

RELEVANCE OF GANDHI IN THE ERA OF ECONOMIC GLOBALIZATION

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ABSTRACT

Evolution of human society is an unresolved questing but interaction between human groups has a long history. Historical past shows a struggle and unity between various human groups. Sometimes it denotes different modes of human living and human association, for example, in the era of tribal conflict and unity, we can see the slavery in existence and also on the other hand search for the unity of two tribal groups on equal footing. Now at the time of globalization, the question of world unity is on climax in discussion. The supporter of globalization uses many authentic personalities, views in support of globalization, Gandhi is one of them. At this time a challenge is faced by the Gandhian thinkers that they present a correct view point of Gandhi. In this direction I will do a small attempt through this paper.

KEY WORDS : Globalisation , Gandhi, Communism, Gandhism

Globalization, a work which was used as a future necessity of the world in the realm of life. When exploited people question it, then the defender of globalization starts a discussion on human face of globalization. In such kind of surrounding world, first we will try to look at historicity and essence of globalization and later discuss the question of unity of world which is simplest in globalization process and lastly discuss and examine the defence of globalization.

In the late 1980s the Soviet Union collapsed. China had already forsaken socialism a decade back. The communist and national liberation movements were in a set-back. The field completely opened out to the only existing super power, the U.S. to aggressively push for world domination. The new process of world domination of simplest or developed countries led by America can be known as globalization. In the book of 'Globalization' Arvind writes. "By the late 1980's and early 1990's, it was this latter phenomena that came to be called globalization." (Arvind p7) Further, he explains the essence of globalization and writes; 'Globalization' is nothing but a nice sounding word for the ruthless offence of international finance capital on the backward countries of the world."

We will here examine the effect of globalization upon the Indian economic system. We will also glance at the position of some other countries of Third World which has adopted globalization at least a decade in advance of India.

The World Bank and the International Monetary Fund have suggested that a country like Indian is struggling with loss on its current accounts. The course open to it is that it make its economic system more export-oriented. All those countries which came to be gripped payment crisis in the eighties and which approached the World Bank for advice were offered the specific suggestion of making their economic system development oriented or in other words increasing their exports. It is therefore a moot point whether increasing exports will actually make a country free from the payment trouble.

The first measure to be adopted by such countries is to increase their traditional exports. Due to weak industrial development the major exports of the Third World countries include foodstuffs, fuel, minerals and other raw materials. According to WTO, whole of the trade conducted by mid-east Africa and Latin America barring Mexico, contained primary goods including foodstuffs as more than two-thirds of the export. The percentage of primary products of the 67 countries among the development ones was more than 50 percent of the total exported goods. This percentage in some of the countries was 95 percent even. The situation in Indian is not anything different from this, Major portions of its exports comprise either primary things like tea, cotton, prawn fish, mica, food grains or stitched and ready clothes, primary cut diamonds, leather handicrafts and low technique leather products.

The World Bank and IMF suggestion to all such countries of the Third World as are reorganizing their economic strutting is that they increase the export of these limited goods only. The world bodies stopped that process of economic variation which started in the initial years of the independence of the Third World countries.

The point is that if the countries of the Third World accelerate export to developed countries of the same type of goods a glut of such goods will come to happen there and process in the international market will slump. The World Bank itself has recognized this factor. In the beginning of the nineties the average level of the prices of the non-community prices had crossed the minimum level of the century. Between 1995-99 the rates of metals and minerals had come down by 25 per cent.

The total result of the continuous slump in the prices of the primary goods for the last some decades has been that the purchasing power of sugar and coffee and other goods like these has remained only 20 percent as compared to that in the year 1960. Consequently, in order to maintain the same level of income from foreign exchange the developing nations had to continuously accelerate their export. According to the World Economic Outlook (October, 1992) of the International Monetary Fund, 122 of the debated developing countries in order to import equal quantity of goods had to export in 1991, 12.4 per cent more of goods in comparison to the year 1984, this, provided and unexpected spurt in the income of the developed countries. The conclusion arrived, therefore, is that by making enormous increase in their traditional exports solution to the crisis of debt payment on the part of the developing countries is very difficult indeed if not impossible.

THE INDIAN EXPERIENCE

The dictum of the World Bank and the IMF, supported by a host of economists the world over that Third World countries can drive away their backwardness by increasing their exports is mere camouflage. Seeing the structure of the world economic system, it is not possible for any Third World country to do so. Let us come to the Indian experience specifically. By implementing suggestions of the World Bank and the IMF the India government has been working hard to increase its exports. The exports have been forwarded subsidies worth thousands of crores of rupees. This is termed as impetus to exports plan and the government has already spent Rs. 16,000 crores between 1994-97 over it. Liberalization has been implemented with regard

to inner flow of the foreign capital but the total investment since the beginning of globalization is about 1400-1500 billion dollars. India has now adopted the policy of liberalization in imports. For this the government wants to abolish all border and non-border taxes.

