

Book Review

Foundations of Gandhian Economics

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(Centre for the Study of Developing Societies, Delhi, 1979, Allied Publishers Private Limited, Bombay-40003.)

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The book namely “Foundations of Gandhian Economics” is an attempt of the author to interpret Gandhi’s system of economic thought in the language of contemporary social science. The work explores and reveals the logico-analytical foundations behind Gandhi’s pronouncement on economic policy. The work establishes Gandhi as a pioneer analyst of the phenomenon of growth with increasing poverty and the methods of its redresses. The book under review present an analysis of the application of modern technology and mass poverty based on the references cited by the author on the books as an appendices. He tried his level best to analyse the economic thought of the Gandhi and come clearly that indiscriminate technical modernisation can raise per-worker capital requirements too rapidly in the context of the limited investible resources of poor nations. Urbanisation, a sequel to modern industrialisation, can face poor nations with excessive burdens of infrastructure build-up. Finally, careless adoption of modern techniques can lead to serious dangers of environmental deterioration and ecological imbalance in the society. There is also an attempt to highlight the relevance of the economic thought expressed by Gandhi time to time during his life time.

This slim volume of less than 150 pages is divided into 12 chapters starting from an outline of Gandhi quoted as “Modernisation is supposed to cure our poverty. So it would if we had been successful in modernisation. However, to attempt to modernise in a situation where we cannot bring it to the masses is the way to poverty;; I wish to make it clear that India does not have enough money to employ everyone with modern technology. What, then, is the alternative? – Alternative to Poverty, Young India, pp.3-9,1924 and further he quoted reference of “Care for

Modernisation” published in Harijan, pp. 3-7, 1947 which runs as “ In fifty years there may be enough to employ everyone with modern technology. But we must have employment for everybody long before this. We can do so only by giving up the craze for modernity which is, today, creating unemployment and poverty”. There is also an attempt to highlight the relevance of the economic thought contained in these works. In view of the unlimited vastness of the economic thought of Gandhi and the difficulties of capturing the basic threads of the entire thought spectrum in this works, the general title of the book is somewhat not matching; the reader would be advised to have a restricted perspective of the title.

The book under review present an analysis of Gandhian thought and identified the causes of growing mass poverty in underdeveloped economies as the result of two kinds of errors in the decision making of the elite which controls the mobilisation and allocation of investment resources. This error is further compounded by an attempt to use the international trade mechanism in an ‘accumulationist’ fashion, thus increasing the capital-intensity of the investment mix which he mentioned in Chapter I and II. The basic ideas behind the Gandhian development strategy are twofold; first, the strategy is one of redirection of investment flows towards the more labour intensive sectors of activity and the adoption of certain criteria concerning technological innovations. In chapter X it is also a strategy of progress towards a collaborative economic order which may lead to an elaborate development strategy which specifies the content of development programmes, the agency structure for the implementation of these programmes, the instruments of development policy, the proper use of foreign trade opportunities, and the modus operandi through

which the instruments of economic policy are to be coordinated which he covers in Chapter III, IV, V, and VI. We have seen that the Gandhian system for economic reconstruction of poor economies is comprehensive system of thought and action which gives the poor economies the only real chance of escape from their present predicament. The Gandhian 'foundations' are the right foundations to build on if we want to develop in the case of any poor country a satisfactory and systematic attack on the problem of mass poverty. Of course, for each country the general Gandhian strategy will have to be modified in accordance with the particular characteristics of that country.

In this background, the present book focussing on the relevance of Gandhian economic thought and how it can be applied to contemporary problems and how this can be combined with the techniques of modern planning and development promotion is unique and represents a pioneering step towards a meaningful revival of Gandhian economic thought in the contemporary world with a balanced perspective which has an in-built justification.

While the authors must be complimented for their efforts to link up the relevant portions of Gandhian thought and implementation of modern technology which gives an impression of being unbiased and not preconceived. It would have been better if the author had also presented the cases of contrast citing the examples of other countries.

On the whole, the present book, based upon a meticulous study of the original texts as referred, is a valuable contribution to our

understanding of the Gandhian Economic Thought. This should inspire others interested in the study of economic thoughts of Gandhi.