labourers and spreading misery. It will convert the capitalists into trustees. Gandhi opines that; "By the non-violent methods we seek not to destroy the capitalist, we seek to destroy capitalism. We invite the capitalist to regard himself as a trustee for those on whom he depends for the making, the retention and the increase of his capital".

In the positive aspect, non-violence will create a spirit in producers to help the labourers and exploited ones in improving their lot, and thus narrow down the gulf between the two. Once Gandhi wrote, "The relation between mill agents and mill hands ought to be one of the father and children or as between blood brothers. I have often heard the mill-owners of Ahmadabad refer to themselves as 'masters' and their employees as their 'servants'. Such loose talk should be out of fashion in a place like Ahmadabad which prides itself on its love of religion and love of Ahimsa. For that attitude is a negation of Ahimsa inasmuch as our ideal demands that all our power, all our wealth and all our brain should be devoted solely to the welfare of those who through their own ignorance and our false notions of things, are styled labourers or servants".

Welfare Economy: In the Gandhian economic thought human beings themselves were wealth, not gold and silver. "The final consummation of all wealth is in producing as many as possible, full-breadth, bright-eyed and happy-hearted human beings". He believed that, that country was the richest which nourished the greatest number of happy individuals, and that man was the richest who, after fulfilling the mission of his own life and perfecting its functions to the maximum extent, influenced the lives of others.

Mahathma Gandhi held in economic motives and activities should be governed by ethical consideration. To him, economics and ethics were inseparable. In the West, people generally hold the view that the main duty of man is to promote the material happiness of the majority of mankind, and by happiness they simply mean physical happiness and economic prosperity. It does not matter very much to them if the laws of morality are broken for the sake of that happiness. To Gandhi, economics was a practical science which suggested practicable measures for the maximization of human welfare. He laid great emphasis on human values, and condemned the monetary basis of human relations.

Labour Welfare: One of the important field where Mahatma Gandhi extended his fight for economic equality was the factory. He saw that workers were subjected to gross injustice and the treatment meted out to them was below dignity. To him, the employment of children was a national degradation. He

always pleased for shorter hours of work and more leisure so that workers might not be reduced to the condition of beasts. He also demanded safety measures inside factories.

Mahatma Gandhi laid emphasis on the welfare of the worker, his dignity and proper wages. In order to improve the condition of the worker, first of all he laid claims on a minimum living wage. So that a family of 4 to 6 members might live a human life. He wrote that the worker should get more wages, and should be given less work to do so that clean house, clean body, clean mind and clean soul might be guaranteed to them.

In so far as relation between labour and capital is concerned. Mahatma Gandhi always suggested harmony between them. He argued that if the distinction of high and low disappeared, it would have a healthy reaction on all aspects of life. Consequently, the struggle between labour and capital would come to an end; and would give place to co-operation between them. According to him, "capital should be labour's servant, not its master". Moreover, he believed in the information of labour unions. If the rights of workers were not conceded, they could go on a strike which should be based on non-violence and truth.

Food and Population: During 1943-44 when the Bengal Famine took place, there was an acute food shortage throughout India. In the beginning, Mahatma Gandhi believed that this scarcity was artificial, i.e., it had been created by foodgrains' dealers. But when he wandered in Madras, Bengal and Assam; and received reports from other parts of the country, he came to believe that food shortage was a reality. The government report expressing the fear of food shortage immediately increased the prices of foodgrains. He advised businessmen not to adapt speculative activities, and asked them not to add to the distress which had been caused by the incompetence of the government.

It was in November 1947 that Mahatma Gandhi asked the Government to remove food controls. In fact, he was against the food control order from the very beginning. As he believed, food control created an artificial scarcity, gave rise to fraud, intensified the black market and killed the initiative of the people. They did not depend upon self-help; but rather became spoon-fed. One of the most important problems to which his attention had been drawn was the rapid increase in population for the control of which certain people had advocated family planning through the artificial methods of birth control. Mahatma Gandhi criticized the protagonists of the use of contraceptives.