Quite like other countries of the Third World India too is trying hard to attract foreign investors. Under this plan industries under the public sector are being privatize and sold to multinationals at cheap rates. The targets of Multinational Corporation and their governments is to take the financial area of the country under their control. The World Bank is talking of their transferring governmental production areas to private hands; Reduction in public investment in the agricultural sector is noticeable. Subsidies to the poor have been stopped. Reduction in the educational, health and food grants subsidies is continuing.

INDIA : IMPACT ON COMMON PEOPLE

The greatest myth that globalization, foreign capital and entry of mulit-nationals into the Indian economic system have created is that these will give birth to large scale employment avenues and unemployment will be eradicated. But the reality is quite different. Latest techniques have brought them to such a stage as they can control the world market with the help of only a small number of employees. World's 200 biggest countries in total provide employment only to 1.88 crores of employees which is even less than one per cent, i.e. three-fourth of the world's total labour force of 260 crores of crores of persons. In the recent years the multinationals have come to play the role of finishing employment more than creating it. During the previous decade the world's 500 largest national companies retrenched 4 lakh employees every year. Unemployment is on the increase in developed countries as well. It reached its high water mark after has Second World War. In O.E.C.D. countries today the number of unemployed people is more than 3.6 crores. To think, therefore, that multinationals will bring employment in the Third World countries on a large scale is to build castles in the air.

Whatever employment multinationals create they destroy much more than that. In the cut throat competition of today only to maintain their position in the market, the large scale companies in the private sector in India are obliged to retrench lakhs of employees every year. For example the Tata Iron and Steel Company (TISCO) has already retrenched 20 thousand employees and is thinking in terms of

retrenching the same number in the near future. The Steel Authority of India Limited (SAIL) had already reduced its labour force to 1,60,000 which had the figure 250,000 in the eighties. These data prompt us to say that development and eradication of poverty do not necessarily go together.

The condition of the common man in the other Third World countries is worse than that in India. The reason is these countries experienced the spell of globalization much earlier i.e., in the beginning of the eighth decade. In his report submitted in the tenth Unctad conference held at Bangkok in February 2000, the General Secretary maintained that developing countries had not till then attained the benefits of Globalization. Instead, only averse results were received; unemployment was on the increase, the percentage of poverty had also gone up, educational and health services had gone worse and the number of school going children had decreased.

The Continent of Africa has been ruined like anything. For it the eighties years proved to be a ruinous decade. By the beginning of 1990 the per capita income of Africa had come down to its 1960 level when it had attained its independence. With the onset of 21st century the continent has been pushed to such a fringe as its image in the rest of the world has become nothing but a continent of persons dying of hunger.

The imperialist penetration and hold has been strengthened there on one hand while their economic systems have been weakened with people becoming poorer on the other. Unemployment figures in Latin America are abysmally high. People are forced to seek means of livelihood in the non-formal sectors. The urban poor in Latin American countries include not only those having fled from village but also laborers with falling living standards and those of the lower middle class who lost their employment and were obliged to accept jobs in the non-formal sector.

About poverty in Latin American countries the less said about it the better. According to 'The Economic Commission for Latin America and the Caribbean's' due to the structural reforms introduced in the eighties the ratio of poverty in view of the total population had exceeded from 35 per cent to 41 per cent. The pace of poverty continued unabated and even on a modest estimate it must have reached 60 per cent now. Even in a country like Ecuador growing cash crops like banana, coffee, coca-seeds, rich in oil and abundant scope for development, 61 per cent of population lives below the poverty line. Brazil reputed to be the largest economic

system in South America, collapsed in 1998 once again. In November 1999, the World Bank had a lot of praise for the Argentinean government and granted it an emergency loan of 00 crore dollars but the grim reality there is that 45 per cent of children less than 14 years in age are leading a life of acute poverty.

Chile is also a big South American country but one-fourth of the population there spends life in abject poverty. The income of one third of the population is not even 30 dollars a week. More or less this is the situation in other Latin American countries as well, Stark disparity holding sway and continuously increasing division of property and income. Prosperity and effulgence of a handful of fortunate ones on one side while abominable poverty continuously deepening and spreading far and wide on the other.

