

Dr. Ambedkar & the relevance of his Economic thoughts in Today's economic Landscape

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ABSTRACT

A prominent figure in Indian history, Dr. Ambedkar made contributions as a social revolutionary, educator, economist, sociologist, and legal expert. He was the first well-educated member of the Indian untouchable community and the author of three important books as well as many articles on economics. A novel socio-economic and political viewpoint on Indian economics was provided by Dr. Ambedkar. His theories are still relevant in the current environment as a contemporary economist and scholar. On April 14, 1891, he was born into a low-income family in a town founded by the British and a military cantonment. He obtained a postgraduate degree in economics from Columbia University in 1913 after graduating from Bombay University in 1912 with a degree in politics and economics through a variety of scholarships. His doctorate in economics was awarded by the London.

Methodology

The researchers has utilized secondary data, referencing research papers and books, and employed a collective observation method to analyse the current scenario.

Objective of the Study

To examine the economic ideas of Dr. B.R. Ambedkar and their relevance to the Indian economy in today's context.

INTRODUCTION

A prominent figure in Indian history, Dr. Ambedkar made contributions as a social revolutionary, educator, economist, sociologist, and legal expert. He was the first well-educated member of the Indian untouchable community and the author of three important books as well as many articles on economics. A novel socio-economic and political viewpoint on Indian economics was provided by Dr. Ambedkar. His theories are still relevant in the current environment as a contemporary economist and scholar.

On April 14, 1891, he was born into a low-income family in a town founded by the British and a military cantonment. He obtained a postgraduate degree in economics from Columbia University in 1913 after graduating from Bombay University in 1912 with a degree in politics and economics through a variety of scholarships. In 1922, he earned his doctorate in economics from the London School of Economics and Political Science, making history as the first accomplished member of the untouchable community.

He was adamant that equal opportunity is necessary to guarantee a happy existence for all citizens, regardless of gender, caste, religion, or social class. He vigorously spearheaded campaigns to defend the rights of the downtrodden classes, who were excluded and denied political and religious freedom. He became well-known for his support of the civic rights of untouchables and oppressed people when the Bahiskrit Hitakarini Sabha was founded in 1924. He encouraged these people to take up their cause and fight for their self-respect and empowerment.

Dr. Ambedkar as a Young Economist

At an early age, Dr. Ambedkar published extensively on a variety of issues and engaged in current research as an innovative economic theorist. Globally, economists came to recognize his work. As a trailblazer, he investigated how India's economy and socio-political factors interact, as well as how development initiatives affect the nation's changing landscape. He was the first economist from India to undertake a thorough analysis of British India's governmental finances, taxation, and monetary standards, exposing the detrimental consequences of both internal and foreign taxes on regional companies. He also offered in-depth assessments of a variety of topics, including the Hindu economy, lending practices, development methods, state socialism, nationalization, population dynamics, family planning, women's development, and human capital.

He also emphasized that it is not a good idea to keep having provincial deficits covered by borrowing money from the Central Government or the general public directly if the provinces' financial stability is not to be undermined, which would ultimately put the Government of India itself in danger. In order for an administration to function effectively, he continues, "it must recognize the principle of impartiality of governmental work and a collective responsibility of the administrators in the execution thereof."

Pioneer Work in the area of Federal Setting:

Ambedkar promoted the establishment of a "Federal" or "United States" power in lieu of a central authority and the replacement of the "Imperial system" with a "Federal system." He suggested that the Imperial and Provincial budgets would be clearly divided under this Federal scheme, with a true division of services and distribution of revenues as the foundation.

As a result, Dr. Ambedkar's ground-breaking work laid the groundwork for the current federalist system in India, which supports cooperative centre-state fiscal relations and public financial management. As shown by numerous Audit Reports, his emphasis on upholding the moral principles of loyalty, wisdom, and efficiency is still applicable today.

A cursory look at Dr. Ambedkar's D.Sc. dissertation, "The Problem of the Rupee," demonstrates how painstakingly he documented India's monetary and exchange standards history from 1800 to 1893, including gold standards and exchange. He conducted a rigorous analysis of linked topics like spending, trade imbalances, and inflation. Dr. Ambedkar protested against the Fowler Committee's recommendations and disagreed with numerous of Professor Keynes's ideas on the reform of Indian currency. He stressed that the crucial element to remember is that the stability of the rupee cannot be accomplished without stabilizing "general purchasing power." He said that it would be more beneficial to have an inconvertible rupee with a set limit rather than recommending that the rupee be effectively convertible into gold.

