



### DR. BABASAHEB AMBEDKAR'S ECONOMIC THOUGHTS AND SUSTAINABLE GROWTH AND DEVELOPMENT OF A COUNTRY: SPECIAL REFERENCE TO INDIA

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#### Abstract:

*Dr. Babasaheb Ambedkar, the principal architect of the Indian Constitution, was not only a social reformer but also a profound economist. His economic thoughts emphasized social justice, equitable distribution of resources, and financial inclusivity. This paper explores Ambedkar's economic vision and its relevance to sustainable growth and development in India. His ideas on land reforms, industrialization, labor welfare, and fiscal policies continue to influence India's economic strategies. The paper also examines how his principles align with contemporary sustainability goals.*

*Dr. B.R. Ambedkar, a pioneering economist, social reformer, and constitutional architect of India, laid the foundation for economic policies that emphasized social justice, economic inclusivity, and sustainable development. His economic vision aimed at eradicating poverty, ensuring equal resource distribution, and fostering industrial and agricultural growth. This paper explores Ambedkar's economic ideas in the context of sustainable development, focusing on his contributions to labor welfare, water resource management, land reforms, and financial planning.*

**Keywords:** *Dr. B.R. Ambedkar, Economic Thought, Sustainable Development, India, Social Justice, Industrialization, Labor Welfare.*

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#### Introduction:

Dr. B.R. Ambedkar's economic philosophy was rooted in his deep understanding of systemic inequalities and his aspiration for a balanced and just society. His ideas addressed economic disparities, financial inclusion, and labor rights, which are fundamental to sustainable development. As a trained economist from Columbia University and the London School of Economics, Ambedkar's contributions extend beyond social reforms to economic policies that remain relevant today. Introduction Sustainable

development, as defined by the United Nations, involves economic progress that meets present needs without compromising future generations. Dr. Ambedkar's economic ideology aligns with this principle, advocating for social and economic policies that balance growth with equity and environmental responsibility. His extensive research on finance, labor, and agricultural policies continues to hold relevance in modern sustainable development frameworks.



### Objectives :

- To study his thoughts on financial inclusion
- To compare his thoughts to sustainable development
- To study his thoughts on social security, labour safety

### Perspective On Economic Development:

India's economic growth rate is running very fast most of the macro indicators look positive. Such as (GDP) Gross Domestic Product is approaching 10 per cent, Foreign Direct Investment (FDI) is increased a record high, the capital market is also moving in the upward direction. Real estate demand flats and land shows growing fast at a high rate. Demand for the car is also increasing from the rich class.

All this shows that people's purchasing power has been increased. But this only half side story the other side shows us that, 26 per cent of people are living below the poverty line and near about 50 per cent of people are just struggling to survive on the poverty line.

Therefore, it is clear that only 24 per cent of people are sharing the national economic growth. Depressed classes SC, ST and OBC and Minorities have strong feelings that they are being excluded from the process of economic growth and they are denied their share of national income.

So they oppose New Economic Policy at a large extent. Since the beginning of NEP 1991 Government of India, continuously reducing its share from the public sector industries. It creates several issues related to the life of depressed classes as the issues of unemployment and uncertainty. It was told that the government will increase the expenditure on social overheads particularly education and health. However, government data shows that this is not happening.

On the contrary government expenditure on social overhead is grossly inadequate to the needs. Therefore,

it creates income and wealth inequality, unethical activities, demoralizing the youths, violation etc. This is surely not good for the long-term smooth economic development of any country. We believe that Dr Babasaheb Ambedkar's economic philosophy focuses on the golden path of development. His philosophy maintains that balance in both the sectors public and private systematically.

### Views of Taxation Policy:

Dr. Ambedkar expressed his views on taxation in the manifesto of 'Swatantra Major Party' in 1936. He opposed Land Revenue and its system and their taxes as the burden of these taxes are significant on the poor sections of the society. He suggested some taxes as follows

- Tax should be imposed on payers' capacity and not on income.
- Tax should be less on poor and more on rich.
- Tax exemption should be given up to a certain limit.
- There should be equality between different sections in tax imposition.
- Tax should not lead to lowering the standard of life of the people.
- Land Revenue tax should be more flexible and should not levy on agricultural land.
- He suggested that Indian tax system at that time was based on discrimination and inequality.

