

Integrated Development : The Concept and the plan of action  
*Draft circulated for national debate/Manthan*

# REBUILDING THE NATION

A Swadeshi Outline

National Action Group on Development

**SWADESHI JAGARAN MANCH**

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# REBUILDING THE NATION — A SWADESHI OUTLINE

## 1. The context for reassertion of Swadeshi

### 1.1 National developments

After the initial euphoria over globalisation of the Indian economy, the nation is presently undergoing a process of re-evaluation. During the last five years, due to the extensive work done by the Swadeshi Jagaran Manch and due to the efforts by Sarvodaya, Azadi Bachao Andolan, Samajwadi Abhiyan, National Working Group on Patent Laws, Karnataka Rajya Raitha Sangha and other patriotic organisations to alert the people against the dangers of the current craze, a nation-wide awakening is in process and the nation is getting polarised on the issue of 'Swadeshi' vs. 'Globalisation' with ever increasing support for the Swadeshi view.

### 1.2 International Developments

The turbulent international developments in the present decade, which saw the collapse of the communist order, set off a massive defection to capitalism on the assumption that if socialism fails, capitalism must succeed. The new model of capitalism is of the American variety — fabricated in USA, a State which is devoid of wholesome traditions and community life and has opted for atomised individualism. What happened at the world level had its echo in India too. The entire Indian establishment changed its mind overnight, dumped socialism and virtually defected to the American view. Despite the palpable failures of the American model as evident from the increasing inequalities and unemployment, crisis of values and environment, social degradation and disintegrating families, rising propensity to crime and terrorism, conscious attempts are being made to impose the American developmental experience on the whole world. There is revival of imperialism in new forms and increasing influence of MNCs in policy making in many countries is becoming explicit, with India being no exception. It is not as if the world has a solution to this drift; in fact, it is in search of an alternative. The Western world is caught between differing ideas about the future — from the assumption of the final

victory of the West over the Rest to the idea of clash of civilisations necessitating the remaking of the world order based on diversity.

### **1.3 50th Year of Independence**

The year 1997 being the 50th year of independence, calls for a wider review and reappraisal of the past and a consideration of the need for reinstatement of the native vision for rebuilding the nation. In the background of the national and international developments the Swadeshi Jagaran Manch (SJM) considers it necessary to reexamine the Swadeshi alternative. Each country's situation being different, there is no universal model of development available off the shelf. Bharat has to evolve its own strategy and model. This outline is an attempt to recapture the Bharatiya Vision through the ages and in the light of that, develop the Swadeshi concept and strategy for rebuilding India. This is an outline and not a blueprint. Through it the SJM is attempting to promote a dialogue at various levels so as to refine its strategy and make it more relevant in the present context.

### **1.4 Swadeshi movement — its present relevance**

- Swadeshi has now become the high point of national concern. The people of India are becoming alert and are turning against the organised foreign onslaught on our economic, cultural and political life. The nation is gradually becoming aware that the weaker sections like women, artisans, small farmers, workers and tribal people and mass employment sectors of the economy like small industries, fishing, beedi-making and weaving are endangered by the policy of globalisation. As it is, globalisation prescribes the Western model as modern and as good for all societies and nations. In fact, globalisation has virtually become an ideology and an open strategy for homogenisation of the world. But the world cannot be homogenised on the experience of any particular nation, region or race. There is no dispute about the fact that there is no globally acceptable model, and that each nation has to charter its own course. This is the genesis of Swadeshi.
- Swadeshi is natural to every society. The development of a nation always takes place in the context of its own specific social and cultural environment and its vision of life. The world economic situation and the current problems in our country as a result of globalisation are indicative of the need to examine afresh the Swadeshi framework for our nation building efforts.
- Swadeshi is not a dead artefact of the past, or a utopia; it is a functioning and sustaining reality in India. Swadeshi rests on the harmonisation of the traditional and the modern while globalisation implies the virtual destruction of all traditional moorings of the society, its economy, and its polity. It is the traditional economy

which has sustained and continues to sustain the nation. Despite the continued bias in favour of the modern organised sector to the neglect of the traditional sector, the latter still accounts for 75% of employment, 70% of GNP, and 75% of exports. According to a study, more than 60% of our entrepreneurs and 37% of the GDP come from the traditional non-corporate sector, not from the modern corporate sector. Even during the year 1996-97, it is agricultural growth at 4.7% which has saved the economy from collapse. Again, our own internally generated capital, accounts for 98.5% of the total investment for the last 6 years. As compared to the total national investment of Rs.12,30,029 crores, the foreign direct investment was only Rs.18,418 crores, that is less than 1.5%. Domestic savings have thus been the mainstay of our investment. And yet the entire nation has been made to feel foreign-dependent by a relentless campaign by the new establishment.

- As a philosophy, Swadeshi is integral to the age-old Indian concepts of 'Swadharmā', 'Swarashtra', 'Swavalamban', and 'Swarājya'. Swadeshi, which is integral to the Indian civilisation was powerfully expounded and articulated by Mahatma Gandhi as his main plank to reawaken Bharat against foreign domination. Gandhiji's promotion of Swadeshi as an integral part of the Indian freedom movement was a continuation of the tradition of Swami Vivekananda, Maharishi Aurobindo, Bal Gangadhar Tilak, Subramanya Bharati, V.O.Chidambaram and scientists like J.C.Bose, M.L.Sirkar, P.C.Roy, C.V.Raman and others. This tradition continued in the post-independence period, but outside the Indian establishment, through several Gandhian Institutions, and the RSS and its affiliates, and through great souls like Vinoba Bhave, Jayaprakash Narayan, Guruji Golwalkar and Pandit Deendayal Upadhyaya. It is not that there were no differences of opinion among them; but each one of them emphasised different aspects of the Swadeshi philosophy. It is these great persons and institutions who have kept alive the flame of Swadeshi. Swadeshi is a dynamic concept which absorbs changes with continuity. Swadeshi implies resistance to foreign domination at the minimum. It is a proactive philosophy which may take its rightful position in the world, by rediscovering and employing all means native to it along with other means taken from outside which are assimilable into the indigenous scheme.

## **2. Bharatiya Vision through the ages and the Swadeshi concept**

- 2.1 Every society progresses in tune with its own vision of life evolved over the ages. This is natural, and is symbolic of its vitality. It signifies change with continuity, and has led to innumerable discoveries and inventions from the ancient to the modern times.

