



AN INSPIRATIONAL ECONOMIST DR.BABASAHEB AMBEDKAR

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Abstract

The Bharat Ratan Dr. Babasaheb Ambedkar not only known more for being the architect of the Indian constitution, but also he was most popular educated economist of country. Dr. Ambedkar was a multifaceted personality who made a significant contribution to economics. In India, he was always a proponent of collective and corporative farming. As a result, his views on agricultural growth across the world, particularly in India, are quite relevant. He has made a significant contribution to India's agricultural and land reforms. His ideas were extremely effective in community farming and land revenue at the time. Dr. Ambedkar researched and wrote on a wide range of topics. However, he was primarily an economist, as evidenced by the several economic clauses in our constitution. The main purpose of the research paper is to focus on Dr. Ambedkar's economic thought and its impact on Indian economy. It is necessary that thoughts of Ambedkar should bring to the notice of society and this will guide the economists. So the main objective of this research paper is to throw light on impact of Dr. Ambedkar's thoughts on Indian economy.

Keywords: *Indian Economy, Public Finance, Agriculture development, Ideology .*

“Ambedkar is my Father in Economics. He is true celebrated champion of the underprivileged. He deserves more than what he has achieved today. However he was highly controversial figure in his home country, though it was not the reality. His contribution in the field of economics is marvelous and will be remembered forever..!”¹ *Dr Amartya Sen*

“Bharat Ratan Dr. Babasaheb Ambedkar's economic thought, vision not fully understood” the more recall Ambedkar's thought, in the context of issues currently faced by India, the more we come to respect his vision and his approach to inclusiveness”² *The PM Narendra Modi*

Introduction:

The Dr Bhim Rao Ambedkar, celebrated as the "Father of Indian Constitution," found economics closest to his heart and got his doctorate for a thesis on the "The Problem of the Rupee". He was a Professor of Economics in Bombay's Sydenham College in the since 1930s. Dr. Ambedkar was a keen economics student who wrote his M.A. thesis on 'Ancient Indian

Commerce' and his M.Sc (London) Columbia University thesis on 'The Evolution of Provincial Finance in British India.' The delay in reforming the land system, according to Dr. Ambedkar, was the primary reason of India's poor economy. He stated that the solution was democratic collectivism, which involved economic efficiency, productivity, and a complete redesign of the village economy. He said that this would eliminate aspects of economic exploitation and social injustice. Landlords, renters, and landless labour were all things he despised. His economic realism aimed for both liberty and well-being. His approach to economic issues was characterised by his criticism of extreme viewpoints such as laissez-faire and scientific socialism. The cornerstone was the mixed economy. Dr. Ambedkar recognised that the solution to the problem of untouchable landless labourers was dependent on the resolution of Indian agricultural or, more broadly, economic problems. He emphasised the inequity of assessing land revenue based on income and urged for land revenue to be subject to income tax. His essay "The Problem of the Rupee" was regarded as an informative treatise. He stated that shutting the Mints would avoid inflation and disruptions in the internal price level.

Objectives of the study:

The Specific Objectives of the Research Paper are as Follows:

¹ *Dr Amartya Sen 05 may 07 Ambedkar my father in Economics: Prof.Sen ,6th Indian to get Prestigious Nobel Prize has recently claimed in a lecture session :*

² *Narendra Modi The prime minister Government India.*

1. To understand the thoughts of Bharat Ratan Dr. Babasaheb Ambedkar on Indian Economy.
2. To study and understand of Bharat Ratan Dr. Babasaheb Ambedkar views on Public Finance.
3. To investigate the applicability of Bharat Ratan Dr. Bhimrao Ambedkar's agricultural ideas.

Research Methodology

The present study made use of secondary datasets, the paper is partly descriptive; For this study data and information has been collected from secondary sources, with the help of books, periodicals, volumes, Research Articles, Research Journals, E-Journals, Newspapers, publication of Government of India, Ambedkar's speech in the constituent assembly, Ministry of Agriculture & Farmers Welfare etc.