Ambedkar states, "The existing treatises on Indian currency do not give idea of the circumstances which led to the reforms of 1893," in the Preface to the First Edition of his book, "The Problem of the Rupee". In my opinion, examining the early past is crucial to evaluating the problems with the current crisis and the suggested solutions. In light of this, I have focused on the most overlooked time in Indian monetary history, which ran from 1800 to 1893. Not only have other authors started the exchange standard story abruptly, but they have also spread the idea that the exchange standard was the standard that the Indian government initially intended. This, in my opinion, is a grave mistake.

Dr. Ambedkar on Agriculture

He conducted a critical analysis of the consolidation issue as part of the agrarian reforms, pointing out that population growth and property inheritance were the main causes of agricultural issues.

He adds, "If it is true that small and dispersed holdings harm Indian agriculture, we need to not only expand but also consolidate them. Remember that while consolidation may eliminate the drawbacks of dispersed holdings, it won't eliminate the drawbacks of tiny holdings unless the combined holding is an expanded and profitable holding.

"A large portion of the agricultural population is superfluous and idle," he added, referring to a large agricultural population and the lowest proportion of land under actual cultivation.

Long before modern development, he discussed the relationship between industry and agriculture. Theorists talked about themes like underemployment and hidden unemployment as well as the role of industry in agricultural development.

Dr. Babasaheb Ambedkar promoted cooperative farming as a means of advancing agriculture in India, stressing the need for the government to nationalize land and allocate funds and resources for agricultural projects. He suggested community farming in conjunction with financial and resource support from the government as a way to address the challenge of employment in the agriculture industry. Ambedkar advocated for the nationalization of banks, the insurance industry, and assistance for landless people in a 1946 speech to the Constituent Assembly.

The lack of land relative to other nations is the main barrier impeding the growth of Indian agriculture, making land reforms ineffectual. Ambedkar urged that collective farming be considered as a state industry and advocated for the nationalization of agricultural land. He maintained that industry and agriculture should both receive financial backing from the government. In order to support peasants and landless labourers, Dr. Ambedkar established the Independent Labor Party in 1936. He coordinated a march in Mumbai to demand legislative changes to break up land monopolies and assist farmers, as well as the elimination of bonded labour and access to free fallow land and minimum salaries.

Dr. Bhimrao Ambedkar's personal experiences with poverty influenced his comprehension of modern socio-economic challenges. He introduced the Land Ceiling Act and the Bombay Money Lenders' Bill in reaction to his fight against the Khoti system; both bills were finally passed into law. His observations on India's situation and agriculture are still important and applicable today. He promoted the economic and social advancement of the country, stressing the value of agricultural investment and giving housing, public health care, and education first priority. To increase the agriculture sector's growth rate, a thorough examination is necessary.

A strong supporter of land reform and state-led economic growth, Dr. Bhimrao Ambedkar saw the inequalities that come with an unchecked capitalism economy. His views on land ownership and income generation still hold true today. He thought that governments ought to embrace cooperative farming methods in order to increase agricultural productivity.

Globalization is currently endangering India's social democracy by promoting a shift away from Ambedkar's ideas and toward a mixed economy based only on free markets. Globalization, uncontrolled imports, and changes to the Indian Patent Act that restrict farmers' ability to utilize

their own seeds have all contributed to India's growing reliance on agricultural imports and weakened its sovereignty.

State socialism was Dr. Ambedkar's recommended solution to end class divisions. But privatization has made wealth disparity much worse, making tribal farmers especially vulnerable. It is imperative that marginal and small farmers receive protection and assistance from the state. Ambedkar's ethical and humanistic philosophy is essential to promoting ecological equilibrium and bringing back true democracy. He held that reason is fundamental to human existence because it enables us to comprehend and restrain our instinctual desires.

Dr. Ambedkar on Industrialization

"Society is always conservative," Ambedkar declared. It doesn't alter unless forced to, and even then, only very gradually. As soon as change happens, the old and the new always fight for survival, and if the new isn't supported, it will eventually be destroyed.

In addition to his beliefs, Dr. B. R. Ambedkar was a skilled economist in his day who actively promoted the advancement of oppressed populations, making a considerable impact. His economic theories have been extremely beneficial to the Indian economy and can be useful in addressing the country's current economic issues.

