

## **Draft Paper**

### **Development & Sustainability: Shaping of the Concepts in India**

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## **Introduction**

Development as a concept in western economic thinking emerged not quite long before. Initially it was in the milieu of a classificatory analytical tool advocated by Friedrich List, Bucher, Hilderbrand and Marx. Their pursuits were more classificatory in nature by observing different patterns across countries and ascribing status to the countries according to the level of progress (on a priori defined indicators). The underlying theme was also to get at the explanation of differentials across the groups. The tools and indicators of stratification / classification differed according to the core of the theoretical platform of classification. The 'Stage' theorists came a little later who were concerned about looking into time series patterns of progress across countries. Analytically the authors then described 'stages' as Savage, Pastoral, Agricultural, Manufacturing and finally with an aggregation of all sectors. Here the famous stages of growth by Rostow, analysing the path of growth over time of progress from traditional, take-off and drive to maturity; also get included. All these were more focused on analysing the historical patterns of changes across western countries and therefore did not touch the core of development of other countries as a concept. It was bluntly taken as synonymous to growth. The debate on concept of development matured only after the II World War as one of the fall-outs of growth economics. In the process of debate in later years, distribution became an important accompaniment of growth. That gave some clarity about development. The entire discussion on economics of growth was slowly turned towards economics of development and emergence of new theories and new models of development. Most of these were based on the assumptions and structures either of the western economies or developing economies as seen from the western view. The available analyses were largely rooted in the thinking process of western economists and looked at developing and under-developed nations through the lens of western models of development (See Handbook of Development Economics, by Chenery and Srinivasan, (1988) and D Seers, Meaning of Development, (1979) See Ray, 1998).

The theories of development which became prominent in the following years in development economics include Alexander Gerchenkron's backwardness-Industrialisation, the great spurt theory, Rodan and Nurksey's big push theories, vicious circles of poverty and Lebestein's theory of growth; balanced versus unbalanced growth, dual sector models, growth models with different assumptions about savings and investment elasticity and the relationship between growth and other economic parameters. The emphasis was more on measurement of an elusive concept which had multiple dimensions. Social scientists across disciplines got involved not only in understanding the concept of 'development' but to quantify it with the help to develop some tools or scales to capture it. The entire debate came up to Human Development Theory and measurement of Human Development Index as the flagship concept coming from UNDP. It simplified development as indicated by a few indicators such as literacy; life expectancy and per capita income (PPP), with some more modifications entering over years. Critics are still to come to terms to accept this as a good description of 'development'.

After scanning through all these debates on development it comes out clearly that no significant attempts were made to understand 'development' from the core Indian perspective. Possibly the only exception being Prof Nadkarni's paper on "Can there be an Indian Way to Development?". His paper provides an understanding of Indian way of thinking on development on the background of the crisis of capitalism. He argues that universal moral values as reflected through Gandhian perspective for understanding all facets of development that include truth, non-violence, dignity of labor and peoples role. The first question that crops up is why it needs to be done? Let us try to deal with that. India has a long history of developing the art of the 'state craft' and these treatises have been well recognized. It comes out clearly that the understanding of development was far in-depth even though the concept of development was directly not visible in the literature. The meaning of Vedas is "knowledge, wisdom" and it is derived from the root *vid-* meaning "to know". It is well known that the Vedas were not written at a point of time but developed over time with contributions by many and therefore

### **King, Kingdom and Development**

The emergence of the Kings, Kingdom and the Duties of the Kings find its origin somewhere around the Mahabharata period. The king was bestowed upon the ownership of all the natural and manmade resources. The King was the owner (at times also referred to as

Custodian) of this wealth. Before that there was neither the king nor the kingdom. There was neither the law-breaker nor the punishment. It was stated that “*Naiva Rajyam Na Rajasinna; Dando na cha Dandika*”. But that does not mean there was anarchy all over instead people were tied by some well accepted universal ethical rules, mostly unwritten but well practiced. These slowly came to be known as Dharma. In Karnaparva of Mahabharata in Ch 58, Dharma is elaborated as the ethical rules that sustains the Society, social order, ensures well being of the humanity. Initially, these were not in rigid form and remained undocumented for long but soon assumed ritualistic rigidity benefitting some sections only. It became the sole representation and entered into documentation. The rules were incorporated in *Shrutis* and *Smritis*. Niti meaning the ethical behavior was also well documented under *NitiShastra* or *Shukra Niti* but all these were continuous “online” texts and subjected to various versions and interpretations.

