Championing the Village Movement

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Let me start with an anecdote from the book under review. A meeting of the Planning Commission Advisory Committee has been organised at Rashtrapati Bhavan. Joseph Cornelius Kumarappa arrives in a horse-drawn tonga, but is ordered off the road with the excuse that Jawaharlal Nehru’s motorcade is to pass. His Gandhian sensibilities are incensed and in the meeting he threatens to arrive the next day in a bullock cart, adding for good measure that, in a democracy, a Prime Minister and a bullock-cart driver are equal. Nehru tries to mollify Kumarappa by saying that bullock carts are not allowed on these roads for their own safety, since the road is frequented by military trucks. Kumarappa argues from common sense that if one person is a threat to another then the restriction ought to be placed on the former! This anecdote illustrates as it does Kumarappa’s world view and his thought—outlined in his works, such as *Economy of Permanence, Why the Village Movement*, and many articles in the *Gram Udyog Patrika*—with his practice. The latter extended to countless experiments in reviving village industries over a quarter of a century, a simple personal lifestyle, an insistence on personal familiarity with India’s villages, and stints in jail. For the last 20 years of his life, he lived in a small hut in Maganvadi, Wardha, from where he coordinated activities of the AIVIA. But, he travelled ceaselessly, even in poor health, all across the country to gain first-hand knowledge of the conditions in the villages. Gandhi believed in separation of his *sangharsh* (struggle) and *nirman* (constructive) activities. So constructive workers like Kumarappa, who were engaged in nirman, were not allowed to take part in civil disobedience and other sangharsh activities. But, Kumarappa showed how constructive work was itself a form of anti-imperial struggle.

The core strength of this book is that it is based on extensive archival work and goes into depth as regards both Kumarappa’s work with the AIVIA and his philosophical/intellectual vision. Further, the authors situate him in the intellectual context of the time by giving the reader a taste of the kinds of debates he engaged in with Jayaprakash Narayan (JP), Jawaharlal Nehru, Meghnad Saha, and other defenders of large-scale industrialisation. In the authors’ words, “while Gandhi laid out the broad contours of an argument for swadeshi, it was Kumarappa who out of prolonged engagement shaped it into a *theory of decentralisation*” (p 98). In a stance exactly opposite to the one taken by Nehru, who advocated large-scale production and centralisation of resources wherever possible, Kumarappa advocated small and decentralised production whenever possible, and large otherwise.

**Local Economy Movements**

The book devotes an entire chapter (Chapter 7, “The Natural Order”) to an examination of Kumarappa’s philosophical vision, which incorporated a range of influences from Christian theology and...
Thorstein Veblen (the 19th century evolutionary economist) to Mahatma Gandhi. Kumarappa’s vision posits a “natural order” constituted by a web of rights and obligations. Ahimsa, then, is the process of recognising these rights and obligations, and the fundamental interconnectedness of being, and conforming to them. Truth (Gandhi’s truth) is the goal of such action. What comes through clearly via extensive and meticulous documentation of Kumarappa’s practice is how he and Gandhi envisioned the creation of institutions that would enable humans to act in accordance with these ethical and moral principles. In other words, as the authors point out, neither believed naively in the “goodness” of humans or in altruistic tendencies. But, they did believe that collectively such institutions could be created that brought out these tendencies over others.

Interestingly, Kumarappa’s thinking foreshadows several important later-day developments in economics. One of his central concerns is individual autonomy. A “well-conceived” economy is one that allows “free play to all creative faculties of every member of society” (p 96). The emphasis on creativity and autonomy, which was muted in early development economics, later received some attention, albeit in a very different form in Amartya Sen and Mahbub ul Haq’s capabilities and human development approach. The influence of Kumarappa’s most well-known book, *Economy of Permanence*, is seen in E Fritz Schumacher’s *Small Is Beautiful* as the “economics of permanence.” Schumacher’s book went to become a manifesto of sorts for the local economy movements in the developed world.

Kumarappa’s sensitivity to interconnectedness of being, his insistence on “permanence” (what we might call “sustainability” today), and the distinction he made between “reservoir” and “current” economies—non-renewable and renewable respectively—make him recognisably an ecological economist. In this view, economic growth cannot be unlimited, and the principal task is to create institutions that organise the human economy in an equitable way that minimises the disturbance of the ecological balance. Moreover, exchange (markets) must primarily be local, not only because distancing deprives consumers of the knowledge of production conditions and aids unethical practices, but also because long-distance transport of daily necessities is ecologically costly.

And, yet, recasting him purely in the frame of modern economics is difficult because of the strong moral content of his ideas. He saw production, distribution, and consumption of material goods as an integral part of the natural order. The emphasis on the small-scale, decentralised industry is not only born out of employment and ecological considerations, but also concerns of the natural order. Significantly, Govindu and Malghan are at pains to point to the moral–ethical frame guiding Kumarappa’s economics and are careful not to make him “digestible” to modern economists in order to prove his relevance.

Like Ram Manohar Lohia, at roughly the same time, Kumarappa argued for an equal distance from capitalism and communism as he saw these systems in...
practice, and for the creation of an economic order suited to Indian conditions. This distancing from capitalism and communism was based on the understanding that they were both systems that tended towards centralised power and made material improvements the sole criterion for progress. The centre-piece of the debate with the socialists and communists was the question of scale. The book is a treasure trove of references to important debates that occurred in the 1930s and 1940s on the merits and demerits of large-scale versus small-scale industries, many of which are sadly unknown today. These were spirited and colourful debates. One economist from Allahabad argued that the philosophy of village industries was based on the intellectual confusion of John Ruskin and Thomas Carlyle, and the anarchism of Pierre-Joseph Proudhon and Mikhail Bakunin. Kumarappa’s views suffered from “utter neglect of allegiance to logic, not to speak of its wanton shyness of economic truth” (p 138).