Mahatma Gandhi realised the necessity of birth control – not through the use of artificial methods but through self-control or brahmacharya which he regarded as the "infallible sovereign remedy." In his opinion medical experts should discover the means of self-control rather than devising the contraceptives which made man and woman reckless; and resulted "in imbecility and nervous prostration." As Mahatma Gandhi thought that the artificial methods of birth control harmful and sinful, he laid emphasis on self-restraint for the propagation of which the best method was the provision of sex education for the object of which was to conquer the sex passion. He rebuked those who argued that birth control was needed for solving the problem of over-population. He emphatically observed "in my opinion, by a proper land system, better agriculture, and a supplementary industry, this country is capable of supporting twice as many people as there are today."

Exchange Economy: The Gandhian approach to exchange economy is based on the swadeshi spirit according to which every Indian village would be "a self-supporting and self-contained unit exchanging only such necessary commodities with other villages where they are not locally producible." The person who has accepted the discipline of swadeshi would not mind physical discomfort or inconvenience caused by the non-availability of certain things which he has been using. He would gradually learn to do without those things which up to this time he has been regarding as necessary for his life. The guiding principle that he laid down in respect of all foreign goods was that those things should not be imported which were likely to prove harmful to the interests of the indigenous industry.

Mahatma Gandhi recognized money as a token of exchange only. As in the sort of economy envisaged by him, commodities were to be exchanged with commodities; the part played by money was insignificant. It became instrumental in the exploitation of the weak by the strong. To him, money was as useful as labour. He suggested that in order to make khadi universal, it should be made available in exchange for yarn i.e., yarn-currency.

As suggested by Mahatma Gandhi, every village, besides being self-sufficient in the production of its necessities; is expected to produce “a certain percentage as its contribution to the cities”. It means that only this surplus is to be exchanged. In the opinion of Dr. Kumarappa, international trade should be confined mainly to luxury goods; and when it is extended to raw materials or necessities of life, it begets political domination and economic dictatorship. It leads to violence, greed and hatred which create hurdles in the way of economic progress. “unless we approach this subject in a detached way so as to deal with it objectively, international commerce and trade will be bound to bring conflicts between the nations, which will prove disastrous to the interests of everybody”.

Doctrine of Trusteeship: While talking to Horace Alexander, Mahatma Gandhi remarked that the capitalist who had amassed a large sum, was a thief. He believed that if a person had inherited a big fortune or had collected a large amount of money by way of trade and industry, the entire amount did not belong to him. What belonged to him was the right to an honourable livelihood “no better than that enjoyed by millions of others”. The rest of the wealth belonged to the community; and must be spent on its welfare.

Mahatma Gandhi considered it desirable to appeal to the basic human principles of reason and love to persuade capitalists to realize that the capital in their hands represented the fruits of the labour of others and it should be treated as such. They should now realize the evils and dangers of accumulation; and feel that it would be to their larger interests if they used their capital for their countrymen rather than for their personal comforts. Capitalists would then exist as trustees only; and workers would have ample food, sanitary dwellings and education for their children.

Mahatma Gandhi’s conception of trusteeship was that all social property should be held in trust. It would be meant for all people whether rich or poor, capitalists being trustees who would take care not only of themselves but also of others. Some of their wealth (not required for their personal needs) would be used for the rest of the society. Poor workers, under trusteeship, would regard capitalists as their benefactors; and would place every faith in their good intentions. If such a trusteeship were established, the welfare of workers might increase; and capitalists-workers clashes might be avoided.

Mahatma Gandhi believed that trusteeship would help considerably “in realizing a State of equality on earth.” He was confident that the doctrine of trusteeship would survive all other theories as it was supported by philosophy and religion. If wealthy persons did not act up to this ideal, it did not mean that the doctrine was false. Rather it showed the weakness of rich people. Whenever he suggested that capitalists should become trustees, he had always in view the example of Jaman Lal Bajaj who had established the Jaman Lal Seva Trust, Wardha. He never said that all capitalists would become trustees; but he felt that if all wealthy persons tried to emulate this example, the dream of economic equality could be realised. He expected rich men to take the lead in the matter, not the poor “who have nothing to share with anybody except their pauperism and abjectness”.