- 2.2** In the course of development of human society, civilisational imbalances and disturbances crept in. Encouraged by a theology that legitimised man's dominance over nature, the Western man started looking upon himself as the centre of the universe, ignoring his neighbours and his environment and the delicate balance inherent in nature. Because of this mentality, the Western man started perceiving the universe as a machine and devised a philosophical justification for exploiting nature and his neighbours. This view arose out of the denial of sacredness to nature. This mechanistic world-view has led to terrible exploitation, inequalities and disintegration in human society.
- (a) From this school of thought emerged the Western attitude to technology. China was the first to invent the explosive. But China did not use it for military purposes, while the West used it mainly in the war field. India invented the metal alloy and used it in temples; the West used it for offence. Historical facts prove that industrial revolution was made possible because of the long imperialistic rule and terrible exploitation of large tracts of Asia, Africa and Latin America by the countries of the West.
  - (b) Karl Marx, a leading thinker of the 19th century who raised his voice against capitalism, also used the mechanistic view point, concepts and terminology while propounding his principles. Thus Marxism also naturally accepted exploitation of nature as a part of its basic tenets.
  - (c) Capitalism and communism are the same content in two different containers; both have resulted in the same drift to consumerism. They differ only with regard to the ownership of the means of production. Exploitation of environment is inherent in both, and creates complex problems at all levels — individual, social, and ecological.
- 2.3** The Western world view regards consumption as an end and is therefore exploitative, acquisitive and imperialistic. Today the crisis before mankind is whether it can arrest the march of the degrading Western civilisation and establish harmony within individual, society, nation, world and nature. Can we produce a framework which may provide a strong and sustainable relationship between man and his social and natural environment ?
- 2.4** From the very dawn of civilisation, the ancient mind in Bharat has profoundly studied the real nature of life and universe, and their immanent relationship. The ancient Indian intellect perceived the basic and all-pervasive unity and oneness in creation, and found that man was an integral part of nature and the universe. The earliest declaration of this profound truth can be found in the most ancient Indian literature, and generally in the Eastern literature. Only this

integral vision of the universe can provide the right alternative of a harmonious socio-economic order free from exploitation. This holistic approach considers man not as a cog in the wheel of the social machine, but as a representative of human society, who is always in a relationship of mutual interaction and influence with others and with nature. The relationship between man and society is organic and symbiotic. The socio-economic set up based on this concept will be inherently decentralised and free from exploitation. This integrated view of life paves the way for a balanced development of individuals, societies, nations and the world. The central point of this holistic life is a degree of underliving — viewing consumption as the means to an end. This is the central idea of Swadeshi. In our traditional view, importance is given to balanced development of body, mind, intellect and soul. This is accomplished by the four-fold discipline of Dharma, Artha, Kama and Moksha (the four tenets of life or Purusharthas — पुरुषार्थ चतुष्टय).

**2.5** The ancient Indian wisdom manifested itself in the well-accepted principles of life on this earth such as :

- (i) Welfare of the family, society, nation and the world integrating the individual's development (व्यक्ति के विकास में परिवार, समाज, राष्ट्र तथा विश्व का कल्याण भी निहित).
- (ii) Uninterrupted life cycle recognising continuity and change (अखंड मंडलाकार जीवन रचना).
- (iii) Welfare of one and all rejecting class-oriented thought (सर्वेभवन्तु सुखिनः सर्वे सन्तु निरामयाः).
- (iv) Integral relationship with nature, ruling out exploitation (प्रकृति के साथ अंगांगी भाव। इसलिए शोषण नहीं, दोहन).
- (v) Unity underlying diversity in nature and society (विविधता में एकता का दर्शन).
- (vi) Respect for work, emphasising the value rather than the price of work (श्रम की प्रतिष्ठा — 'योगः कर्मसु कौशलम्').

Thus, the ancient Indian view presents a direct contrast to the commercialised approach of the West to all relationships, situations and transactions. The Swadeshi approach will have to reckon with this creeping distortion in human living today. The current tussle is between these two differing ideologies, lifestyles and institutions.

## **2.6 Institutional Foundations of Swadeshi**

While capitalism solely rests on Market and State as the twin socio-economic delivery systems, socialism primarily rests on the State as the delivery system. In contrast, the Swadeshi thought relies on the social institutional order, besides Market and State, as the socio-

economic delivery system. This makes the Market and the State share the public space with family, community and society.

- (i) **Family** : The lowest socio-cultural economic unit of society in the Swadeshi view is not the individual but the family. This single institution relieves the modern State of extraordinary welfare commitments like old age benefits and unemployment doles which work out to over half of the GDP in many Western countries, like USA and Germany.
- (ii) **Community, Society** : Swadeshi believes in the legitimacy of different social units. It believes that the unbridled and unbalanced individualism of the West is destructive of community living. The Individual, for his free interplay, creative manifestation and progressive unfoldment, requires the mutually complimentary and interactive relationship of the community.
- (iii) **Religion — Balancing the family, Society and the Individual** : The Western notion of individual freedom, which fragments and compartmentalises family, economy, culture and social values, is not acceptable to the Swadeshi approach. Individual freedom is tempered by the individual's integration into the family and community. The State acts only to protect it from incursions, '*Dharma*' sustains the whole framework and religion provides support and linkage to community living.
- (iv) **The Role of the market** : The Western notion of a global market does not fit into the Swadeshi approach. The market has to be an instrument and not the master of the people. The smaller the size of the market, the better it is as an instrument. The Swadeshi approach is to limit the size of the market and not to eliminate the market as communism does. The Swadeshi global view is "let a thousand markets bloom — and not merge into one global market".
- (v) **The role of the State** : Swadeshi approach sees the State as the primary instrument to protect the nation and its interests and a residuary instrument in respect of all intra-national matters. Its role is, as Bhishma said in Shanti Parva in Mahabharata, to protect the weak and to ensure that Dharma is adhered to. The state must defend the wealth and honour of the nation. Ordinarily, and except in order to protect national interests against foreign interests, the State must not be a trader; but must ensure that trade and commerce conform to *Dharma*.
- (vi) **Arrangement between individual, state, market and community/society/family** : Swadeshi looks upon the individual, State, Market and the Dharmic collectivities

namely, family, community, religion and society, as a means to sustain the '*Vyavahar*' (material life) consistent with the total and integral object of individual and collective life, namely, the *Purusharthas*. In the Swadeshi approach, all these institutions are delivery mechanisms as much for socio-economic purposes as for the higher purposes.

## **2.7 Swadeshi Life is based on Dharma**

Swadeshi believes that, mere rule of law is inadequate to lay the ground for social interactions. A higher order of life has been in practice in India; all non-official community and social transactions take place on this higher principle of life called dharma, even today. 'Dharma' - an ancient Indian concept which has no English equivalent - means 'that which sustains'. In its wider sense, it implies the nourishment of all aspects of life --- individual social global. Since Swadharma forms the very core of Swadeshi, Swadeshi is the living tradition of India. Though buried under the veneer of the superficial West-centric Indian exterior it is still the largest sustaining force and the core of Indian society, economy and polity.

## **2.8 The essential ingredients of the Swadeshi thought may be summarised as follows :**

- (i) Swadeshi means that which is natural and native to a country and society, but allows scope for assimilation of wholesome and beneficial elements from the outside. This applies to economics as well as politics; culture as well as technology.
- (ii) It is the principle of preferring the neighbourhood over the remote.
- (iii) It commends need-based life, and rules out unlimited consumption as an end.
- (iv) It renews and relies on family, community and society as socio-economic delivery systems. It does not substitute these traditional institutions by the State and the Market.
- (v) It is not autarky; but a global alternative which accepts only need-based transnationalism.
- (vi) Swadeshi restores economics to its earlier definition which even now the dictionary meaning of economy indicates, namely, practical human needs, frugality, savings, thrift etc., and seeks to remove the latter-day distortion of defining economics as multiplication of wants and efforts to satisfy them, powered by greed.

Stated in simple terms, Swadeshi rejects materialistic and imperialistic homogenisation and aimless transnationalism of the Western assumption. Swadeshi is a multidimensional thought,

embracing civilisational, political and economic aspects of human life and presenting an integrated vision of life in harmony with nature.

