
UNIT 1 LEGACY OF NATIONAL MOVEMENT WITH REFERENCE TO DEVELOPMENT, RIGHTS AND PARTICIPATION

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1.1 INTRODUCTION

The developmental aspirations of the people of India unfolded themselves through the various stages of the freedom movement. The violent resistance of the Indian people to the British rule in 1857 and the subsequent tribal upsurges were defensive movements against foreign rule. They were almost totally political. But the peasant struggles that occurred since the late nineteenth century had a clear economic perspective. They were against the oppressive land revenue system that came along with foreign rule even though the peasants were not always aware of the colonial mechanism and they often turned their wrath on the intermediate landowners like the zamindars and mouzadars.

After the consolidation of the British rule in 1858, new organisations and movements of the people came to the fore choosing 'constitutionalist' strategies. Landlords formed their own organisations to demand reduction of Government revenue claims.

Simultaneously nationalist leaders like Dadabhai Naoroji, M.G. Ranade and R.C. Dutt started critiquing the colonial economic exploitation. They argued that the main reason of poverty in India was the colonial exploitation. The end of colonial rule was necessary for the alleviation poverty in India.

1.2 FOUNDATION OF THE INDIAN NATIONAL CONGRESS

In 1885 the educated elite formed the Indian National Congress as an umbrella organisation of all sections of the Indian people beginning with the demand for adequate representation of the Indians in the senior Government services and the legislative bodies created by the Indian

Councils Act of 1861. Indeed, initially they did not take up the cause of the workers and peasants considering them as 'local issues.' But individual nationalists were engaged in 'philanthropic works' among the workers and the peasants.

The Indian National Congress was founded with a modest constitutionalist outlook and chose the strategy of petitions and persuasion rather than pressure and agitation. The earliest plea that it made to the Government was for the facilitation of the Indians' access to the Indian civil service which indeed was an elitist demand. On the other hand, the organisation declined to take up the issue of the condition of plantation and industrial labour which appeared to it to be 'local' issues even though philanthropists and labour leaders were given platform. In 1893 the Congress demanded the uniform introduction of permanent settlement of land to save the landholders from harassment by the Government.

As early as 1895 Dr Annie Besant, founder of the Indian Home Rule League and a leader of the Indian National Congress, drafted a Constitution of India Bill envisaging a Constitution that guaranteed to every citizen freedom of expression, inviolability of one's house, right to property, equality before the law and in regard to admission to public offices, right to present claims, petition and complaints and the right to personal property. At a special session at Bombay in 1918 on the Montague-Chelmsford Report, the Congress demanded that the new Government of India Act contain a declaration of the rights of the Indians containing, among other things, equality before the law, protection in respect of liberty, life and property, freedom of speech and press and right of association.

In 1925 a sub-committee set up by the All-Parties Conference chaired by M.K. Gandhi prepared a Commonwealth of India Bill that demanded self-government for Indians from the village upwards – the village, the taluka, the district, the province and India. It also demanded the rights to liberty, security of dwelling and property, freedom of conscience and to profess and practise religion, freedom to express opinion, to assemble peacefully and without arms and to form associations or unions, free elementary education, use of roads, public places, courts of justice and the like, equality before the law irrespective of nationality and freedom of the sexes.

The Motilal Nehru Committee Report of 1928 incorporated all these demands and added the right of all citizens to the writ of *habeas corpus*' protection in respect of punishment under *ex post facto laws*, non-discrimination against any person on grounds of race, religion or creed in the matter of public employment, office of power or honour and in the exercise of any trade or calling, equal access of all citizens to public road, public wells and places of public resort, freedom of combination and association for the maintenance and improvement of labour and economic conditions and the right to keep arms in accordance with regulations.

It will be seen that, although the above demands had certain economic implications, the demands were essentially political and elitist. It was not until the appearance in the scene of Gandhi that the socio-economic problems of the common people came to focus. Gandhi brought the common people into national politics. He had to reflect their aspirations.