**कालो वा कारणं राजन्यो राजा वा काल कारणं I**

**इति ते संशोयो मभुद्राजा कालस्य कारणं II**

*(Kalo wa Karanam Rajnyo Raja wa Kal Karanam I*

*Iti Te Sanshoyo Mabhudraja Kalasya Karanam II)*

*(Mahabharata, Shantiparva, Ch 69-79)*

Is it that the King, who shapes the present (of praja) or the present shapes the King's behaviour, but we need not have a doubt, it is the King who shapes the present. Does that mean that the King was an autocratic individual and the answers we get in plenty both in *Mahabharata* as well as in *Kautilya's Arthashastra*. Even *Metta Sutta* a sacred text of *Buddhism* also reiterated that the Kings duty is to protect *Niti* or basic ethics and *karuna*. The aim was to reach a stage of *Nirvana*, or “*Bôdhisattvas* who are the candidates for the *Buddhship*, or those men who, by assiduity in the practice of virtues and meditation, have finally arrived at the intelligence, or *Bôdhi*, of the supreme Buddha. Whoever strives to attain this sublime rank has to pass through countless phases of existence, during which the person gradually accumulates a degree of merit.” *Mahabharata* is an important source to get elaboration on science of governance and what are the duties of King. The importance of the politics (management of people and the duties), comes out in Chapters 56, 66 and 67 of *Shatiparva*. While discussing *Rajadharma* in *Mahabharata* the issues of crimes, punishment, administrative organization, taxation, land grant and distribution of resources comes in. Many of these references have undergone several versions and it is difficult to fix time for some. But throughout the literature *the* concept of *Sukha and Shanti* come closure to what

we may term as development. The duty of the King and Governance was to achieve these two and that goal could be termed as equilibrium achieved by activating internal forces with ethical tools.

Development as such was not a direct pursuit but an indirect achievement through series of steps taken in the process of ethical behaviour of all individuals. It was an incidental outcome and not an artificially set goal. *Abhivrudhi* included not only the material well being but also a spiritual achievement of every individual. Interestingly the ancient Hindu, Jain and Buddhist texts are exactly in the same direction. The role of the state and the King was rather limited to provide the required infrastructure and maintain law and order. Therefore, we find a lot description about the role and functions of the king and state rather than the material requirements of the people. Therefore the state craft and governance became the important subject and there were no texts on growth and/or development. That however, did not necessarily gave away the welfare approach but it got sidelined or taken care inherently.

### **Art of State, Governance and Development**

One can look for some representation of development in the state craft. There are no two opinions that the art of the state and governance received more attention in ancient Indian literature. Obviously the reasons were to provide the ruler some basic guidelines in organizing public administration. Mahabharata (Shantiparva), ShukraNiti, Manu Smriti or many of the treatise speak only on the state craft. This was followed later on in Kautilya's Arthashastra. Development or any similar concept does not peep out in clear terms but it is subsumed in the concept of *Sukha*. Therefore Kautilya wrote:

**प्रजा सुखे सुखं राजन्यः प्रजानाम च हिते हितम् I**

**नात्मा प्रियं हितम् राजन्यः प्रजानाम तू प्रियं हितम् II**

*(Praja Sukhe Sukham Rajnyaha Prajanam Cha Hite Hitam I*

*Naatma Priyam Hitam Rajnyaha Prajanam Tu Priyam Hitam II)*

*Arthashastra*

This means when people are happy so also the king and whatever is beneficial to the people at large is also to the benefit of the king. Therefore, in the ancient Indian context, development (*Abhivruddhi*) had no specific place and always the ancient Indian thinking

focused on *Sukha, Samadhana, Jnana and Pravarthana*. Another often quoted and important shloka that finds place in the Indian thinking about development is:

" *Sarve Bhavantu sukhinah*" - Let all be happy"