### **3. National Goals & Objectives**

- 3.1** — Creation of a just world order based on integral and holistic life vision.
- Ensuring national security, unity and integrity.
- Building a self reliant nation.
- Nourishment of Bharatiya cultural values.
- Preservation of natural wealth.
- Balanced development of all regions and the society as a whole.

**3.2 To achieve these goals, following objectives need to be fulfilled**

- Ensuring satisfaction of the basic needs of all people within 10 years. Food, clothing, housing, education, health, drinking water, energy and transport be recognised as basic needs.
- Involvement in meaningful and productive work is the only gaurantee for achieving basic needs. Therefore ensuring proper employment to all eligible hands should be the first objective of national planning. Ensuring fulfilment of this objective in the next decade.
- Building Bharat as a world power in the next 25 years.
- Ensuring that income-inequalities remain within reasonable limits. Ratio of incomes of top 20 per cent and bottom 20 per cent should not exceed 10:1.
- Generally promoting national self-confidence and national pride by qualitative change in education, sports, media programmes, and conduct of public men.

For achieving these important indices of national strength, pride and self-respect, the nation has to evolve a broad national consensus cutting across all differences.

**3.3 Swadeshi means creation of national wealth and power**

It is a mistaken notion that the need-based approach of the Swadeshi philosophy is against creation of wealth. The Swadeshi thought is merely an injunction against unlimited consumption; it is a mandate for conservation and preservation of national assets and resources; it is an emphasis on personal and family savings, it is an injunction against wasteful and needless expenditure. The tradition of Swadeshi alone made India one of the richest and prosperous nations in the world. That is why Columbus and Vasco-de-Gama set out to

search for India. India attracted barbaric invasions because of its well-known prosperity. But prosperity was considered a social and national asset — not merely a personal asset. Wealth was not the sole or even the most important index of social respect. India was wealthy, without making wealth the arbiter of social interaction. Swadeshi is not anti-wealth. It is all for augmenting wealth and power.

#### **4. Indian Economy — Strengths and Weaknesses**

**4.1** For any indepth review and reappraisal of the national economy, it is necessary to have a basic idea of national strengths and weaknesses.

##### **4.2 Strengths**

The strengths of India as a nation and society are :

- (i) India has abundance of plain and cultivable land. India is less than one half of China in size; yet it has 50% more plain land than China. While China produces twice as much food as India, India has the potential to produce one and a half times the output of China. It has twice the area of plain land as the USA, despite the fact that USA is twice as large as India. It has fertile soil and sunshine for 10 months in a year and can therefore grow crops throughout the year — a gift which neither China nor any Western country has. Indian agriculture is the oldest living technique in the world and has demonstrated very high productivity in the past, even higher than the highest recorded by the developed countries today.
- (ii) India has a vast, skilled and trained traditional and modern manpower. The prosperity of many parts of India is due to these traditional skills — whether it is Ludhiana or Batala, Rajkot or Jamnagar; Tirupur or Sivakasi or countless other centres of traditional skills.
- (iii) India has inexhaustible water resources. We use only 2.5% of the water available to us. India is endowed with perennial rivers and a traditional water maintenance system suited to the plains.
- (iv) India has extensive scope for inland water, canal water and coastal water transport; despite being identified by the early British experts as the most suited for India, this was not developed because of the Railway lobby in UK. This remains largely unexploited even after independence despite being cheaper than land transport.
- (v) India has a fairly comprehensive industrial and commercial base; its commodity market system is in position, unlike in other socialist countries. Its modern public sector industries

are fairly efficient as compared to their counterparts in other erstwhile socialist countries. In different areas, the Indian public and private sector have the potential to emerge as world leaders.

- (vi) India has a sharp professional talent in the modern legal, accounting, management, financial, banking, advertising, consultancy, engineering, software and related areas.
- (vii) India has a live ethnic umbilical linkage and access to a large, successful and confident diaspora of Indian expatriates abroad who have extensive qualifications, knowledge and experience in modern-Western technology, banking, finance, trade, industry, and professions like law, accounting, advertising, consultancy and other areas.
- (viii) India has a large business community with a strong entrepreneurial background and well established traditions in trading and commerce. They have maintained their stamp of superiority, uninterruptedly, for a fairly long time throughout the world.
- (ix) India has the largest Railway system in the world. India which is less than one half of China, has a Railway system which is twice as large.
- (x) India's family and community system, and village and community Panchayat system and deep religious and dharmic consciousness relieve the State of enormous administrative, judicial and governance functions and save the State from high social-security, policing and transaction costs. In the areas of justice, it substitutes traditional system of Panchayat for the adversarial system of jurisprudence of the West.
- (xi) India's traditional systems of learning and acquiring skills and expertise are still largely functional and can be revived to impart skills on a mass scale.
- (xii) India's vast rural population affords the greatest scope for avoidance of unmitigated urbanisation and lumpenisation of people. In contrast the Western view is to regard urbanisation as the index of economic development.
- (xiii) The Indian view of life at the popular level emphasises conservation and transforms waste into wealth, like old items being repaired and reused, and not wealth into waste, like even usable automobiles being flattened into scrap in the West.
- (xiv) The Indian attitude to nature as sacred affords the easiest way to restore ecological balance and revive environmental consciousness.

- (xv) The Indian approach to health is holistic and the traditional systems of medicine are largely alive and cater to over 3/4 of the Indian population even today.
- (xvi) The traditional respect for elders and women spares India the need to have a large number of police stations to look after law and order — we have very few welfare schemes for the old and only 50,000 police stations all over the country of 7,50,000 villages.

As a nation, we are not even conscious of our strengths, thanks to the West-centric Indian establishment ruling the Indian mind. And yet it is because of these high points that in 1800 — when Industrial Revolution was half-way through — India accounted for 19% of the total manufacture in the world and 18% of the total world trade, when Britain's share of manufacture was 9% and that USA 4%, and Britains share of world trade was 8% and that of USA 2%. In 1800, India's literacy was 33% which was the highest in the world then — literacy meant at that time to read and write and not merely to sign as it means today. When the British left India our share of world manufactured products was only 1%; so was literacy halved to 17%. Yet the Indian elite would hail the British for doing great things by India!

### 4.3 Weaknesses

In spite of such extraordinary strengths, the Indian nation has not fared well in the post-independence period largely because of the following causes :

- (i) As a nation, we lack pride in ideas and things Indian. This is largely because of the post-independence establishment disowning the Indian heritage and adoring, yet unable to accept and internalise, the Western. This has eroded the self-confidence of the nation, its businessmen and professionals and its other elite. We conceded superiority to the colour of the West because the Indian establishment was neither Indian nor genuinely Western.
- (ii) The leadership of India in the post-independence period did not promote intense national consciousness and national pride and was rather keen only to outmanoeuvre its opponents within the country. The ruling party as well as the opposition in India failed to follow the dictum of Yudhishtira — “against the aliens we are not five but hundred plus five”. वयं पंचाधिकम शतम्।
- (iii) As a result, we, as a nation, failed to develop national will and the spirit to rebuild this ancient country and to play the global role due for us and also failed to develop the measure of individual and collective self-confidence needed.