1.3 GANDHI'S CONTRIBUTION

Among the earliest Gandhian activities in the socio-economic field were his visit to Champaran in Bihar to save the peasants from the exploitation of the British indigo planters, his initiation of peasant *satyagraha* at Khaira in Gujarat against high revenue demands of the Government and his intervention in the labour dispute in the Sarabhai textile mills at Ahmedabad. The first two moves related to the agrarian economy of the country in which about 95% of the Indian people were involved in the second decade of the twentieth century and clearly had an anti-imperialist edge. The third related to industrial relation within an Indian-owned undertaking. Gandhi's mediation and moral pressure resulted in a happy ending of the dispute.

The three episodes in the early life of Gandhi suggest that, whereas Gandhi took a clear anti-imperialist position, he was in favour of solving class conflict within the Indian society through persuasion. He was not in favour of class struggle within the Indian society. In fact the Ahmedabad experience seems to have led him to pronounce his famous 'theory of trusteeship' that advised the owning class to behave as the trustees of the national wealth in the interest of the working class. In fact, it was probably due to his influence that the Ahmedabad Textile Workers' Union kept away from the All-India Trade Union Congress when it was set up in 1920. Even the Congress leaders did not join it until the party's Gaya conference in 1922.

While the Congress fought for the interest of the peasants and farmers many of whom actively participated in its *satyagrahas* it was not until about the end of the freedom movement that it raised the demand for land reform, that is, abolition of zamindari and other intermediary rights in land and grant of ownership to tillers of land. In fact, as early as 1893 the Indian National Congress had demanded permanent settlement of land (as in Bengal) in order to protect the landlords against harassing extortions of the landlords in the ryotwari areas.

1.3.1 Gandhi's 'Substance of Swaraj'

On January 26, 1930 Congressmen all over the country took the pledge of complete independence as demanded in the Lahore Resolution of December 1929. On January 30, 1930 in *Young India* Gandhi laid down his perception of the 'substance of independence' as follows:

- 1) Total prohibition.
- 2) Reduction of pound-rupee exchange ratio from 1 shilling 6 pence to 1 shilling 4 pence.
- 3) Reduction of land revenue by at least 50% and making it subject to legislative control.
- 4) Abolition of salt tax
- 5) Reduction of military expenditure by at least 50% to begin with.
- 6) Reduction of salaries of the highest grade services by half or less, so as to suit the reduced revenue.
- 7) Protective tariff on foreign cloth.
- 8) Passage of the Coastal Traffic Reservation Bill.
- 9) Discharge of all political prisoners save those condemned for murder

or attempt to murder, or trial by ordinary judicial tribunals, and withdrawal of all political prosecutions.

10) Abolition of the C.I.D. or its popular control.

11) Issue of licenses to use fire arms for self-defence, subject to popular control.

The demands, it can be seen, watered down the concept of complete independence envisaged by the Lahore resolution of the Congress. On the other hand, all of them, except the first, had an anti-imperialist edge. Further, except for the 9th and 10th demand, all of them had an economic bearing.

1.4 THE KARACHI RESOLUTION OF THE CONGRESS

The resolution of the Karachi session of the All-India Congress Committee that was passed in 1931 was the first clear statement of the socio-economic contents of the freedom movement. It laid down that the organisation of economic life must conform to the principle of justice, to the end that it must secure a decent standard of living.

The state would safeguard the interests of the workers and secure for them, by suitable legislation and in other ways, a living wage, healthy conditions of work, limited hours of labour, suitable machinery for settling industrial disputes and social insurance. Liberation of agricultural labour from conditions of serfdom and protection of interest of women workers were promised. Child labour in factories and mines was to be banned. Peasants and workers would be free to form unions.

The system of land tenure would be reformed. Peasants were promised an equitable adjustment of the burden on agricultural land, immediate relief to the small peasantry through substantial reduction of rent and revenue, exemption in the cases of uneconomic holding and imposition of graded agricultural income tax. Death duties at a graduated rate over property above a limit were envisaged. Relief of agricultural indebtedness and control of usury – direct and indirect - were promised. Military expenditure would be reduced. The state would also provide military training to its citizens. The ceiling of the civil servants' salary would be Rs 500.

The state would protect indigenous cloth against foreign cloth. The other indigenous industries would be likewise protected against foreign competition. Intoxicating drinks and drugs would be totally prohibited. Currency and exchange would be regulated in the national interest. The state would own or control key industries and services, mineral resources, railways, waterways, shipping and other means of public transport.

