

# A PHILOSOPHICAL EXPOSITION ON THE ECONOMIC THOUGHT OF PANDIT DEENDAYAL UPADHYAYA

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**ABSTRACT:** Pandit Deendayal's philosophy of Integral Humanism yearned for the values or Bharatiya Mulya to be inculcated in the minds of the people of India. Due to the defects in the Five-Year plans, increasing dependence of our economy on foreign aids and so on, India remained under developed. Upadhyaya visualised for a unique economic order for he was critical to Western economic ideas that encompasses no humanistic values in them. With the rapid growth of industrialisation, globalisation, market dominant needs and rampant consumerism, the people are heading towards the disastrous lifestyles. With this view in mind, the present study will analyse the economic vision of Deendayal Upadhyaya which appear to be relevant in modern days that lead people to a sustainable consumption pattern and happy life with humanistic approach.

**Keywords:** Humanism, Economy, Decentralisation, Capitalism, Mechanisation, Socialism, Swadeshi, Dharma

## INTRODUCTION

India, since ancient times, has rich cultural heritage and vast economic resources. During the British rule, our resources were ruthlessly exploited and devastated the country's economy. They were famines too. India was facing acute poverty. With India's independence from the British Rule came the need of a new economic reforms. However, various features of the Indian Constitution have their roots in the British rule, and the Nehru government enforces certain economic policies of the Western model which reveals their inherent short comings and lop-sidedness. The borrowed ideas of "isms" proved inadequate to secure well-being of Indian people at large. Further, the scientific discoveries and invention of new equipment to support man and society also led to the excessive exploitation of natural resources which resulted in ideological imbalances. We all agreed that economically being well is one of the aspirations of man. But a political party, without a cogent economic that is germane to the Nation, how can they carry on the concept of modern welfare state? And Deendayal Upadhyaya, being the president of a political party, whose roots was embedded in the cultural heritage of this great nation, wanted a unique economic policy in consonance with its cultural emphasis. What Upadhyaya has been trying to explain is that India should not follow the Russian, the American model or that of the European countries for they have different circumstances. Bharat should have its own economic policies based on its circumstances, needs, resources, and so on.

Upadhyaya's philosophic-economical thoughts were also expressed through his statements and writings. Besides his contextual articles and lectures, his views on the subjects were present in the following books: -

1. The Two Plans: Promises, Performances, Prospects (1958).
2. Bharatiya Arthaniti: Vikas ka ek Disha (1958).
3. Devaluation: A Great Fall (1966).

Upadhyaya's 'The Two Plan: Promises, Performances, Prospects' analyses the two Five-Years Plans of the Congress Government. His 'Bharatiya Arthaniti: Vikas Kee Ek Disha' dealt with the Arthyam (i.e., Economic Aspects) of an integrated individual that eliminates both the paucity and the abundance of capital. Upadhyaya, in his booklet entitled 'Devaluation: A Great Fall', reviewed all the four Five Years Plans and the over-dependence on the foreign aids or loan that forced India to devalue the Rupee due to erroneous economic policies under the US pressure. Hence, Upadhyaya criticises the Western ideologies except democracy and nationalism, and questions their suitability for Bharat. What India needed, to him, is a distinctive economic policy and reforms without imitating those Western ideas.

## A UNIQUE ECONOMIC POLICY:

The Nehruvian economic policies of the then Congress Government were in contrast with Upadhyaya's economic philosophy on the ground that they neglected humanistic approach. Nehru was much inspired by the Soviet Union model of development as well as those Western ideologies. Nehru's mixed economic model regards rapid industrialisation as the most effective way to win against mass poverty in the country. This emphasis on the increase of material wealth through rapid industrialisation promoted exploitation of natural resources, rampant consumerism in Indian society. It not only led to regional imbalances in economic growth and social disparities, but also failed to carve poverty in the country. India and foreign countries have different circumstances, time, situation, and culture. He argued that the foreign ideologies especially the Western culture is materialistic and money-dominated. The Western world had advanced great material progress. But in the field of Spiritual attainment, they were unable to make progress. On the contrary, India lays far behind in material achievement thereby making its Spiritualism a hallow-sounding word. Upadhyaya also holds that the western culture recognise man as a materialist element only, whose ultimate goal was to obtain maximum production that guaranteed maximum profits, instead of producing to meet the demand, and have no limit in this context. As a result, Upadhyaya believed that material value occupies a central position in the Western economic system which neglected the spiritualistic elements of man. But such system that takes account in term of material values is considered to be unethical and incomplete as it lacks the humanistic and integrated conception of development. It not only created imbalance in nature, but also resulted in the devaluation of mankind and civilisation, thereby, created new problems everywhere. Further, Upadhyaya argues that any economic theory should acknowledge the limitation of Nature i.e. to say 'nature is limited'. For