- (iv) The English-educated elite psychologically took the place of the British after independence. They were unable to liberate themselves from the tendency to imitate the West and deal with the West with confidence even though they were qualified and trusted to do precisely that.
- (v) The Indian leadership was more concerned with personal recognition at the global level than strengthening the nation. It was more concerned with transnational socialist ideology than with national interests. (eg. Indian government turned down, on ideological grounds, defence business from Korea in 1950s, while the war-ravaged Japan used the opportunity to turn the corner).
- (vi) The adoption of socialism divided the nationalist forces into pro and anti-poor factions and resulted in subjecting the nation to permit and quota *Raj* and bureaucratising the Indian economy, thereby discounting entrepreneurial development.
- (vii) Because of the continuation of the Western-British tradition as accentuated by the socialist regime, the Indian life increasingly turned State-centric, when, in contrast, the real strength of the Indian society lay in not being State-centric because of its multi-layer consciousness. This pursuit of State-centric policies made the people, at various levels, state-dependent particularly because local society had lost access to the resources which became increasingly concentrated in the hands of the State.
- (viii) The State did not take advantage of any of the strong points of India, and in fact regarded all our strong points as weaknesses — a singularly pertinent point is the failure to support the traditional institutions of family and community, and to foster traditional talents. We continued to undo the nation in the same way the Britishers did.
- (ix) The State disregarded the role of traditional agriculture, traditional industries, traditional systems of water management, and the other living technological, social, religious and cultural traditions which brought about a deep divide between the society and the State, and put a question mark to the State's legitimacy.
- (x) The State also squandered the investible national savings of the people through wasteful government expenditure and bad fiscal management, particularly from 1980 onwards, accumulating an uncovered revenue deficit of nearly 2,70,000 crores in the last 17 years and burgeoning public debt of nearly Rs.10,00,000 crores, thus virtually landing the economy in a debt trap.
- (xi) By adopting the policy of import-driven economy since 1985,

the State also dissipated the hard earned foreign currency reserves (ploughed in to the extent of over \$ 40 billion by ordinary Indians working abroad) and this landed the nation in serious foreign exchange crisis in 1990-91.

- (xii) The political system also undermined the efficiency of the Indian economy, particularly since 1970s, by political and bureaucratic corruption.

In the main, inept leadership and bad economic policies and administration prevented India from performing as well as it should have.

## **5. Present Challenges**

Some of the critical challenges facing the nation are :

- (i) Loss of national direction due to the glamour of Western civilisation among the influential sections of the people, particularly the urban sections.
- (ii) Systematic development of foreign-dependent mindset and atmosphere promoted by the establishment.
- (iii) Centralisation in every field, increasing intervention from the government, political and administrative corruption, black money and misuse of public funds.
- (iv) Blind faith in urbanisation as an index of development and the destruction of village and community life which is a social-safety net.
- (v) Tendency towards corporatisation of agriculture.
- (vi) Increasing regional imbalances in development.
- (vii) Indiscriminate entry of MNCs in the consumer sector, endangering the mass-employment sectors and the traditional artisan groups.
- (viii) Extensive cultural invasion from all sides — electronic media, advertising agencies and entry of foreign educational institutions/systems in the field of education, resulting in increasing alien thinking.
- (ix) Due to the new Intellectual Property Regime (IPR) and the world Trade Organisation (WTO), Indian industry, research work, agricultural sector, service sector and genetic wealth are under serious threat. Even greater danger to national sovereignty emanates from the proposed Multilateral Agreement on Investment (MAI).
- (x) Rising trade-deficit, BOP crisis and runaway increase in public debt. And yet government policy encourages import of wasteful luxury goods.

- (xi) Exports of mineral ores, meat, oil cakes and various raw materials at the cost of national requirements and depletion of national reserves.
- (xii) Imports of plastic and toxic wastes and other environmental poisons from the West.
- (xiii) Mounting energy crisis and remedial actions which are worse than the disease, leading to costly energy and virtual withdrawal of the government from infrastructure development on the pretext that the private sector will take care of it.
- (xiv) Declining will power of government and society and crisis of credibility of leadership in different fields of social life.

In the background of these opportunities and challenges, a Swadeshi outline has to be evolved — both as a measure of resistance against globalisation and as a proactive philosophy and action plan to rebuild this ancient nation.

## 6. Priorities

### 6.1 Basic needs of common people and Antyodaya.

- Basic needs : food and drinking water, clothing, housing, health, education, energy and transport.
- Antyodaya : Providing special avenues to the exploited and neglected sections of society, establishment of harmony in society.
- Attack on ugly forms of inequalities.
- Strengthening and enriching Tribal communities which are a special stream of our society. Protection of forests.

### 6.2 Management of natural resources through participation by local communities with their initiative, accountability and trusteeship. Initiative by Gram-Sabhas in water management as a first step.

- Decisive role and control by village communities in areas like agriculture, forests, water management and fisheries.
- Fair distribution of land, keeping in view its tillage-capacity. Emphasis on community management of forest land and revenue land. No corporatisation.
- End to unrestricted right of displacement. In case of big projects rehabilitation package be implemented before displacement.
- Share of local community in mining and other industries in the area.

### 6.3 Strengthening and rationalising the self-government system.

- National debate on inconsistencies in the present Panchayati Raj system.

- Provision for spending the maximum proportion of plan expenditure from the total revenue through local bodies in rural/urban areas.
- Developing an administrative system based on people's participation from village to parliament.

- 6.4 Strong industrialisation of Bharat in which there will be a network of big and small industries all over the country according to national priorities.
- 6.5 Expansion of essential infrastructure for development of agriculture and industrial sector. Highest priority to irrigation.
- 6.6 Keeping in view our goals and objectives and considering the security environment, necessary provision must be made for a strong and well equipped defence system.

## **7. The Swadeshi strategy to deal with Globalisation**

- 7.1 In the short, and even in the medium run, the fact of globalisation has to be reckoned with and cannot be wished away. With the advent of globalisation and with each country chasing every other country's markets and funds, there is a definite pressure on all nations to extend economic freedom to the citizens and corporations of other countries; the institution of WTO symbolises a comprehensive attempt to globalise national economies. This trend towards globalisation has to be reckoned with even by nations which want to resist such globalisation. And yet economic growth of individual nations is incapable of being structured by global forces — every nation has to plan and achieve its growth by its own efforts. Even WTO can operate only through the nation-state arrangement. How far will WTO be effective and whether it will fail or succeed is difficult to predict. But given the experience of the world, the pulls and counter-pulls and the several centrifugal forces at work, such an institution cannot be regarded as an enduring feature in world affairs. Nevertheless, as of now, WTO exists. It has to be recognised, confronted and mended. In the view of several nations WTO is all wrong conceptually and practically. It will take some time before the dissenting nations can get their act together to mend or end the WTO. There has to be a large scale mobilisation against WTO. This itself would be a concurrent, parallel and continuing programme to resist globalisation.

### **7.2 Business is War — so a War Strategy is needed**

The nation must understand that Global commerce is nothing less than a war. It is not just competition for markets, goods and money; it is a socio-political and economic-cultural power game. It is as much a game of deception as any war. In philosophical terms, it is the glorification and legitimisation of lust and greed and temporal

power. India cannot imitate America in practising such values. But it has to deal with such values. India has had no strategy ever since it was drawn into the globalisation game by internal compulsions and external pressures. Even after six years of intense liberalisation and a fair degree of globalisation, the nation has yet not devised any strategy to deal with the challenges thrown up by globalisation. So, it is time for those who are concerned about the nation to put their heads together and work out a short and medium term strategy to deal with the challenge.