He makes the argument that one cannot trust an alien government to provide money for its citizens' welfare. This emphasizes how important it is to make sure money is allocated for the general good. The government's failure to prioritize the responsible use of resources will lead to abuse and impede society's overall development. Political unrest and corruption are two major issues that the Indian economy is now dealing with. A large portion of the funding allotted for programs launched by the federal or state governments to improve the lives of the impoverished and disenfranchised is diverted by middlemen and politicians.

Pre- and post-independence social, political, and economic developments have had an impact on the diverse Indian economy. Dr. Ambedkar gave Indian economics fresh socio-political viewpoints. He declared his intention to "move from economics to law and politics" in the foreword of *The Problem of the Rupee's* 1947 Indian edition.

Dr. Ambedkar & Gold standard policy

Dr. Ambedkar made it plain that the "continued devaluation of the Indian currency, while beneficial for exports, is detrimental to the Indian economy." Since coins made of gold and silver were utilized as money during the time, the shifting values of these metals made it difficult to calculate exchange rates. Due to fluctuations in the prices of these metals, it became challenging to set a standard for exchanging gold coins for silver or other foreign currencies.

Ambedkar addressed these concerns in his writings and vehemently argued in favour of a legitimate gold standard and gold coins. Despite the gold exchange standards theoretical support from eminent figures such as John Maynard Keynes, he was a harsh opponent of it. Ambedkar argued that while a low exchange rate might increase exports, it would also increase internal prices; hence he opposed any intentional, or even unintentional, decrease of exchange rates. Globalization and privatization have a big effect on the economy these days. Even while the government encourages export expansion, lower-class citizens at home frequently suffer as a result.

Ambedkar argued in favour of creating a fully regulated, finite-issue, inconvertible currency as an alternative to tying the rupee to gold. According to him, the pure gold standard was only a type of gold-based convertible standard. Paper money could be issued in tandem with gold

under this paradigm. On the other hand, the gold exchange standard only uses paper money, which is backed by foreign exchange reserves from nations that follow the gold standard and is fixed at fixed rates to gold. Ambedkar advocated for a more stable form of the gold standard and attacked Keynes and other proponents of the system. He argued that the stability of the true gold standard is absent from the gold exchange standard.

DR. AMBEDKAR & TAX POLICY

Ambedkar expressed his opinions on taxation policy in a 1936 speech to the Swatantra Majadur Party. He claimed that the land revenue and land tax systems unfairly burdened the less fortunate members of society, which is why he was against them. The following guidelines for a fair taxation system were put forth by him:

1. Taxes ought to be determined by the taxpayer's ability to pay, not just their income.
2. The impoverished should pay less in taxes, while the wealthy should pay more.
3. There should be a cap on the amount of tax exemptions granted.
4. The imposition of taxes needs to be equitable for all social groupings.
5. Taxation shouldn't have a detrimental effect on the general public's way of living.

CONCLUSION

In his day, Dr. Ambedkar was a fervent supporter of solving the urgent economic problems. His contributions fall into three main categories: social reformer, politician, and economics student and instructor. He concentrated on economic growth from an Indian viewpoint. During his time as a student and teacher, he produced books and monographs with prestigious publishers, published important works in scholarly publications, and participated in debates at numerous committees, seminars, and conferences, especially on economic changes. In his first published work, he discussed farming methods, land reforms, the connections between the agricultural and industrial sectors, and the limitations of agriculture in terms of creating jobs and reducing poverty. He echoed economists like Lewis and Rains when he stressed the role that industry plays in India's economic growth.

Ambedkar was a fervent supporter of the movement of workers from the countryside into the growing industrial sector. He thought that agricultural reforms, like as mechanization and collective farming, could take in excess rural labour and produce national revenue for more investment. In addition, he supported liberal, redistributive groups and put forth a number of economic changes for rural areas.

His philosophy was based on the notion of universal freedom, against slavery and in opposition to a federal government. His views on currency systems, taxation, labour policy, financial decentralization, land reform, and socialism are still pertinent today. These laws ought to be put into effect in order to promote quick development and raise the standard of living for the majority of people in our nation.

During his time, Dr. B. R. Ambedkar was a wise economist. In addition to his thoughts, he had campaigned for the empowerment of the oppressed. His economic theories have benefited the Indian economy and can be applied to solve some of the country's present economic issues.

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