Final Draft of Trusteeship Formula: It is interesting to reproduce below the draft of the trusteeship formula as finally approved of by the Father of the Indian Nation:

1. “Trusteeship provides a means of transforming the present capitalist order of society into an egalitarian one. It gives no quarter to capitalism, but gives the present owning class a chance of reforming itself. It is based on the faith that human nature is never beyond redemption.
2. It does not recognize any right of private ownership of property except in as much as it may be permitted by society for its own welfare.
3. It does not exclude legislative regulation of the ownership and use of wealth.

4. Thus, under State-regulated trusteeship, an individual will not be free to hold or use his wealth for selfish satisfaction or in disregard of the interest of society.
5. Just as it is proposed to fix a decent minimum living wage, even so a limit should be fixed for the maximum income that could be allowed to any person in society. The difference between such minimum and maximum incomes should be reasonable and equitable and variable from time to time so much so that the tendency would be towards obliteration of the difference.
6. Under the Gandhian economic order the character or production will be determined by social necessity, and not by personal whim or greed."

Gandhi feels that everyone should earn his bread by his own labour. There should be no place for unearned incomes. But if some persons are able to earn without working, may it be due to ownership of property or other similar reasons, it is exploitation of the poor. Again, if a person is able to earn more than twelve times the income of the poorest man in the society, it will be termed as exploitation. The difference in income is permissible because of the differences in efficiency of the persons. Even in Soviet Russia, the difference in maximum and minimum incomes is more than this. Burn in his 'Managerial Revolution' writes, "the upper 11 per cent to 12 per cent of the Soviet population receives approximately 50 per cent of the national income."

Mahatma Gandhi wanted to check exploitation with the least violence. Therefore, at the very outset he could not possibly prescribe the bitter pill of nationalization to meet effectively the above mentioned cases. He felt that when some reformer lost faith in his method of conversion, the technique of what is known as scientific socialism was born. But he was a reformer made of another stuff and so was trying to solve the same problem that faces the scientific socialists in a different way. Gandhi repeatedly said that his approach is always and only through non-violence. The medicine prescribed by him was in terms of the principle of trusteeship. Trusteeship gives one more chance to the capitalist to stop exploitation. It is only after the failure of trusteeship that the firm is nationalized in the interest of the society.

The theory of trusteeship can briefly be summarized as follows;

"The capitalist, who is found exploiting the people, is made the trustee of the property and so would be expected to use the property, after deducting his maximum permissible income, for the public sake. 96 Gandhi wrote, "When an individual had more than his proportionate portion he became a trustee of that portion for God's people." Again, "What I expect of you, therefore, is that you should hold all your riches as a trust to be used solely in the interest of those who sweat for you, and to whose industry and labour you owe all your position and prosperity."

Conclusion: Mahatma Gandhi propounded a total philosophy of life from which economics cannot be divorced. It is a well known fact that Mahatma Gandhi's philosophy was based on truth, ahimsa and service to the society, particularly the poor and downtrodden, from which economics cannot be divorced. His economic thoughts have great impact on Indian economy. Hence, this paper focuses and analyzes the village economic scenario from the Gandhian economic perspective. The economic ideas of Mahatma Gandhi developed in three distinct phases, viz., first, he rejected Western civilization, method of production, use of machinery and so on. However, he developed an anti-materialistic approach to different problems, which is evident from his book *Hind Swaraj* (1909). It was, in a sense, a negative phase. Second, witnessed the evolution of his economic ideas based on the Swadeshi Movement – the development of a positive counter-theory to western civilization. Third, a practical one in which he evolved the ideal of sarvodaya; and prepared a concrete programme for the regeneration of village economy, revitalization of village industries and decentralization of productive organization.

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