" *Sarve Santu Niraamayaaha* " - let all be cured of diseases

" *Sarve Bhadraani pashyanttu*" - let us see everyone in well off

" *Ma Kaschid Dukh Bhagbhavet* - let there be no sorrow any time "

The *shloka* clearly states that, "let us be happy and free of diseases" (disease is not an exact translation of *Niramayaha*). In fact, *Niramayaha* would mean without any irregularities (disease is only one irregularity in health) of the aggregate body and that can also be interpreted as inadequacies or imperfections (diequilibrium) in the society. While the third line argues setting everyone to be well-off or '*Bhadrani Pashyanttu*', that would mean experience the good along with no sorrow. The central theme here is again the definition of development that leads to "*Sukha*". Ancient Indian traditions emphasize on *Dharma* and that was considered as one of the primary duties of the citizen. It is interesting to note that the rights and duties were combined to form the aggregate of *Dharma* and that led to *Sukha*. In the *Budhist* literature *Sukhavatī*, the abode of the blessed or a phase of complete deliverance from existence, or from the world in its most general meaning, is comprised under the name of *Nirvâna* (Tibetan - *Nyangan las daspa*, by contraction *Nyangdas*). The essence of *Nirvâna* is not clearly pointed out in the sacred books of *Budhism*; and this, indeed, is not possible in a philosophical system in which negation of reality is the fundamental principle; and the sacred Buddhist books also declare at every occasion that it is impossible positively to define the attributes and properties of *Nirvâna*

Kautilya's art of state provided in the *Arthashastra* elaborates on the self as also discipline in public behaviour. The duties of the King and that of the individuals are explained from the point of view of a just society. *Arthashastra* goes in details of the art of the State and that includes: functions of Government, Institutions, Legal disputes and Jurisprudence, Revenue sources and rules for managing the State treasury; dealing with other kings and enemies. The four components emphasized are *Vedas, Varta, Danda* and *Niti*. Kautilya's treatise focused more on duties almost continually and in most of its texts probably the undermining principle of duty incorporates rights also. Ones entire embodiment was regulated in a systematic manner through the four stages of life namely *Ashramas* and stages specified the behaviour as well as responsibilities of human beings.

The needs of the society being in terms of food, shelter, locomotion, assembly property reputation and peace were defined for spiritual attainment of the ultimate and that was called *Moksha*. Patanjali in his *Yogasutra* also provided a path of development of the human being and all that leads to moksha. One has to clearly understand the meaning of *Moksha* or analytical interpretation of the term in today's context. *Moksha* is the destination set for the human being and that can be interpreted about our spiritual as well as material goals. Therefore, materialistic growth or development was never an ultimate goal to reach but it was rather mystical and spiritual goal that was set before. Kautilya traded very carefully between the spiritual achievements emphasized by most of the texts then and the material wealth of the State. In the book on 'State and Government in Ancient India' by Altekar indulges in an elaborate discussion on the emergence of administration kingship, art of the state and a historical survey of administration.

Chandrasekaran Praveen writes "Kautilya believed that for the prosperity of a state, the state must be devoid of internal conflict and the King should be in control of the state. To maintain this internal peace he believed in a just and realistic rule of law. His definition of a state was one which had power and wealth and hence he put property rights and protection of wealth as one of the important themes in his jurisprudence. In fact he advocated that one could get rid of corporeal punishment by paying off fines" (Chandrasekaran, 2008).

The State Craft elaborated by Kautilya has one core idea running through all the chapters and that was rarely emphasized by the interpreters. Arthashastra aimed at the stability and continuance of the State by avoiding all destabilisers and creating interlocked institutions which will keep the State with a monolithic power. Dharma or inherent ethics will take care of the well being of individuals. The institutions governing human behaviour in terms of rights and duties there are specified in the different law books available at different points of time. These included Naradasmriti, Brahaspatismriti and Manusmriti. The law books defined institutional control on the society of those times and probably have been written rewritten as also modified over generations. This must have been done by many authors as we find ample evidence of contradictions in these Scriptures and therefore some of the content of these Smritis should not be taken as applicable to the contemporary society.