### **7.3 National game at global level, not global game at national level**

There is no alternative to an offensive-cum-defensive and a short term-cum-medium term strategy to meet the challenge of globalisation. The rationale for this is obvious. There can be no second opinion about the fact that the present globalisation thrust, marketed by its proponents under labels varying from “desirable” to “inevitable”, has to be checked at every stage. Every nation is doing it. As the first Chief of WTO said after its formation, “trade wars will increase” and not decrease; each nation will fight every inch to retain its market and to grab others’ markets. As a nation, repeat, as a nation, India has to wage a successful war: The nation has to be psychologically and politically prepared for the trade wars ahead. Some suggestions:

- (i) A broad national consensus must be evolved by the involvement of political parties and leaders, social organisations, bureaucrats, professionals and businessmen and all concerned sections to ensure that in vital areas there is no substantial difference of opinion on the extent and limits of globalisation.
- (ii) We should also take steps at every stage to deter the advancing columns of globalisers by methods native to us.
- (iii) There should be a proper Government-Industry-Labour coordination for evolving a strategy against globalisation and developing appropriate mechanisms to implement the strategy.
- (iii) One important area of study will be the institution of non-tariff barriers to prevent foreign domination. Every nation does it. India too should resort to it in a big way. Any of the Indian Institutes of Management may be given the task of devising non-tariff barriers in different areas. This will be a part of the war strategy.
- (iv) Regional groupings and bilateral trade arrangements among nations must be worked out because regionalism and bilateralism will effectively erode globalisation in the long run.

A national level group drawn from all political parties will have to be formed to deal with important political aspects of the global game of commerce.

In short, India will have to play its national game at the global level just as Japan, China, Korea, Malaysia and Taiwan do; otherwise, we shall end up letting others, including our Westernised Indians, play the global game at the national level.

## **8. The Swadeshi Path & Action Plan**

**8.1** The Swadeshi action plan calls for the involvement and interaction of all institutions — family, community, society, religion and the State, and all segments of society — peasants, artisans, workers and entrepreneurs, and specially women and youth. This plan must cover particularly the villages and small towns. The essential ingredients of this action plan are :

- (i) To relieve the people of state-dependent mindset and to make them more self-reliant.
- (ii) To reinstate the essence of community life as a socio-economic safety net.
- (iii) To revive traditional institutions of religion such as temples and other places of worship and other Dharmic institutions to fill the public space so as to relieve the State of its ever increasing social security burdens.

### **● National Will and Self-confidence**

The most critical requirement for national reconstruction is the building up of national will and self-confidence at all levels. This requires massive changes in education, media programmes and leadership attitudes.

### **● Public initiative, community participation**

An indispensable condition of development is that the community should take the initiative to tap the national potential. As already explained, the structure of the Swadeshi life implies family, community and society as partners of the State and the Market.

### **● Self-Reliance and Decentralisation**

Self-reliance and decentralisation are two sides of the same coin. The Swadeshi plan must help evolve largely self-reliant geographical communities as an emerging alternative to the existing practice of 'distant trade'. Some aspects of self-reliance are :

- (i) Every contiguous group of villages must be largely self-reliant with regard to employment, energy, production of bio-products and minimum basic amenities.
- (ii) Self-reliance does not mean self-sufficiency — trade with the

neighbourhood is an essential part of a self-reliant local economy.

- (iii) Local needs be fulfilled on priority basis through community initiatives using local resources and traditional skills with modern inputs.
- (iv) In as many areas as possible, the distance between producers and users should be reduced. The work which can be undertaken at village/locality level be executed at the same level. Taking into consideration needs and viability, production/training/demonstration units can be established at village, cluster, market, tehsil, district, state, regional, zonal or central level as required. No unnecessary upward movement. Work be done at base-level as far as possible. Advancement at all levels keeping in mind the basic tenets like equity and self-reliance. It would be useful to extend the N.B.M.S.\* Model as developed by the experts of C.S.I.R. and D.S.T. for proper use of science and technology.
- (v) Small towns and cities have their own unique role to play in development process through big centres for education and research, big industrial units and administrative coordination. But urbanisation is not synonymous with development; in fact it is the very reverse of it.
- (vi) House construction technology should be devised in such a way as to use materials available locally or in the neighbourhood.
- (vii) Maximum production of bio-mass and prime dependence on the same, and recycling of used materials.
- (viii) Protection of bio-diversity and prevention of homogenisation which is the other name for centralisation.

Self-reliance implies use of locally available resources and avoidance of waste; decentralisation means living with the neighbourhood. Both are essential elements of the Swadeshi idea.

## 8.2 Agriculture and Animal Husbandry

The initial steps to give a boost to the national economy would have to come from the agriculture sector. It is possible and necessary to increase agricultural production and particularly food production by 100% in the next 10 years. This will help achieve and maintain a

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### \*N.B.M.S. Model :

N (Nodal), B (Bazar/Big points), M (Medium village/Mandi), S (Small village). This model provides a solid scientific basis for appropriate decentralisation of production activities. This is consistent with the basic concepts of 'Gram Swarajya (Village Self rule) of Gandhi, 'Panchvalay' (Five-Layers) administration of Pt. Deen Dayal Upadhyay and 'Chou Khambha Raj (four 'pillar rule') of Dr. Ram Manohar Lohia.

growth rate of even 10-12%. The secret of growth is agriculture. The Swadeshi approach to agriculture may be summarised as under :

- (i) By sheer spread and size, agriculture and animal husbandry is the most important part of our economy. Even today about two-thirds of the national population depends upon agriculture and related occupations. India cannot achieve sustainable growth without rich agriculture.
- (ii) India is 1/7 of humanity; it has to feed itself. Today it does not produce sufficient foodgrains for its own people. The current rate of production will necessitate imports, but there is no country which can produce surplus for India. India, on the other hand, has the potential to feed other countries. India has to double its production of grains, pulses and oilseeds in the next decade. And it can. The entire Ganga belt is under-utilised. The total increase in food production after 1950 has been achieved on about a third of the land area only.
- (iii) The principle of harmonising 'Jan', 'Jal', 'Jameen', 'Jangal', and 'Janvar' applies with the greatest emphasis in agriculture and rural planning. Rural India needs closer attention and care. This means a change in the urban mindset and urban bias of the Indian establishment.
- (iv) The laws relating to land must be simplified and the implementation of reforms must be time-bound. The best course would be to let the tiller control the land. This has to be done by involving the society, religious and social leaders, and government. Special provisions will have to be made for widows, armed personnel and the handicapped and the aged.
- (v) Proper technique of water management is the basic need for agricultural development. Traditional techniques and systems of management of irrigation through 'Pani panchayat', for instance, need revival and strengthening. Village communities will have to be activated to play their traditional role in this task. Government agencies will have to withdraw from this gradually and provide transitory support.
- (vi) The tradition of the villages regarding forest management will have to be revived to strengthen rural life, economy and environment.
- (vii) Animal husbandry has been the centrepiece of our agricultural economy and social life. The cattle-farmer-village economy nexus will have to be revived forthwith. This will also help to reduce dependence on chemical fertilisers and diesel. This will require a ban on export of animal feed, revival of traditional oil extraction with improved technology to retain it as a village