### Ambedkar's Key Economic Thoughts:

#### State Control Over Economy:

Ambedkar advocated for the government's role in economic planning to prevent the concentration of wealth in a few hands.

#### Land Reforms:

He proposed nationalization of land and collectivization of agriculture to ensure fair distribution of land resources.



- **Industrialization:** He emphasized rapid industrialization as a means to reduce dependence on agriculture and generate employment.
- **Labor Rights and Welfare:**  
His contributions to labor laws, such as the minimum wage, working hours regulation, and insurance policies, laid the foundation for labor welfare in India.
- **Monetary and Fiscal Policies:**  
He played a pivotal role in shaping India's financial structure, advocating for a strong central bank and a managed currency system.

### Sustainable Growth and Development: Application of Ambedkar's Ideas in India

- **Economic Inclusivity:**  
Financial inclusion programs like Jan Dhan Yojana resonate with Ambedkar's vision of providing banking access to marginalized communities.
- **Industrial Development:**  
His emphasis on industrialization aligns with the 'Make in India' initiative aimed at self-reliance and employment generation.
- **Land and Agrarian Reforms:**  
While full nationalization of land is impractical today, government schemes on land redistribution and tenancy reforms reflect his influence.
- **Sustainable development,**  
as envisioned by Ambedkar, requires bridging economic inequalities through affirmative action, microfinance, and skill development programs.

### Social Justice in Economics:

Dr. Ambedkar's Economic Vision

- **State-led Industrialization and Economic Planning**  
Dr. Ambedkar strongly supported state-led industrialization as a means to reduce economic disparities. He proposed planned economic

development to enhance productivity and provide employment opportunities. His advocacy for state ownership in key industries, similar to modern public-private partnership models, aligns with sustainable economic growth strategies.

- **Labor Welfare and Social Security**  
Ambedkar was instrumental in advocating for labor rights, including fair wages, limited working hours, and social security benefits. His contributions to labor laws ensured economic stability for workers, promoting a sustainable livelihood model. His push for equal wages and dignity of labor resonates with contemporary sustainable employment policies.
- **Agricultural and Land Reforms**  
Recognizing the exploitation of farmers, Dr. Ambedkar proposed land reforms, cooperative farming, and scientific agricultural methods. He stressed the need to eliminate intermediaries (zamindari system) and provide direct benefits to farmers. His vision supports modern sustainable agricultural practices, such as efficient resource use and fair land distribution.
- **Water Resource Management**  
One of Ambedkar's most significant contributions was in water resource management. He envisioned interlinking rivers, large-scale irrigation projects, and equitable water distribution. His role in the creation of the Central Waterways, Irrigation, and Navigation Commission underscores his foresight in water sustainability, crucial for economic resilience and environmental balance.
- **Financial Inclusion and Monetary Policy**  
As an economist, Dr. Ambedkar emphasized financial inclusion. He advocated for an independent central bank to regulate inflation, ensure economic stability, and extend banking services to marginalized communities. His recommendations align with contemporary



sustainable financial models, ensuring equitable access to financial resources.

**Relevance to Sustainable Development Goals (SDGs)** Dr. Ambedkar's economic thoughts are highly relevant to the United Nations' Sustainable Development Goals (SDGs), particularly:

**SDG 1 (No Poverty):** His policies on social security and labor welfare aimed at eradicating poverty.

**SDG 2 (Zero Hunger):** His emphasis on scientific agriculture and land reforms contributes to food security.

**SDG 6 (Clean Water and Sanitation):** His water management policies ensure sustainable use of water resources.

**SDG 8 (Decent Work and Economic Growth):** His labor policies support fair wages and employment rights.

**SDG 10 (Reduced Inequalities):** His advocacy for financial inclusion and social justice promotes economic equality.

**Relevance to Sustainable Development Goals (SDGs)** Ambedkar's economic thoughts align with the United Nations' SDGs, particularly:

### Conclusion and Recommendations:

The present study is an honest attempt to provide the socio-economic analysis of Dr B.R. Ambedkar's thoughts and also presents the relevance in the context of present India. This study adequately proves that Dr Ambedkar's social and economic thoughts are very much important today also, and more importantly, it has a lot of utility and significance in the present Indian society. But the present study is solely based on the secondary sources of the data, and it did not consider the primary sources of data and information at all. This study concludes that the relevancy of Ambedkar's thoughts is reflected in the vision of the leaders of this country. Whenever any country faces

difficult situations, challenges, whether it is a political or economical, the intellectuals and politicians at some point or another need to search their own country's history for the solutions. The historical events, its people, and their thoughts, that have shaped the country and its people future, prove to be the vital elements for solving the current challenges of the country.

This study has suggested various measures build a dream of Nation. The Government should ponder over these following issues seriously:

- Allocation of funds should not be diverted to ulterior motive by the vested interest people.
- The government should appoint a permanent honest monitoring body to see that there is no mismanagement. These monitors should organize regular awareness programs among the marginalized people and provide the detailed information about the government welfare schemes.
- To encourage MSME to conduct their seminars/workshops and other training programs in a large number so that every individual, every organization can take benefit from them. Develop the entrepreneurial abilities and provide adequate facilities to Dalits and other weaker sections of society.
- The Program of Universalization of Elementary Education: The 86th Constitution Amendment Act, 2002 inserted a new Article, Article 21-A, into the Constitution, to provide free and compulsory education to all children aged 6 to 14. All the state and union territory under their powers by publishing government resolution must be making it clear. The right to education must not count on age but the said right is required to follow, up to accomplishing of secondary school certificate, so if





the student who has completed the age of 14 years pursuing eight standard must not leave the school due to age obligation.

- However, there are no adequate facilities for the implementation of the right to education. It should be framed legally in such a way that, making the children absent or refraining him the school, the school system has to make an offence committed by the parents. Then only literacy rate can be improved.
- To protect workers' rights and the rights of weaker sections welfare schemes and protective laws have been made for the weaker sections and workers are being implemented both by the Central and State governments. The Mahatma Gandhi National Employment Guarantee scheme must be widened by making provisions for productive and creative work for generating employment both for men and women on large scale.
- The Minimum Wages Act, 1948 empowers the government to fix minimum wages for employees engaged in various employments.
- Similarly, The Equal Remuneration Act of 1976 provides for equal pay for equal work for both men and women. This should be strictly implemented in the future course of time
- Equitable distribution of national wealth and income among all sections of society irrespective of castes, creed, gender, region, and religions must be assigned properly. The design of governance must be based on social justice. It plays an important role in the implementation of the Indian constitution. Training regarding democratic values in Indian constitution must be imparted to every citizen.
- For the promotion of women in employment social security must be provided as per the direction is given by the Supreme Court must be strictly

implemented in the government and private sector. Presently they are not following such norms strictly.

Ambedkar had a tremendous historical sense; he was fully aware that present situations where the scars of the past. In almost all his academic works, he employed the historical method. Ambedkar digs deep into history to understand the significance of the events he was currently analyzing. It was analytical rather than the dialectical method he used. Thus dealing with the need for legal situations to social problems, he said: —Society is always conservative. It does not change unless it is compelled to and that too very slowly. When change begins, there is always a struggle between the old and the new, and the new is always in danger of being eliminated in the struggle for survival unless it is supported. The value of his thoughts is substantial precisely because his analysis was based on sound empirical and historical foundations.

Dr. B.R. Ambedkar's economic vision continues to shape India's growth trajectory. His emphasis on state intervention, industrialization, and social justice provides a robust framework for achieving sustainable and inclusive economic development. As India progresses toward becoming a global economic power, integrating Ambedkar's principles into contemporary policies can ensure a more equitable and resilient economy.

Economic thoughts provide a comprehensive framework for sustainable development. His vision for state-led industrialization, labor welfare, land and water reforms, and financial inclusion remains relevant in contemporary economic planning. Implementing his principles can ensure inclusive and sustainable economic growth, addressing current global challenges such as economic inequality, resource depletion, and environmental sustainability.



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