The Statecraft elaborated by many authors aim at maintaining peace and tranquility in the land through various institutions and hence a kind of equilibrium. As material inequity was not an issue to be dealt with, the king or the State was happy at this equilibrium (tranquility – *Shanti* – *Shanti* –*Shantih*). Therefore, under the statecraft, it was this maintenance of tranquility (equilibrium) and incremental welfare could be considered as an indirect manifestation of development.

### **Development as/and Welfare**

Development or Abhivrudhi as a separate concept did not appear in any of the ancient Indian texts. Vedas (Rigveda, Atharvaveda, Yajurveda and Samveda) are essentially spiritual texts with distinct pursuits. Each of these has four parts namely Samhitas (Hymns), Brahmanas (Rituals), Aranyakas (Theologies) and the Upanishdas (Philosophies). Therefore, each one deals with a specific aspect but welfare as a concept and *Shanti* or *Moksha* as the goal features in many of the hymns. It is well known that many of the scriptures were written over time and it is hard to decide about the exact time of some of these writing and therefore one can find some contradictions across different themes. *Samhitas* are compilations by various authors that include prayers, methodologies of religious functions, and other rituals. The philosophies and theological *Shlokas* of course give advice on the state craft. These are addressed to rituals and incidentally the State craft also enters into the *shlokas*. Among the four Vedas the Rigveda contains prayers as well as contours of what can be called ‘dharma’ or societal ethics. The theme that runs throughout these texts, apart from the methodologies of the rituals and praises of Indra, Agni, Varun, Brihaspati and Pruthvi; also contain the path to ultimate happiness through ethical behaviour. These also refer to welfare of the people and that emanates from every hymn of the praise that the invoked god should enhance the welfare and an ethical tranquility. Therefore, welfare augmentation seems to be equivalent to development as we understand today. Sabha and Samitis were organised to govern and help the broader system of Governance. Whereas, Upanishdas, Smritis and Dharmashastras were largely the supporting philosophical texts in order to create institutions that will maintain the ethical levels in the society. It is well accepted that ethical behaviour changes along with the time and has a dynamic existence like culture. Many institutions interact with the society and the norms change along with these changes. Emergence of market and unlimited private property as concepts entered into the society and that evolved the new ethical norms. Ethical fall in the distribution of work and fixing of graded remuneration was dictated under these changes and the

inequality as a fallout of limitless private property was inserted in this system with an intention to control larger resources. All these brought in disequilibrium and accentuated the inequalities. Largely livelihood focused understanding of human development of earlier years changed to a disequilibrium based striving for new optimality.

### **Shaping of the Concept of Development**

The concept of development as understood today was probably not even in the process of thinking in the ancient times. The main pursuit of life was to have a spiritual satisfaction or *sukha* than achieve material wealth. The famous quotation from *Ishavasyopanishad* says

Isavaasyamidam Sarvam Yathkincha Jagathyaam Jagath I  
Thena Thyakthena Bhunjethaah, Maa Gridhah Kasya Swid Dhanam II

All the material wealth we see in the World is meant for all. Therefore, use it to satisfy your need and as less as possible. There are three lessons given here and these have to be understood carefully. First, there are ample of resources available both renewable and exhaustible type. Second, these are meant for all and that connotes equity and the third the most important message is to satisfy only the need and not to exhaust these beyond that. All these indicate sustained use of the resources and also non existence of market for profit. Finally, such principle was to ensure sustainability and the resources were to be used for self improvement. That also entails an inherently generated equilibrium (state of tranquility).

Livelihood and organization of livelihood system through various stages was the main pursuit of life and not accumulation or profit optimisation. That started with the savage, pastoral and agricultural stages. As the exchange of goods and services entered into the life and livelihood, exchange value assumed importance. Market as an institution entered to replace the barter system and the transactions took place. Kautilya gives a vivid description of markets functioning then. The process of exchange with price emerged strongly and three types of trade was practiced namely: Gift Trade; Administered Trade and Market trade (Gupta, 1992, Ch 4). The words describing Price or Value were *VASNA* or *SULKA* *Rigveda*, Ch 4). As these concepts developed over time (*Sukraniti* gives a detailed description how markets functioned and should function ethically) and specifically the development of the market and marketing practices emerged significantly so also the concepts of Wealth and accumulation.