example: Exhaustible natural resources can never be renewed or recycled. Once it is exhausted or used, it is impossible for us to renew or recycle. Petroleum, coal, natural gas etc are such examples. Upadhyaya believed that a sound economic system is one that has a proper economic management that eliminates both the paucity and the abundance of capital. Since the Congress economic policies didn't meet the all-round progress of man and society, Upadhyaya wanted to develop a distinct economic policy in accordance with the environment of the country. It led him to the formation of his philosophy of Integral Humanism which enunciates his economic visions of a strong and prosperous India.

The vision of Upadhyaya's economic model of development should have the following objectives:

- I. To provide assurance of minimum standard of living to all mankind and its readiness to defend the nation.
- II. To provide further necessities so that both the nation and the individual can acquire together to contribute to the progress of the country on the basis of its own identity or self.
- III. Meaningful employment to every abled- citizens.
- IV. Development of Indian technology that is suited with the availability of India's resources and the various factors that influences the means of production.
- V. Protection of cultural and other values of life, and not to disregard the individual.
- VI. To decide the ownership of lands, various industries by the state, private or any other group on a pragmatic and practical basis.

### UPADHYAYA'S VIEWS ON MAN AND MACHINE:

In Upadhyaya's economic thinking, man occupies a central position. Upadhyaya feared that man, whom he regarded as the highest creation of God, has been losing his own identity by blindly following the western ideologies which became a thorn on India's journey to ensure all-round progress of mankind. Man, to him, has both materialistic and spiritualistic attributes in themselves. He recognised Artha, Kama, Dharma and Moksa as the four-fold values of man, Artha and Kama being materialistic and Dharma and Moksa -spiritualistic. Protagoras of Samos also says, "Man is the measure of all things". Upadhyaya also wanted man to recognise his identity so that it would not threaten his right place in the society and the world at large. The top priorities in his spiritual thinking were to encourage and re-awaken his greatness to attain God like perfection etc. His economic program, thus, focuses on the realisation of man's progress and happiness, and the attainment of Artha in consonance with Dharma, which is considered as the basic for the fulfilment of man's aspirations. Whereas the west regards man as merely a repository of material desires and need, Upadhyaya sees man as a spiritual being with a material body. His conception of man, therefore, emphasises on the consequent development of both the body and the soul. In other words, he craves for the harmonisation of materialism and spiritualism. Like Swamiji Vivekananda. Upadhyaya, too, was critical to the blind materialism of consumer society.

Upadhyaya holds that the machine is only equipment and its utility varies on certain actions and reactions of forces in the society. In short, the machine is neither a friend nor an enemy. He is against the "Machine" that dominates the 'Man'. That is to say that he is in favour of the mechanisation assisting human labour as equipment and supplementing for a 'Super affluent' production, but the Swadeshisation of machines. He argues that economic development should not be on the path of mechanisation that overshadow society or economy; only a traditionally decentralised economy with an extensive system of a harmonised combination of small-scale and cottage industries would result in the flourishing of our culture, economic and political life values. Upadhyaya, therefore, is neither opposed nor devoted to machines.

### SHORTCOMING OF PLANS AND ITS CRITICISM:

When India was granted Independence from the British rule, all sections of the society were facing economic issues. With the implementation of Five- year plans by Planning Commission, India was leading slowly towards development. Under its commission, many new industries were set up, many new cities have come up, dams and canals were constructed and a number of schools and hospitals were established. However, it does not mean that they are free from its shortcomings. Upadhyaya blames the planners as they lack planning will. Besides the lack of implementation, the planners, keeping in view of their socialist thinking, continued to expand the public sector. This, to Upadhyaya, was the biggest mistake they made in drafting the plans. If the plans give rise to other problems like shortage of food grains, unemployment, inflation, external debt, dependence on other nations, shortage of essential goods, investment, and created disparities among all sections of the society, then it would be useless and unpractical. And if it continues, it is possible that it will create further problems in the future development of the country. He criticised that the planners for their lack knowledge of the capacity and capability of the available working force and other resources, and hence, are responsible for the serious problems facing the country.