But, the most interesting critique of Kumarappa’s ideas comes from JP (who was then in his Marxist phase). The debate between Kumarappa and JP (Chapter 9, “The Lonely Furrow”) makes for excellent teaching material. It prompted me to seek out JP’s essay “Socialism versus the AIVIA,” which proved to be an excellent Marxist critique of Gandhian economics. As the authors of the present volume note, even though the Gandhi–Nehru debate (in their 1945 letters) over the significance of the village has been referred to extensively, the issues at stake are much more clearly laid out in the JP–Kumarappa debate at a level that undergraduate students can easily understand.

**Struggle for Small-scale Industry**

Kumarappa shows a keen sense for political economy because he repeatedly encounters ways in which the state uses its power to ensure the “efficiency” of the large-scale industry. A case in point is the railways. While the world hailed the penetration of railways in India, Kumarappa analysed their political economy and showed that construction had been carried out in excess of demand because of profitability considerations. Since investors were guaranteed a rate of return by the Government of India, there was a rush to invest. These guaranteed returns were paid out of taxes collected from the peasantry, of course. Thus, the exploitation of the Indian peasantry was a key factor in the construction of the railways. Analyses such as these show that infrastructure projects, such as the railways, had a strong political economy angle to them and one could not simply see them as neutral.

In this respect, one post-independence struggle I found particularly instructive was that of the sugar cane farmers in Madurai district. In 1949–50, Kumarappa found that the customary incomes that farmers derived from small-scale gur (jaggery) production were in jeopardy. In order to procure enough sugar cane for a refined sugar mill in the area, the Delhi government prevailed upon the Madras government to pass an order requiring farmers within a 20-mile radius of the sugar mill to possess licences to make gur. It was difficult to obtain a licence, and the real motive was to make farmers sell sugar cane at subsidised rates to the mill. Along with a young Gandhian, Jagannathan, who offered satyagraha by laying down in front of a van carrying confiscated gur-making equipment from the villages, Kumarappa launched an agitation against this law.

Kumarappa’s ceaseless struggle to revitalize the small-scale industry via every method available to him also gives the lie to the often-repeated criticism of the Gandhian programme: that it advocated primitive methods of production and wanted to turn back the clock. Rather, what we see is that this perspective placed individual autonomy and social equity at the centre—be it an institution, a technology, or a policy. If it could not be made available to the last person, it was not just. But, at the same time, both men were committed to improvements in existing techniques and methods of organisation, as long they were consistent with the core principles mentioned earlier. For them, khadi, charkha, and a decentralised small-scale industry were not to be championed because they were “traditional” or “swadeshi.” Rather, these were the answers to the question: what pattern of industrialisation will generate creative, meaningful work for the vast majority? This position is clearly articulated in Gandhi’s books of essays, *Cent Per Cent Swadeshi*, another important reference I gleaned from this book. The strength of this approach lies in the fact that it starts from where the vast majority of people already are, in terms of skills and knowledge. It does not ask them to wait for decades to get educated and get in line for jobs that may never materialise.

**Committed to the Last Person**

Even though I was broadly familiar with Kumarappa’s ideas on village industries before I read this book, several of the later chapters, particularly those dealing with his role in the ARC (Chapter 14, “Land to the Tiller”) and his visits to China and Russia (Chapter 17, “Seeing Red”) were illuminating. The position that he took in the ARC deliberations and his subsequent attitude towards both China and Russia are proof that he was far from a “communist-hating Gandhian.” Indeed, his disagreements with the followers of Gandhi (such as Vinoba Bhave over the Bhoodan movement, for example) also substantiate this. Ironically, Kumarappa, with his firm commitment to the “last person” extending to his own lifestyle, his advocacy of communal property in land, and his ability to see what was worth emulating in communist China and Russia, emerges as more communist than many of today’s Marxists who hold radical intellectual positions, but are weak on praxis.

A particularly invigorating aspect of the book is that we get a clear picture of how a truly committed Gandhian strove to integrate thought and action, and remained true to his beliefs till the end, even when he found himself isolated in the rapidly changing scenario post independence. Unlike Nehru, he stayed away from power, and unlike Bhave, he refused to say that the time for satyagraha was over, now that India was independent. No doubt his combative nature and acerbic wit stood him in good stead in this
endeavour! At a time when divergence between practices in personal life and political positions are commonly observed and even accepted, the lives of deeply personally and politically committed individuals like Kumarappa have a rhetorical power all of their own.

Exploring the contemporary relevance of Kumarappa’s economics is beyond the scope this book and also this review. But, it is worth noting in conclusion that today we are facing an unprecedented jobs crisis, along with continued low levels of consumption for the vast majority as well as widening disparities. The dream of a remunerative, decent, regular livelihood, remains just that, a dream for nearly 90% of the workforce. While a book by itself certainly cannot change this state of affairs, but as books go, this one is an important addition to the arsenal of any social movement that wants to rekindle the question that never went away: what should the Indian economy look like?

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REFERENCES