The organization of production came in as the concept of private ownership (more precisely control) emerged. The agricultural or cultivation phase involved operational control on land, *Rigveda* makes a mention of land control of the King and taken on tenure by the cultivator (Kazanas, 2010 Ch-2). The king or the state had the full control of resources and the State also collected taxes for the use of resources. Livelihood was essentially through the collective process of production and distribution and hence Collectives or institutional development was the key concept in development. Development at this point of time was an aggregated concept of change and accumulation of wealth and resources entered the computations later. Therefore, maintaining the equilibrium through control on use and distribution of resources was a single most pursuit of mankind. That could be called almost near sustainability and development as such.

### **Process of Shaping Sustainable Development**

King and the State Machinery were responsible to maintain the tranquility or equilibrium. There are number of treatises that provide the behaviour of king and description of the State machinery to be used to the purpose. These include *Vedas*, *Upanishdas*, *Smritis* and up to *Mahabharata*. It is exceptional that ancient literature has not discussed the duties of the king or the rituals that are followed and all these involved the inherent ethics or behavioural rules. Many of the texts were probably 'On line' texts (modified by various authors at different times) and hence written by many at many times and hence pose some contradictions also. The theme pursued all through these texts is to maintain an ethically derived equilibrium with the help of the state and state participation. Such equilibrium also leads to the steady society in long run.

King and the duties of the king are described in the *Shantiparva* of *Mahabharata* as also the other texts. Happiness of the *Praja* is the most sacred and important duty of the king stressed in all the texts. Happiness here includes ensuring sufficient food; shelter books and freedom to move around without fear.

**आयुक्त केभ्य स्वौरेभ्यः परेभ्यो राज वल्ल भात I**  
**पृथिवी पति लोभाच्च प्रजानां पंचथा भयम I**  
**पञ्च प्रकार मप्येत पोह्यम नृप तेर्भयम II**

That means the *Praja* needs protection by the king of all wicked persons including officers of the State as also relatives and favourites of the king. (*Kamandaka, V*). The king and the kingdom was to ensure livelihood and happiness as described in the text of Kautilya. In order to achieve this various texts provide institutional processes and the system of graded authority. The Provincial, Divisional, Town and Village Administration has been elaborated and also a system to have a clear vertical authority and horizontal democracy is elaborated at length. The administration is largely decentralised with the king having a good control on all the functions of the state though indirectly.

Decentralised administration was an instrument and institution developed very effectively in order to have control on resources as well as distribution. We have ample references in the ancient Indian texts about the administrative organization in a decentralised manner. That also gives clues about development thinking at that time. First, the institution signifies clear democratic organization of administration besides delegation of some powers to the ground level functionaries. Second, it indicates local management of resources through generation and controlled use. Third, the system also ensures division of labour and distribution of surplus generated as well generation of resources for the State. Local organization of generating and regulating the use of resources ensured sustainable use of resources as also supply of taxes to the state. The system inherently ensured equity in opportunity and skill improvements.

### **Livelihood led Development**

Development even though not explicitly used as a concept in ancient India, it was inherently reflected in many facets. Enhancement of knowledge, augmented expertise and emphasis on training of various types and trades signified primacy of human development. Naturally, livelihood insurance was the initial focus and as the exchange systems took the place of the existing barter system the markets developed in various forms. At this point in history a good number of writings on basic ethics as also the duties of king and the State came up. All these were written at various points and modified by more than one person. But all the texts (*Vedas, Upanishdas, Shrutis, Smritis and Puranas*) pleaded for ethical behavior on the part of the King and state on one side as also by the people on the other. The transformation from 'Institutional Development' Paradigm to 'Market Development' Paradigm also gave rise to the concept of wealth and accumulation. This ushered in significant changes in the livelihood system, accumulation of wealth, use rates of resources and transformation of

power from local to the Kings. As the livelihood systems differed and so also the division of work. The King became super power and the role of administrative machinery, religious rituals as also the Judiciary increased as the livelihood opportunity increased and were focusing on accumulation rather than sustenance. This was the time when the rest of the world was in the process of writing about wealth, markets, growth and income accretion.

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Various other texts.