In support of his argument, he offers the following shortcomings: -

- I. The plan suffers from technical defects because the required technique for implementation has not been stipulated in the plan-draft.
- II. It's impossibility to fulfil the cost-effectiveness after exploiting both the indigenous and foreign resources.
- III. Its lacks proper balance between the actual demand, fulfilment and allocation.
- IV. It is based on erroneous pre-suppositions as the country has no system to measure the level of increased population, per capita income and capital formation ratio.
- V. It gives more priorities to rapid industrialisation instead of improving our agricultural production.
- VI. It also neglected private sector and failed to check unemployment rate.
- VII. They are not labour intensive, but Capita-intensive plans.
- VIII. Due to unwanted facilities to foreign capitalists, it leads to forcing monopoly over big centralised industries in India.

- IX. It is profiteering and the government failed to check the increase in price rate.
- X. It created jeopardy between the farmers and the middle class as most of the common farmers were not benefited in any way by the big projects of irrigation and fertilizers except the urban people.
- XI. It gave priorities to the importation of foreign machinery and the imitation of Soviet Union model which become a threat in our economy.
- XII. Finally, it increased over dependence of our economy on foreign powers, people's lust for Gold, and Devaluation of Indian Rupees.

### **OPPOSED COOPERATIVE FARMING**

Upadhyaya doesn't favour cooperative farming. Instead, he preferred family farms as compared to cooperative holding. The Congress resolution made all owners of non-profitable land either to join or transfer their lands to the cooperative organisation, and extra lands were handed over to Gram Panchayat which, later, owned all the land for cooperative farming; the entire village-land were converted into one farm. Upadhyaya was the protagonist of this land system based on ownership farming. Therefore, he regards the Congress's Cooperative Farming plan - a Utopian dream which is unpractical and against the spirit of human freedom; it deprives cultivator from his ownership rights. Instead of fostering Bossism and Autocracy of the bureaucrats in the name of cooperative farming, it should be properly organised in accordance with the spirit of democracy and economically viable. Japan, Poland and other countries experienced failure in the scheme of cooperative farming, As a matter of fact, India should try to take resources on restructuring of cultivation units on the basis of ownership rights which is practical and germane to our milieu.

### **AGRICULTURE AS THE BASE FOR ECONOMIC GROWTH**

Upadhyaya also lays emphasises on the importance of Agriculture. The planners always gave priorities to industrial development when compared to agricultural development. Upadhyaya was well aware of the fact that only by increasing agricultural productivity, the country can generate marketable surplus which is essential for the development of industries. Therefore, he considers agriculture as the base for the all-round development of the country's economy. "Only by increasing agricultural income, one can stabilize industries" (1). Since industries needs raw materials from the farmers, the government must encourage farmers to increase their agricultural production by improving their living conditions. However, it does not mean that Upadhyaya completely opposed against industrialisation. It is true that he is against heavy industrialisation, but not the small-scale Industries. He was a supporter of healthy industrial development, that can: (a) prevent India's over-dependence on agriculture, and (b) solve the raising problems of unemployment rate in the country. Both agriculture and decentralised industrial development are essential to make India a 'Self-Reliant Country'. As the domination of heavy mechanism and centralisation of big industries acquire dictatorial and undemocratic trends, he gave adequate importance to small industries. Large industries are meant to increase productivity and to decrease the problems of man's labour. However, they neglected the common artisan and craftsman of the country and didn't take much consideration of the Seven M's. Besides this, their means of production is capital intensive instead of labour-intensive technology. Upadhyaya asserts that for the proper development and establishment of industries, all the production and distribution as well as the scientific equipment were to be arranged accordingly in consonance with the prevailing socio-economic and cultural factors of the country.

To preserve and protect Bharatiya cottage industries from foreign enterprises is the motto Jana Sangh's economic policy.