This is the state of affairs in the Third World countries under the influence of globalization. But what about those countries which we call the developed ones? Here we take up the case of France about which a report has come recently in the 31st March issue of the English daily. 'The Statesman' published from Kolkata. The English daily on page 9 has published the article by Patrick Sabateur with the caption. No Globalization Please-We are French ! Populist posturing comes to a head with Chirac's stealthy globalization writes Patrick Sabateur. The present explosion is the result of conflict between a weak economy and the Gaullist legacy borne by President Chirac and Prime Minister Dominique de Villepin.

In France globalization tendencies got spurt by the opening of the French economy to the World. Besides U.K., France is the country which has attracted most investments in Europe. But still the gaps between the two tiers of population-the 'haves' and the 'have-nots' is widening. The 'haves' include the moneyed classes, share-holders, property owners, workers holding permanent jobs with big companies, or the public sector, while the have-nots are the growing mass of the unemployed (over ten per cent of the work force) and those who cannot find anything other than short-term, low skilled and low-paid jobs. The general feeling has gained ground that the French social model must be reformed in the age of globalization but, without surrendering the ideas of equity and social justice.

The world scenario at the moment is not conducive to the content and practice of globalization. The world wide protest against it make it quite clear that it has yet to prove its efficacy. If it were cited to the tone

and temper of the world no demonstrations and rallies were heeded against it.

Economic reforms that the Indian government has introduced in its bid for globalization implies that world capital will be used in lieu of the national. Open competitive market has become the order of the day displacing small traders and merchants and foreign investment has made the Indian businessmen and entrepreneurs as subservient to foreign money and enterprise. All production is steadily being transferred to cities. In the wake of globalization capital intensive latest technology has come into vogue resulting in the displacement of local labour, manual and skilled.

GANDHIAN VIEWPOINT

All the Gandhian thinkers taken up in this essay namely, Gandhi, Vinoba, J.P. and Rammurti, are unanimous as concerns industrialization to be brought to every village and maintain that every home in the village should be industrialized. If some houses in the village are industrialized while others are left out it will not serve the purpose as welfare and weal of the whole village is at stake.

All the thinkers cited here stand for strengthening the local life. A strong and self-contained village will successfully meet all the onslaughts from the outside. Such a village will be a community of 1000 to 2000 persons but in essence it will be a community of strong people capable of ensuring their welfare in a highly competitive society.

As concerns the economic welfare of a rural community and as a matter of fact of all communities the basic needs of man must be taken outside the competitive market. This is of paramount importance as the rural poor cannot stand competition with the moneyed and the resourceful. Another maxim of fundamental importance, as concerns Gandhian way of thinking, is full employment to all. Gandhiji had pointed out as early as 1924 that supreme consideration is man. Later in his speeches and writings he pointed out that "every human being has the right to live and therefore to find the wherewithal to feed himself and where necessary to clothe and house himself". But these simple and essential things are denied to man today. Vast sections of people in the world today are being denied even the simple things of life. Gandhiji pointed out that because of inherent dichotomy between man's needs and greed this sorry state of affairs has come to dominate the world. He said that "for this very simple performance we

need no assistance from economists and their laws"(Arvind p7) Employment to all and supremacy of man over machine was also the consideration when Gandhiji prescribed khadi as a cloth to be used by all Indians. Khadi not only provided employment to the poor and the idle hands, it also pointed out that so long as man remained unemployed it is only inhuman to take recourse to machinery and drive man to hunger and penury. Writing to Harijan of 21.12'47 he emphasized this point and said, 'through Khadi we were struggling to establish the supremacy of man in the place of supremacy of power-driven machinery over him.'(Speeches of Mahatma Gandhi, 4th Ed p350)

The last content in the Gandhian viewpoint but nonetheless of high importance is that attitude of man towards life is not merely materialistic. Man is superior to brutes and animals because he is capable of self-restraint and he can also make sacrifice for his fellow beings. Only such a man is fitted to proceed towards realization of God which is the ultimate aim of his life. For the realization of this ultimate aim the service to God's creation becomes man's first duty. God cannot be served or realized bereft of his creation. As Gandhiji says, "Man's ultimate aim is the realization of God....the immediate service of all human beings becomes a necessary part of the endeavour.....the only way to find God is to see Him in His creation."(Harijan, 29 aug 1947)

Seers and sages of all ages have emphasized the point that the purposes of life undoubtedly are to know oneself. Different ways and practices have been prescribed for this self-realization. But as concerns Gandhiji particularly, we cannot achieve this goal "unless we learn to identify ourselves with all that lives...The instrument of this knowledge is boundless selfless services." Gandhiji further maintains that man is not born to amass riches or enormous wealth but on the contrary his manliness lies in "utilizing every atom of his energy for the purpose of knowing his Maker."(The Diary of Mahadev Desai 1953)

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