Dr. Babasaheb Ambedkar's Thoughts on Indian Agriculture

Dr. Babasaheb Ambedkar carried out extensive research in Indian agriculture, produced research articles, organised conferences and seminars to solve agricultural and farmer problems, and led the farmer's movement. His thoughts on agriculture are found in his article "Small Holdings in Indian and their remedies"(1917) and also in "Status and minorities"(1947). According to Dr. Ambedkar, agricultural productivity is tied not just to the quantity of land holdings but also to other elements such as capital, labour, and other inputs. As a result, if capital, labour, and other resources are not accessible in sufficient quantity and quality, even enormous tracts of land can become unproductive. Smaller plots of land, on the other hand, can become profitable if these resources are plentiful. Following Independence, the 'Land Ceiling Act' is passed with this concept. The study of agrarian problems of the Dr. Ambedkar was realistic and it was based on his field studies. It has been observed that "The real difficulty in adopting a better cropping pattern is that the farmer may not have the requisite capital to invest now or possess the know how that may be necessary for changing the crops." It is interesting to observe that Dr. Ambedkar's economic ideas are most significant in the age of globalization. Minorities, women, weaker sections, requires a special support for their sustenance. The private sector in spite of continuous suggestions is not providing reservation to weaker sections. The survival of the fittest is the compulsion of globalization. In this process, third world countries are suffering a

great deal in the process of globalization.³ In this background the relevance of Dr. Ambedkar's ideology and Inspirations.

Dr. Babasaheb Ambedkar and his views on Public Finance:-

Dr. Ambedkar was the impotent role paly in Public Finance, his contribution of public finance he was studied the Columbia University "Administration and Finance of East India Company" in MA level Thesis and the most important part of Doctoral Research he was studied the "The Evolution of Provincial Finance in British India" As a philosophy of Finance, it will be interesting to check which maxims have got the importance in due course of events pertaining to Indian condition under Imperial system of finance, where ever Dr. Ambedkar had occasion to deliberate upon them. In this regard also his pragmatic deductions never fails to build a foundations to the economic philosophy of Public Finance.

The maxim of 'Equality':- The most important for Dr. Ambedkar, his emphasis was towards reducing income inequalities among various sections of society and adopting a relative equity measure. He urges that, "no taxation system should be manipulated as to lower the standard of living of the people. He brought in to the notice of Government the educative nature of land revenue and income revenue. In this regard Dr. Ambedkar says, "I think the revenue system of this presidency is unquotable and indefensible. Take first of all the land revenue. Whatever the may be the quibbles, whether it is tax or whether it is rent, I may say that there is no doubt that this land revenue is a tax on the profit of the businessman. If these two levies are the same, I want to know from the Hon. the Finance Member as to why there should be difference in the method of laying the two. He has to the tax at the same rate.⁴ It is a proportionate tax and not a progressive tax at the same rate, as it ought to be. Again under the income tax holders of income below a certain minimum are exempted from levy. But under the land revenue tax is remorselessly collected from every one, be he rich or poor." It is true that the a nation with its people are under the slavery of a tyranny there cannot be any hope of principle of 'equality' in the imposition of taxes, but what is the use of the science of economics then, if tyrant is not to observe it and the Father of Economics to built it, without the reference of

³ Ambedkar's speech in the constituent assembly on 25-11-1949, CA Deb. Vol. XI, pp-972-981

⁴ Constituent Assembly Debates. Vol.w.P.339

slavery. The vital breath Dr. Ambedkar can be pay reiterated that is 'the liganacy of economy,' 'To justify and control the force over the means employed to achieve the ends' and 'The Fundamental Rights of the People' only these can constitute the morals of the social science of 'Economics'.⁵