- industry and to restore the deoiled cakes as a village resource.
- (viii) There has to be some correlation and harmony between the prices of agricultural and industrial products and this has to be accomplished in the next 5 years.
  - (ix) Since organic cultivation is emerging as the new paradigm, extensive research and application will have to be undertaken at various levels to promote organic agriculture.
  - (x) There is a need to expand the decentralised structure of agri-forest-based processing industries all over the country to effect orderly increase in production, employment and consumption.
  - (xi) There has to be a grassroot level appraisal and planning to promote value addition for agriculturists and villages — and a string of agri-associated industries will have to be promoted in rural areas to augment rural prosperity and buying power. Rural buying power will in turn enhance industrial production.
  - (xii) There has to be a massive social effort to remove rural illiteracy.
  - (xiii) The urban and secular India must come to terms with the rural and religious India and not keep on lecturing the latter. This deliberate promotion of urban-superiority mindset which leads to rural-inferiority complex must be resisted by all nationalist forces.

A comprehensive strategy which includes the above ingredients will alone help to instil confidence in the people in rural areas. Life in villages should regain its legitimacy in the overall national interest. This alone will prevent mindless urbanisation and brain drain from villages.

### 8.3 Industry and Trade

Till the beginning of the 19th century, Bharat had a rich industrial tradition. In almost all parts of the country, a network of industries based on local resources, technology and skills was prevalent. In textiles, iron and steel, metallurgy, handicrafts and architecture, all linked to the requirements of different sections of society, India was highly developed. In the 19th century, Japan imported spinning technology from India; and in the 18th century, UK was importing surgical grade steel from India. India was the industrial leader of the world and occupied the first place in world trade. It was during British occupation that India declined. The Indian spirit of the 18th century which led the world must be rediscovered to make this country an industrial power. This will require a massive effort. Since about the second quarter of this century, corporate industrial houses have emerged as the main influence on national economic life. But these corporations based on the Western model have wielded

influence disproportionate to their contribution and also caused inequalities and environmental degradation. Nevertheless these big corporations do have a significant role in the Swadeshi formulation. No country can exist without a large industrial base. Every country needs to build world class corporations both in defence and for offensive in trade. The Swadeshi view of industry is in brief as under :

- (i) A nationwide network of big and small industries is required to be built keeping in view the priorities of the country. This can be done by devising an Indian version of the Japanese Keiretsu.
- (ii) Industry will be developed in every village/locality/city based on local talent local needs and local resources. A network of small industries based on agriculture and forest resources should be promoted throughout the country. Industrialisation should not be confined to urban areas.
- (iii) Traditional India has shown how it could handle highly westernised industry, exports and technology. Successful local efforts like Engineering industries of Ludhiana and Batala, Deisel engine making in Rajkot, Diamond industry of Surat, Textile industry of Tirupur, Carpet industry of Mirzapur-Bhadohi, Kolhapur, Belgaon, Indore, Moradabad-Khurja, should be highlighted and encouraged so as to serve as models for others.
- (iv) Government policies should ensure protection, growth and technological upgradation of traditional industry. A statewide network of local organisations of artisans and women's production units should also be promoted.
- (v) From the Swadeshi point of view, it is necessary that these industrial corporations should become powerful vehicles of national resistance against economic aggression by the MNCs.
- (vi) Big industries should be linked to small and medium industries by appropriate policy of reservation of specific areas of business to the small and medium industries.
- (vii) Proper steps should be taken to ensure efficient management of public and private corporations so that the country may receive adequate returns from the human and monetary resources invested in them.
- (viii) There has to be a conscious effort to preserve environment while planning industrial development. An environment protection cess will have to be imposed on all environmentally hazardous industries and activities including the use of automobiles.

- (ix) Public enterprises must be freed from political interference and must be made autonomous in matters of business. The 'Navaratna' concept must be enlarged.
- (x) Indian enterprises must build up internationally reputable brands in different industries. The government must frame policies to promote these brands at international level.
- (xi) There must be a system of sharing and allocating the profits of industry in public interest. Cost of production of industrial products should be declared and an auditing system should be adopted to verify the declaration.
- (xii) There has to be a search for new-generation global industries as the vehicle to enable the nation to compete in international markets. This has to be carried out on a continuous basis by an expert body of successful Indians abroad and representatives of government and industry.
- (xiii) In certain industries like automobiles, consumer durables, consumer electronics, consumer goods etc, the Indian industry may promote networking to achieve global size operations to face up to the multinationals.

The Government should encourage the ownership of Indian industries by Indians; the idea that capital has no colour is pernicious and this view should be totally abandoned.

## 8.4 Energy

Energy is the driving force of development. It is essential to provide sufficient energy at all levels in every village/locality to accelerate the development process. Lack of proper and balanced energy planning endangers environment, which affects life styles and health of the people. Therefore, energy planning has to incorporate the demands of environmental safety.

Electricity is an important form of energy for national development. What the nation needs in the next 5 years is about 20000 MW of peaking requirements. We have adequate base power. The efficiency of the existing plants and State Electricity Boards will have to be improved on a war footing to increase overall power supply.

The use of mechanical and thermal energy along with electricity will help in energy planning. Industrial units with cogeneration plants will lead to a more efficient use of energy and increased profits. Linking a local energy production centre with an industrial centre will also improve efficiency and cost recovery and reduce transmission losses and capital investment. Optimal size of such an energy centre will be 10 to 20 MW.

The entire thrust of the current effort is on high energy. But energy from traditional sources alone sustains India. As much as 75-80% of

the energy requirements of India are met by traditional sources of energy. There has not been even a whisper about the fact that energy from traditional sources even now sustains the common man. There has been no planning about what 80% of the people do in the field of energy. Any Swadeshi energy planning will have to reckon with the traditional sources of energy. The forest cover has to be brought to the desired level of 33% of the total land at the earliest.

The use of fossil-fuels should be gradually reduced in energy production and the use of renewable sources should be increased. Research into hybridization of sources like solar, heat, wind, water, bio-gas and coal should be increased. This mixture will be decided by comparative availability. For a cluster of say 10-12 villages or a locality of 1000 families, a 500 KVA project using mixed-sources will be possible and ideal. This will reduce the need for centralised production and transmission.

Local coal has to be made the driving force of the nation's industry; whatever technology is needed to make efficient use of local coal and make it environment friendly should be accessed.

Survey, research and development of sources of energy should be made according to the needs of the country.

## **8.5 Capital**

- In the Swadeshi view, national development will be essentially based on domestic capital and resources. Foreign capital cannot provide the drive for national development. However, in any specific area or for a specific project, where foreign capital is indispensable, it may be accepted provided it is not against national interests. Foreign capital will not be acceptable if it does not satisfy national interests. The nation has to be freed from foreign dependence. The Swadeshi plan would be to increase national savings to 40% of GDP in the next 5 years.