When the Congress party came to power in several provinces in 1937, they tried to deliver on some of the promises. But they held power for a little over two years. Besides, there were pressures from European and native vested interests. The promises were only partially fulfilled. About twenty years after Karachi session, the Indian Constitution largely enshrined the promises made in 1931.

1.5 THE IDEA OF SOCIALISM

The Bolshevik Revolution in October 1917 created an interest in socialism in India and small socialist groups emerged in the urban centres.

Completion of the first five-year plan by the Union of Soviet Socialist Republics in 1934 created an enthusiasm for planning in India. In 1934 M. Visvesvaraya, a great engineer, published a book entitled *Planned Economy in India* in April 1936. The Visvesvaraya Plan could, however, be by no means called a socialist plan. In 1934 the Congress Socialist Party was formed within the Congress and Gandhi resigned from the Congress citing it as one of the reasons and alleging Jawaharlal's open sympathy for the group. In 1935 the Communist Party of India was formed and immediately banned by the British Government. Most of the communists started working within the Congress Socialist party.

Jawaharlal Nehru, who had shown great admiration for socialism as early as 1928, delivered his presidential address to the Lucknow session of the Indian National Congress announcing his conviction that 'the only solution of the world's problems and of India's problems lies in socialism'. This statement created an ideological rift within the top leadership of the Congress and Sardar Vallabh Bhai Patel issued a statement to the effect that he had ideological differences with Nehru on matters like the nature of capitalism. Patel wanted to contest Nehru for the presidency of the Congress in the next session at Faizpur. Nehru recounted his position stating that socialism was not his ideological plank for the Presidential election and Patel withdrew from the contest. In his Presidential speech at Faizpur, Nehru called for the building up of a powerful joint front of all the anti-imperialist forces in the country including the organised workers and peasants. In the backdrop of the general (provincial) elections in British India this ideological debate is significant.

1.5.1 The Idea of Planning

It has been seen that the idea of planning had acquired popularity in 1934. Jawaharlal Nehru was succeeded as Congress President by another radical young man, Subhas Chandra Bose. He set up a National Planning Committee with Jawaharlal Nehru as chairman and Professor K.T. Shah as secretary. The ideological tension that was brewing in the Congress resulted in Bose resigning its Presidentship in the next year. Still another year later the Congress Governments in Provinces resigned on the issue of the declaration of British India's participation in World War II. The work of the National Planning Committee was interrupted but a number of subcommittees of the National Planning Committee prepared their reports.

In 1940 a group of industrialists led by G.D. Birla, prepared what is known as the Bombay Plan. The Plan envisaged the doubling of per capita income and trebling of national income in 15 years. It divided industries into basic and consumption goods industries and admitted the necessity of reducing inequalities of wealth. Among the measures suggested toward this purpose were imposition of death duties, reform of the system of land tenure and provision of the fullest scope for small and cottage industries as well as state control of the economy accompanied by state ownership of public utilities and basic industries. Economic control, however, was more important than ownership or management by the state., argued the Bombay Plan.

Towards the end of World War II, M.N. Roy, a leader of the Indian Communist movement and now a radical humanist, published a People's Plan. Unlike the Bombay Plan it primarily emphasised agriculture and advocated nationalisation of land and liquidation of rural indebtedness. Future industrialisation would have to be primarily financed and controlled by

the state. Expansion of production would have to be accompanied by changes in distribution in favour of the common people permitting an expansion of the total consumption by the community. Surplus production should be reinvested for raising employment and standard of living.

1.6 THE NATURE OF GANDHIAN ECONOMICS

It will be wrong to see the 1930 'substance of Independence' statement of Gandhi as either the whole or the core of Gandhi's economic ideas. Gandhi's economic ideas cannot be fully discussed in the present unit. Suffice it to say that it was dynamic and evolved from his pamphlet on *Hind Swaraj* written in 1907 through a long course of his leadership of the Indian national movement.

Initially he opposed machines as instruments of imperialist exploitation and deprivation of the common masses of the people. Later he watered down his opposition to machines. All through his life, however, he insisted upon the spinning wheel which could give the poorest Indian villager, particularly women, a means of independent earning.