Maxim of Certainty: - Dr. Ambedkar realizes the fact of vested interest from both the sides. 'From the Government and the taxpayers' with a the preservation of interests of both of them from the side of government he proposes to expect the good revenue system is to be reliable, despite the reference of collection, of taxes large or small.' From the government side Dr. Ambedkar proposes, "I say that the first and most essential requirement of a good revenue system is that should be reliable. It does not matter whether that revenue system brings in large revenue or small revenue. But what ever it brings, it ought to be certain in its yield." The most important word he uses 'reliability'. The finance system should be

reliable enough to avail the desire funds.⁶ From the government point of view the maxim of 'certainly' is the most import. Government should be face the consequences of uncertainty after the failing the sketched execution of planning.⁷ Any volume of revenue ascertained must be found nearest in its figure after receipts. Dr. Ambedkar's this proposition of reliability implies the collection or revenues should be minimum to reasonable to the condition of the people and with that the factual budget of receipts can be prepared and executed which will have maximum utility and certainty of execution of developmental planning. Extravagant assertion in beginning and facing deficits at the end is undesirable at any cost.

Maxim of Convenience and Elasticity:-

"Every tax ought to be levies at the time or is the manner in which it is most likely to be convenient for the contributors to pay it."
Adam Smith: *Wealth of Nations*

Classical economist Adam Smith speaks of the convenience of imposing revenues. Dr. Ambedkar quotes Burk the political philosopher in this regard. "To tell the people that they are relieved by the dilapidation of their public estate is a cruel and insolent imposition. Statesmen, before they valued themselves on the relief given to the people by the destruction of their revenue, ought first to have carefully attended to the

solution of the problem: Whether it be more advantageous to the people to pay considerably, and to gain in proportion, or to gain little or nothing, and to be disburdened of all contribution?"⁸ Dr. Ambedkar opines that poor country having a very low capacity to bear the burden of revenue it remains always. "He points out a critical positions comprising in the maxim of convenience and elasticity." A political party which has won power from a bureaucracy by accusing it of heavy taxation cannot easily consent to disgrace itself by continuing the same policy. Depends upon the available condition of the coming responding with a trained and qualified executives, and proximity of legislatures having common source mandate. Beside this there should be proper demarcation of financial powers⁹.

Maxim of Economy: -

Dr. Ambedkar analyses a detailed statistics of the company government cost of revenue collection which was nothing but the cost to India without any reservation of public expenditure of concerned to the Indian people. "Thus the bulk of the money raised by injurious taxed was spent in unproductive ways. The agencies of war were cultivated in the name of peace and they absorbed so much of the total funds that nothing practically was left for the agencies of progress."¹⁰ The philosophical view under the maxim, that, when the cost of revenue collection rises to its maximum then there remains minimum for the treasury of the government. It can be applied to the acts of the Imperial system of British Government, who incurred the cost of revenue collection up to 52. to 80 % does it lost to pour its treasury or only depleted Indians to the line of beggary¹¹. Dr. Ambedkar puts an eye on the malevolence of government executives, his check is that if executives of a government are not honest and efficient, we can not expect good finance system in that nation, "The fact is brought in limelight when Dr. Ambedkar that,". Hybrid "executives divided responsibility, division of functions, reservation of power can not make for a good system of government and where there is no good system of government and there can be little hope for sound. System of finance, the primary solution is that there should be an undivided government with a collective responsibility. That however can be achieved

⁵ Dr. Ambedkar: Vol.z, P.z

⁶ Dr. Ambedkar, Vol.z, P.I

⁷ Dr. Ambedkar, Vob..P.z

⁸ Burke: Quoted by Dr. Ambedkar: Vol.6.P.J01.