- **Financial Engineering**

What India needs for successfully dealing with the global forces is the skill and the methods to handle the innovative global finance market. Today the world of finance dictates global trade, technology and even political power. Finance today has transcended its original meaning. It is no more cash or credit. It is no more debt or equity. It is no more security or bond. The world of finance is now made of derivatives — options, futures and swaps. The total volume of *daily* trade in derivatives is \$ 1 trillion whereas the global trade in goods is only \$ 4.5 trillion *in a year*. The currencies and their values are no more controlled by the concerned Central Bank. The world of finance is owned and operated by super speculators. India needs to develop ethnic Indian skills and methods to deal with this new phenomenon. This is where the nation can access talent in the

extensive Non-Resident-Indian community. India needs to develop a large army of Indians trained in diverse institutions and instruments of finance. Without this kind of talent building India cannot hope to handle the global finance market to its advantage, particularly if it goes ahead with full convertibility of the Indian Rupee.

## **8.6 Science and Technology**

The Swadeshi view of technology may be summarised as under:

- (a) Science and technology is crucial to Swadeshi view of development. Knowledge, necessary for India, is welcome from any quarter.
- (b) Every society has to move with the times. Keeping away from any new developments is stagnation and this will be against the basic nature of life; but this does not mean blindly accepting every idea and technology from the West or accepting Westernisation as modernisation.
- (c) Better utilisation of resources, raising productivity, adoption of high quality standards and proper encouragement of R&D for adequately looking after public needs are essential aspects of technological upgradation.
- (d) Self-reliance in technology has to be accomplished in stages. But it does not mean autarky.
- (e) Latest technology should be acquired for national defence.
- (f) The basic conditions for technological development are the following :
  - (i) Overall increase in employment.
  - (ii) Maintenance of balance of the natural cycle.
  - (iii) Upgradation and absorption of indigenous techniques and traditional skills.
  - (iv) Reducing the distance between resources, production and market.
  - (v) Improvement of public health.
  - (vi) Protection of moral values and social order.

Adoption, Adaptation, Rejection or Development of foreign or indigenous technology would be linked to the above criteria. In today's context, continuity and diversity of technology from the village to the global level is unavoidable if the nation is not to be swept off its feet.

## **8.7 Education and educational Institutions**

- (a) Education is a powerful medium for national transformation and for building national confidence. Unfortunately, the Macaulayan approach has only increased the loss of national self-confidence

even after independence. The basic Swadeshi approach to education will be as under :

- (i) Education must be calculated to build individual and national pride and self-confidence — it is not a mere preparation for career advancement.
- (ii) Education should be rooted in Bharatiya values of life, circumstances and environment. Extensive changes in present education are needed to reinstate the concept of nation and nationalism in education.
- (iii) Education is basically a social responsibility. The primary duty of every village / locality will be to provide basic education to all. The Role of government here will be limited to supporting the education system. The only duty of the government would be to provide sufficient amount in the national budget for primary education. The aim must be universalisation of primary education and full literacy in the next 10 years.
- (iv) A high powered, constitutionally autonomous, National Education Authority be constituted for the conduct and coordination of the whole education system.

There must be a separate strand in our education system which promotes world class talent. The access to this education should be limited to students who will opt to serve in India. There should be no reservation of any type in this strand of education where only merit counts.

- (b) Educational institutions have easy access to the vast reservoir of youth and teachers who can be mobilised for extensive national work. The different ways in which educational institutions can participate in this task are :

- (i) They can associate with neighbouring villages/localities and undertake surveys, collect data, impart training and offer voluntary labour for their development.
- (ii) Students from the institutions of higher education, along with their teachers, may work in a time bound manner on certain problems such as literacy, healthcare, cleanliness, environment, employment etc, as a part of their curriculum. Colleges / Polytechnics can attach themselves to at least one cluster of villages each. Engineering and Management Institutes like IIT, IIM may associate themselves, according to their specialisation and capabilities, with important tasks of national priority such as housing, water management, transport, textiles, energy etc.
- (iii) This association will be for holistic development and will be training-oriented. The expenditure involved will be borne

jointly by the educational institution and the community and may partly be met by income from the sale of products and services and the State may also step in to assist.

- (iv) The training of teachers and organisers will be the responsibility of qualified institutions / organisations at the district / regional/ national level.
- (v) The educational institutions may accord recognition and certificates to skilled farmers and artisans, who are involved in production in the field of agriculture and village industries, so as to enhance their self-confidence.

The present role of educational institutions is confined to preparing the youth only for their personal career. The educational institutions will have to learn to look beyond and relate to the society and the community.

## **8.8 Public Health**

The public health system of India, whether indigenous or Western, has been eroded in the last few decades.

- (i) Healthy children, women and men are the backbone of a nation. Sufficient availability of foodgrains, pure drinking water and clean environment alone will ensure health of the whole society.
- (ii) Health care skills at the family, village/locality levels are needed for all common ailments. In our society there has been a tradition of primary health care by the use of herbs available in the neighbourhood. It is essential to revive and reestablish the traditional habits.
- (iii) Adequate arrangements for health care are essential at village, cluster, district, state, regional and national levels. At present this facility is available in urban areas only. It is costly and ineffective in rural areas, save a few exceptions.
- (iv) It is essential to curb rapid commercialisation in medical treatment with a heavy hand. Westernisation of health care and allopathisation of traditional systems should be prevented.
- (v) The traditional systems which serve nearly 2/3 of the health care needs should be protected against piracy by the new IPR Regime. The traditional methods should be properly documented at the district level and made the property of the concerned community by a public law. All out efforts must be made to protect the herbal knowledge of the local communities.
- (vi) It is necessary to harmonise traditional medical systems like Ayurveda, Yoga, Naturopathy, Unani and Homeopathy with Allopathy and implement a balanced and integrated medical

system. For this purpose, inter-disciplinary work and research is needed.

The entire health care system in India should be built largely along traditional lines. It should be ensured that the Western, and particularly the American, health insurance system which has enslaved the public to the clique of pharmaceutical companies, medical institutions and insurance companies, does not set its foot in India. If that happens it will be the end of health care for ordinary people and also the demise of the traditional systems.

## **8.9 The Role of community and religion**

Indian society was sustained by community life and religious faith for centuries when there was no protective State and even when the State was hostile to the people. Community and religion, as durable institutions, need activation by diverse methods including:

- (i) Mass awakening in villages / localities so as to make the village or locality a proud identity and to make the people realise that it is the next door neighbour and the proximate society and not the distant State which is a more durable companion in life.
- (ii) The State-dependent mindset must be gradually removed by developing in the common man the ability to deal with his own problems in cooperation with the institutions of family and community and the Panchayat.
- (iii) Each Village or locality in rural areas should have an autonomous Panchayat by consensus, and elections should be held only if, in a referendum, the village or locality opts for them. The Panchayat should be primarily responsible for the village or locality in respect of the basic needs of the village and its inhabitants.
- (iv) The primary duty of every village / locality will be to see that no one in the area goes hungry — poverty should be distinguished from hunger for this purpose. Freedom from hunger is the only criterion of a self-respecting society. Religion has an extensive role in promoting traditional programmes for relieving hunger.
- (v) The traditional institutions and social, cultural and religious organisations engaged in the improvement of society should be recognised as an effective socio-economic medium. All experienced and retired persons in a village/locality should play a leading role through such institutions in the development of the people of the village/locality. But NGOs receiving foreign funds or manned by non-Indians or controlled from abroad shall not be allowed access to villages.