### **UPADHYAYA'S VIEWS ON CAPITALISM AND SOCIALISM**

Although Upadhyaya was a supporter of Freedom of the individual, he does not favour Socialism and Communism. He claims that the capitalist system is not guided by the needs of the Poor and the Hungry, but by the needs and desires of the Wealthy and the Well-fed people. It merely thought of the economic man. He emphasises that one of the major problems of the capitalist's economic system lies in the fact that it makes machine a competitor of human being. It subjugates not only the man to machine, but also breeds rampant inequalities and created a fierce competition between the weak and the strong for material gains. Since such system does not give priority to the interest of the society, he considered them as unethical. Capitalism, as a system, is meant to give highest importance to the individual. But it led to the accumulation of economic power in the hands of a few and widened the gap between the opposite classes of society. He opines that capitalism which destroyed individuality, is not a favourable option for the development of an integral man as a whole. That's why he rejected Darwin's Survival of The Fittest Theorem. In this context, Upadhyaya's thought find resemblance with modern Indian thinkers like Radhakrishnan, Gandhi and Sir Aurobindo who condemned such capitalistic tendency. Upadhyaya also opposed Socialism and regarded it as a reaction to Capitalism. Whereas the capitalist's system resulted in the concentration of wealth and monopoly of economic power in the hand of the capitalists, but in the socialist's system, the ownership of capitals is vested in the hands of the State. However, Socialism, Upadhyaya believed, contains all the evils of centralised - capitalism, and results in corruption and favouritism, and has no place for man's exceptional gifts and talents. As both the systems provided no opportunity for self-development of Integral Man, his personality and aspirations, therefore, he does not support both the Capitalism and Socialism.

### **UPADHYAYA'S VIEWS ON DECENTRALISATION**

Elaborating his view on decentralisation, Upadhyaya is of the view that if we follow a decentralised system of economy, only then we can re-establish man's place in his rightful position. According to him, the planners lack of political will, and the misleading faith of capitalism and socialism was the main stumbling block in the economic development of India. Therefore, he regards Decentralisation as the crux of the problems born out of excessive centralisation. The capitalist exploiters were abolished by the

socialists, but it resulted in the formation of a new bureaucratic oppressors. The communist's revolution for a classless society ends in totalitarianism. Upadhyaya asserts that Bharat's cottage industries, in ancient times, produced goods of higher quality that are not able to do by today's machines. Foreign capitals and heavy mechanisation often exploited not only resources and man, but also our Swadeshi labour. He wanted decentralisation of economy from the level of village, cottage and small-scale industries to large-scale and heavy industries in the same manner in which powers is operated from the level of village panchayat to other units which rises vertically. Upadhyaya firmly believed in individual man with his family than large units as the basic unit of economic development and its production activities because this family as a unit of economic development can ensure maximum participation of people in the economic development of the country which can be achieved, not by centralized planning, but only through decentralized one. Therefore, he favoured the ownership of large industries to be decentralised among workers, management and shareholder so that big industries can dependent upon small industries. Hence, the country economic requires a decentralized economy for decentralized administration, democratic economy and most importantly Swadeshi for indigenous goods and pattern of development as a whole to make India a Self-Reliant economic power in the world.

Moreover, another remarkable part of Upadhyaya's economic vision is that he spoke of economic rights of the people. Just as in a decentralized democratic country where every citizen has the 'right to vote' to elect their representatives, in the same manner, 'right to work' for every citizen is essential for a decentralized economic democracy.

## CONCLUSION

It is observed from the above account that Upadhyaya's economic philosophy is a critique of Western political and economic doctrine. Economic equality, Humanism and Integralism are the basic nature of his economic thought. It is oriented towards man and society. Upadhyaya is against heavy mechanisation, but supported the machines that made man's work easier. As capitalism, socialism, and communalism often ends in totalitarianism and its cruel propensities, he regards them as inimical to human dignity and justice, and, therefore, he favoured a decentralised-economic modal of development which is suited for a country like Bharat where in many diverse groups cohabited harmoniously and unitedly. An ideal economy, for Upadhyaya, should have the following elements in it: Economic Freedom, Financial Discipline, Work for Every One, Trusteeship principles and Cooperative ownership, Rejection of Capitalism, Socialism and Rampant Consumerism, Rejection of Heavy Industries, Economic Culture, Economic equation  $p \times a \times t = g$  [where 'p' stands for people, 'a' denotes action, 't' for technology and 'g' – the desired goals], Swadeshi and Decentralised Economy, Self-Reliant Industrial Sector and Agriculture independent of vagaries of nature. Further, his economic philosophy reflected, not only his humanistic commitments to provide the basic necessities for all through a well design new model of economic development according to the Indian conditions and requirements, but also his desire to free India from the trap of other countries in the name of foreign investments, foreign trade, and over-reliance on them. To make India freedom from foreign food by producing our own food is his motto. And the Slogan – 'OUR OWN FOOD, OUR OWN FREEDOM' inspires man to produce quality goods in greater number.

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