⁹ Adam Smith: Wealth of Nations.P.478

¹⁰ Dr. Ambedkar, Vol.6.P.83

¹¹ Trd. quoted by R.M. Gokhale: *Arthashastriga vicharacha Ithas. P.72.*

only when the whole of government derives its mandate from a common source¹². That such a consummation should take place as early as possible is devoid to be wished. In that behalf it is encouraging to know that diarchy is but a transitional system. In all countries responsibility in the beginning has been trusted to a very small section of the people and the government has been in the hands of a small educated minority who have naturally cared for the interest of the uneducated masses pending the system of education and the consequent extension of franchise." Ambedkar above inference suggests the guide lives to the ideal system of finance; they can be postulated as under:

- 1) Trained and qualified executives
 - 2) No trend of contractual revenue collection.
 - 3) Uniformity of planned distributed responsibilities.
 - 4) Constitutionally allocated division of functions.
 - 5) In hectic and liberal treatment in operation of powers.
 - 6) A chain of powerful reserve authority
- Uniform majority mandate for forming a government.

The government which is obliged to certain maintenance and developmental expenditure needs separation of powers and thus demarcation of financial power with certain precautionary measures towards executives machinery, It can lead to the Center sale accord regarding the financial powers. Dr. Ambedkar noted 'Land tax was heavily taxed under Imperial system assuming cultivator is not proprietor but occupier of the land. For it being owned by the State and thus no necessity of justice found respective while fixing lang.'¹³ But this does not mean to fashion the classical idealism is supreme in this regard. Dr. Ambedkar also has not failed to note Adam Smith's maxims. The "economic principle, which was taken to be the justification for the enhancement of the land revenue. Dr. Ambedkar economic philosophy of finance rest upon the inexhaustible proposition which is free from the idealism of principle and Rule, "and also apart from the policy measures with regard to the taxation built by himself that is 'taxes that are to be collected under a system of finance must be backed up by the culture of paying taxes among the people of that country' with the introduction of Tax paying culture among the people of India, it will not be out of place to expect that it can eradicate the maladies of finance system and

create a constant revenue resource with human resource also.¹⁴ The case is obvious in the routine events experienced down the age, in which Dr. Ambedkar recommended that the temples of all religions placed should be operated under government Polaris and officials and the receipts of donation to the temples as a revenues be tendered in the treasury of the Indian Government, only government can do good for poor people that these temples's motive. Application of the proposition depends upon the method that is to be adopted, extending the powers to the existing temples and creating programmes to create a culture of tax paying.

Conclusion

Dr. Babasaheb Ambedkar was one of India's most remarkable thinkers of the twentieth century. Ambedkar was essentially a professional economist, but his accomplishments in this field were overshadowed by those in legal theory and practise, political theory, and sociocultural philosophy. He studied economics under prominent lecturers such as noted American economist Prof. Edwin R.A. Seligman. Prof. Johan Dewey, one of Dr. Ambedkar's lecturers at Columbia University, had an impact on him. Edwin Canan was Dr. Ambedkar's teacher in London when he visited there. Canan's edition of Aam Smith's 'Wealth of Nation' was the most widely used until the Glasgow edition recently supplanted it. This study paper emphasises his economic thoughts on various areas of the topic at hand and evaluates their influence on the Indian economy. He saw the injustices in an unrestrained capitalism economy. Dr. Ambedkar emphasises the importance of ongoing land reforms, noting that the smallness or largeness of an agricultural holding is determined not only by its physical extent, but also by the intensity of cultivation, as reflected in the amounts of productive investments made on the land and the amounts of all other inputs used, including labour. He also emphasises the need of industrialisation. The study paper's major goal is to focus on Dr. Ambedkar's economic theory and its influence on the Indian economy. Dr. Ambedkar's ideas on accepting not just the country but also the world. In this context, a heartfelt salute to the inspirational economist Bharat Ratna Dr. Babasaheb Ambedkar.

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¹² Dr. Ambedkar, Vol.6.P.

¹³ Dr. Ambedkar, Vol.6, P.73

¹⁴ Quoted by Dr. Ambedkar. Vol.6, P.74

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