Initially he opposed class contradiction by means of his theory of trusteeship and change of heart of the owners to solve the problem of exploitation. Toward the end of his life he appears to have grown disillusioned about the prospect of change of heart. He even ceased to emphasise the need for revival of the idyllic self-sufficient village community. But he never ignored the common man and went on stressing the need for revival of the small-scale and cottage industry. It is interesting to note that the National Planning Committee's sub-committee on agriculture headed by a Gandhian, J.C. Kumarappa, recommended an integrated policy of land reform beginning with abolition of zamindari and other intermediate rights and proceeding to grant of tenancy to the cultivator and imposition of ceiling on agricultural land holding.

1.7 THE GANDHIAN SOCIAL PHILOSOPHY

It is necessary to remember that Gandhi's economic thinking was a part of his broader social vision of *sarvodaya* (upliftment of all), that was originally conceived as *antyodaya* (unto the last). Towards this aim he devoted a major part of his 'constructive programme' towards the abolition of untouchability and the upliftment of the people he called 'the Harijans' (now called 'dalits'). Though he did not present a separate economic programme for them, his Puna Pact with Dr B.R. Ambedkar gave them a political status in British India's electoral system that was retained in independent India.

It has been already mentioned that the spinning wheel gave the women an amount of economic independence through their own labour. It should also be mentioned that it was Gandhi's *satyagraha* that brought the women into the arena of politics and liberated them from their domestic bondages.

1.8 THE CONSENSUS

The Indian national movement was, above anything else, a movement for political independence. It had to mobilise different groups and interests. It was necessary to avoid contentious issues that might divide the people and alienate sections of them. Yet no politics is without economics and, to mobilise the largest section of the people, it was necessary to reflect their socio-economic aspirations. Thus there appears to have crystallised three broad aspirations about the economy of an independent India: (1) a capitalist dream of an industrialised India under minimal state control and state support; (2) a Gandhian view of basically rural and self-sufficient economy with minimal state control and large industry; and (3) a socialist view of an industrialised India under strong state control and leadership. As a result of the ideological debates evolved a basic minimum consensus on the course of economic development of India.

- i) There could be no development without political freedom.
- ii) A certain amount of state control was necessary for the economy.
- iii) Basic natural resources should be nationalised.
- iv) There was also an overwhelming opinion that zamindari and other intermediary rights in agricultural land should be abolished.

This basic consensus was, somewhat inadequately, reflected in the Congress manifesto on the eve of the provincial assemblies elections in early 1946. We call it 'inadequate' because the 1946 elections were held on the basis of a franchise determined by property qualifications to only 15% of the British Indian population and did not have to reflect the aspirations of the poorer sections of the people that comprised 85% of the population. However, the Congress swept the elections in all the non-Muslim-majority provinces and even the Muslim-majority province of the North-West Frontier Province.

In that manifesto the party promised to encourage, modernise and rapidly extend industry, agriculture, social services and public utilities. 'For this purpose,' the manifesto said, 'it will be necessary to plan and co-ordinate social advance in all its many fields, to prevent the concentration of wealth and power in the hands of individuals and groups, to prevent vested interests inimical to society from growing, and to have social control of the mineral resources, means of transport and the principal means of production and distribution in land, industry and in other departments of national activity.'

The state must, therefore, own or control key and basic industries and services, mineral resources, railways, waterways, shipping and other means of public transport. Currency and exchange, banking and insurance must be regulated in the national interest.

Thus the foundation of state capitalism in India was laid. Somehow, this kind of economic thinking came to be considered by many as socialism.

1.9 SUMMARY

The Indian national movement had a legacy of political and economic protest. This in turn became a legacy for the Independent India. In the latter half of the 19th century, the nationalist leaders like Dadabhai Naoroji, M.G. Ranade and R.C. Dutt gave a critique of the colonial exploitation. Initially the Congress was concerned with the problems of the elite like representation of Indians to the senior government services and legislative bodies. But with the appearance of M.K. Gandhi on the political scenario, it took up the cause of the ordinary people – the peasantry and workers. Some concepts and ideas which evolved during the Indian national movement became the legacy for the policy initiatives in the post-independence India. These were mainly Swaraj, political and economic rights, socialism, planning and consensus.

1.10 EXERCISES

- a) Was there an economic perspective of the early national movement in India?
- b) What was Gandhi's contribution to the economic thinking in the Indian national movement?
- c) Discuss the evolution of socialist thinking in the Indian national movement.
- d) How did the economic thinking in the Indian national movement crystallise at the end?