

ECONOMIC CONTRIBUTION OF DR. BABASAHEB AMBEDKAR**Dr. Deepak Pandharinath Sontakke**

Prof. Head of the Department of Economics, New Arts, Commerce and Science College,
Parner, Dist. Ahmednagar, Maharashtra, India

Abstract

The architect of the Indian Constitution, the leader who advocated for the rights of the untouchables, and worked towards abolishing the caste system, Dr. Babasaheb Ambedkar has made significant contributions to economic thought and economics. Dr. Babasaheb has addressed important economic issues such as energy and water planning, agriculture, taxation, industrial matters, and social justice. Therefore, studying his work has become essential today."

Research Objectives

1. To examine and understand the role of Dr. Babasaheb Ambedkar as an economist.
2. To explore and analyze the major economic thoughts of Dr. Babasaheb Ambedkar.
3. To assess the impact of Dr. Babasaheb Ambedkar's economic thoughts on the Indian economy.

Research Method

"This research paper relies on secondary resources, including various reports, government publications, and original rare books pertinent to the topic. Additionally, it references diverse theses, other writings of Dr. Babasaheb Ambedkar on economics, and a range of magazines, newspapers, and websites. Dr. Babasaheb Ambedkar possessed a profound understanding of various economic policies and their impacts on the economy. His contributions to the field of economics can be analyzed as follows."

1. Gold standard of currency

"Prof. Keynes advocated for the adoption of the gold standard for currency valuation, wherein the nation's currency value is linked to the value of gold, with the price of gold determined by the government. In this system, actual currency contains some amount of gold. The British government, along with Prof. Keynes and others, believed that the rupee in independent India should be managed using the gold standard. However, Dr. Babasaheb Ambedkar was of the opinion that currency stability could not be achieved under this system. While Prof. Keynes and his contemporaries believed that the value of the rupee would automatically stabilize under the gold standard, Dr. Ambedkar disagreed.

To substantiate his stance on a global scale, Dr. Ambedkar collected and analyzed detailed statistical data on currency values from 1800 to 1893. His research concluded that the gold exchange system was inappropriate for an underdeveloped country like India, as it posed the risk of price inflation. He argued this point, directly criticizing the British government's stance.

Dr. Ambedkar believed that the British government adopted the gold exchange system to artificially increase the value of the rupee, ensuring maximum profit for exporters from Britain to India."

2.Agricultural Thoughts

Dr. Babasaheb Ambedkar was a supporter of collective farming. He believed that if water and electricity were equally supplied to an agricultural country like India, it would not take long for India to become a prosperous country. He made laws to abolish the practice of tillage

Dr. Babasaheb Ambedkar suggested various ambitious schemes so that farmers could farm in a modern way instead of in the traditional way. He believed that irrigation system and electricity supply etc. should be managed from a humanistic perspective and electricity should be made available for agriculture at cheap rates only then will agricultural productivity increase.

3.Energy and Water Planning

According to the 1935 Act, since the water and electricity departments were under the jurisdiction of the provinces and states, the central government did not have much involvement in them. Similarly, there was no competent government mechanism at the centre. Dr. Babasaheb Ambedkar consciously increased the participation of the centre in the important departments of water and electricity through the post-war reconstruction plan. Dr. Babasaheb Ambedkar first determined the central government's hydropower policy. Only if abundant water and electricity are available can the country be industrialized rapidly. Unless industrialization is done on a large scale, the additional burden on the agricultural sector will not be reduced. Due to this, poverty in the country will not be reduced. The projects related to the rivers Hirakud, Damodar, Son are the embodiment of Babasaheb Ambedkar's profound and creative talent.

In order to avoid disputes over the water of the river in the states, Dr. Babasaheb Ambedkar created the River Basin Authority for the development of the river basin from the source of the river to the sea. Due to this authority, major projects for river basin development were launched. Irrigation facilities were provided from the water in that project. Flood control was achieved. And electricity was generated at low cost. The state of Orissa was rich in mineral wealth and water resources. Due to the floods of the Mahanadi, Orissa was also suffering huge losses. Dr. Babasaheb implemented the Mahanadi Development Project and constructed the Hirakud Dam. And through it, the economic development of the state of Orissa took place. The continuous floods of both the Satjal and Yamuna rivers were causing huge losses every year in the states of Punjab and Haryana. As a solution to this, the Bhakra-Nangal Multipurpose River Basin Project was created. Two different dams, Bhakra and Nangal, were built on the Satjal river.

4.Establishment of the Reserve Bank of India

In the reference book "Problem of the Rupee", Dr. Babasaheb Ambedkar has written in-depth research on the devaluation of the rupee. Dr. Babasaheb Ambedkar also testified before the

Hilton Young Commission regarding the gold exchange rate. After this, only through the contribution of Dr. Babasaheb Ambedkar, the Reserve Bank of India was established in the year 1935.

5.Thoughts on the Tax System

In 1936, Dr. Babasaheb Ambedkar expressed his thoughts on tax policy in the manifesto of the Independent Workers Party. He was against the land revenue system and other taxes. Because their burden was falling on the poor section of the society. Dr. Babasaheb Ambedkar suggested that revenue tax should be progressive. I do not think that revenue collection on agricultural income is unfair. He was of the opinion that. He suggested the following principles for taxation.

1. Tax should be levied on the ability of the taxpayer and not on income.
2. Tax should be less on the poor and more on the rich.
3. Tax exemption should be given up to a certain limit
4. There should be equality between different sections in tax imposition.
5. Taxation should not adversely affect the standard of living of the people.

6. Finance Commission

Dr. Babasaheb Ambedkar, when he was the Law Minister, established the Finance Commission of India in 1951 on the basis of his thesis 'Evolution of Provincial Finance'. After that, he included it in Article 280 of the Constitution to achieve financial balance and equitable distribution.

7.Open Market Economy

In 1923, Dr. Babasaheb Ambedkar studied the policies of privatization, liberalization and globalization and discovered their usefulness. But this policy was implemented in India in 1991. He was of the opinion that an open trade policy was necessary to stabilize the value of the rupee and thereby maintain internal economic stability.

8.Family Planning Policy

During that time, no one talked much about family planning. During that time, between 1937 and 1952, Dr. Babasaheb Ambedkar used to raise this family planning issue with great enthusiasm. Family planning was advocated in the manifesto of his Independent Labour Party. That is, it was the first political party to advocate family planning.

On July 20, 1942, at a women's conference, he declared that having too many children was a national crime, which is how important family planning was for economic development. Dr. Babasaheb Ambedkar had presented the idea.ould not have an adverse effect on the standard of living of the people.

Conclusion

Regarding energy and water planning, Dr. Babasaheb Ambedkar proved that the floods of rivers are not a problem but a boon if they are managed properly.

Thus, Dr. Babasaheb Ambedkar's economic contribution is very important for the economic development of the country. Although Dr. Babasaheb Ambedkar's writings are from the pre-independence period, they are also relevant to the modern and new times. Dr. Babasaheb Ambedkar's thoughts have a strong moral basis. It is seen that Dr. Babasaheb Ambedkar formulated his economic policy thinking that he believed in the common people of the country and national development. That is why he has become known not only as a national but also as a world-class economist.

References

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