- (vi) In terms of resources, the community organisations and Panchayat should primarily depend upon the people and not upon government grants. There should be absolutely no dependence upon foreign sources. In fact, foreign direct contributions to socio-economic and religious organisations must be restricted. It will be the duty of the government to promote and sustain such community efforts, not directly but through the Panchayats.
- (vii) The state should play coordinating, catalytic and supportive role for the village/locality community efforts and provide aid, organisation, training and access to markets at the level of a village cluster if a village/settlement is unable to perform the tasks at its own level.
- (viii) The role of religion in resisting cultural pollution and protecting national interests must be recognised.

The role of community and religion is crucial to the reestablishment of the Swadeshi way of life.

#### **8.10 The Role of the Government**

While the Swadeshi view stresses the community more and the State less, and abhors a State-dependent mindset, it recognises that the State as an institution has an extensive role to play in the Swadeshi economy without creating a State-dependent society. The monopolisation of public space by the State as under socialism is as much antithetic to the Swadeshi view as the exclusive State-Market monopolisation of public space. The trinity of State-Business-Community relationship should be based on the following principles:

- (i) "The Government can do everything" mentality should be erased from the dictionary of the government as well as the people.
- (ii) The public space which can be occupied and handled by local communities, village councils, social organisations and educational institutions should be left to them at that level. The State should provide supportive environment and structural changes required for this purpose.
- (iii) The government should transfer some of the public functions to community organisations as quickly as the growth of their capabilities and resources permit. By doing so, the government should consciously and gradually effect reduction in administrative expenditure.
- (iv) The government should ensure that agricultural and forest lands are not transferred or taken over for any other purpose.
- (v) The government may introduce targeted taxation system like the special tax on mineral fuels in order to achieve guaranteed employment and protection to environment.

- (vi) There should be no government subsidies on consumer products except for the basic needs of the extremely indigent and neglected sections of society.
- (vii) The government should prepare an integrated investment-production-employment policy.
- (viii) The government should promote alternative energy systems — for instance, waterways, and use of coal and electricity (not diesel) for Railway transport.
- (ix) The government should promote the use of public transport and discourage the use of private automobiles.

The list is not and indeed cannot be exhaustive; it is only indicative. The different methods in which the government can act to promote the Swadeshi development model are briefly mentioned in other places also in this outline.

#### **8.10 Dispute resolution and Justice**

The Euro-American system of jurisprudence and justice which we have adopted is adversarial. The Swadeshi dispute resolution is based on family, community and village conciliation and Panchayat system. The Western dispute resolution is formal and removed from the surroundings of the disputants. The result is that, in the traditional Indian mind, the courts have no moral sanction. On the other hand, there is moral and social sanction for conciliatory traditional dispute resolution mechanisms. Since the court proceedings are based on adversarial procedures, it is not even expected that only truth should be told to the court by the plaintiff or the witness or the defendant. The intervention of the pleaders has not helped the matter. In contrast, at the family, caste, community or village conciliation or panchayat proceedings no one can tell lies and get away with it. Even today most of the disputes in India are resolved by these traditional dispute resolution mechanisms. Only the disputes, particularly personal and family disputes, which have bypassed the traditional mechanisms attract the intervention of modern institutions like the courts. The Western adversarial system is costly and time consuming; while the traditional mechanism is cheap and quick. In economics the intervention of adversarial procedure adds to what is regarded as transaction costs. The transaction costs are very high in the West, particularly the USA. In contrast, they are very low in, say in Japan, which, like India, has traditional mechanisms for resolving disputes. The Swadeshi view advocates that conciliation and panchayat system must be recognised by the formal adversarial system of justice by providing in law that only where the traditional conciliatory methods are exhausted, can the parties resort to adversarial procedures. This will substantially bring down judicial delay and further reduce transaction costs.

## **8.12 Women and Development**

Women, in Indian tradition are the equals of men in substance, as the 'Ardhanareeswara' concept symbolises. Westernisation, which is passing off as modernisation, is already burdening Indian women with excessive responsibilities. A socio-cultural and religious programme is needed to revive and reinstate the original status of Indian women.

- (i) The society must ensure due recognition of women in family, society, education and employment.
- (ii) The burden of domestic work on women has to be reduced through community services and help from other family members.
- (iii) Malnutrition of women, which damages social health, will have to be attended to on war footing.
- (iv) Domestic services rendered by women be recognised by the family and society as productive and essential services.
- (v) Women's participation is substantial in almost all activities related to development, such as agriculture, animal husbandry, planting and caring of trees, handicrafts and other small scale trades. There has to be adequate recognition, support and finance for women through Cooperatives and government institutions.

For achieving the above, legislation and government intervention is an ineffective medium. A large scale community effort and involvement of the religious and traditional institutions are vital. If secular and Western orientation is given to programmes calculated to improve the understanding and recognition of women, and if women liberation movements are initiated on the basis of the Western idea of conflict between men and women, they are likely to be resisted and may even become counter productive. Here also an Indian solution is needed.

## **9. Gradual transition from the actual to the ideal**

The present state of affairs in the society may make one wonder whether our ideal is capable of realisation. Different nations, however, have done it. Japan, for instance. Totally ravaged by war, to emerge as the leader of the world was its ideal which it did achieve. Likewise totally shaken by its adventure with cultural revolution, China too moved from a hopeless position to a position where it is perceived as a giant. In contrast, India is much better placed to achieve the desired results much faster. All that is needed is a determined group of people in different parts of the country at various levels to plan and direct national growth. Extensive

reconstruction work is going on at various places with varying degrees of success like the work of Anna Hazare (Ralegaon Siddhi), Vijay Borade (Adgaon), Deval (Mhaisal), Devendra Bhai (Wardha), Surendra Singh Chauhan (Madhya Pradesh), Veenu Kale (Bamboo-art), Lizzat Mahila Udyog, Vivekananda Kendra in Kanyakumari and North East, Deendayal Research Institute at Gonda and Chitrakoot, Ramakrishna Mission at Bastar, Ranchi and Narendrapur and elsewhere and Vanavasi Kalyan Ashram (Jashpur). This is too small a list to measure the massive nation building work done by communities at the national level. Millions of such efforts are on through traditional, community and religious work. Yet, this small list demonstrates that the Indian society has vitality. The Indian industry too is realising that its self-interest and national interests are not severable and in fact converge and that globalisation will ruin the national economy. Even the anglicised and the English-educated Indians (the Resident-Non-Indians) who lead the establishment in India are not as convinced about the globalisation ideology now as they were five years ago. The initial enthusiasm about globalisation having gone, the professionals and policy makers are also reviewing their deification of globalisation. It is in this context that there is a need for this nation to have a fresh look at what it is doing and contrast it with what it should be doing.

## 10. The Resolve

In this context, even at the global level, different efforts are going on to devise working models to replace the current West-centric paradigms which have led to incurable problems for humanity. At the national level many patriotic organisations like the Rashtriya Swayamsevak Sangh, Swadhyaya Mandal, Sri Ramakrishna Mission, Gayatri Parivar, Vivekananda Kendra and Sarvodaya are endeavouring to work out a native model for rebuilding Bharat.

Taking a cue from these ongoing efforts the nation must resolve to construct a coherent and viable framework to sustain the process of development.

This outline is intended to trigger a debate on Swadeshi which undoubtedly sustains India and which is emerging as the global alternative.