

**ECONOMIC IDEAS OF MAHADEV GOVIND RANADE**

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Mahadev Govind Ranade described as , a great man, a fervent patriot, a religious reformer, a leader of thought, a guide of men, an able historian and an eminent economist. His interest in educational, social and political matters was proverbial. He was the main source of inspiration for the Deccan Education Society founded in 1884. In 18185, he was appointer an Additional (Law) Member of Bombay Legislative Council. Again in 1890 and 1893, he was re-nominated as the member of the Legislative Council. He was the brain behind the Sarvajanik Sabha of Poona founded by Ganesh Vasudev Joshi. The sabha was the chief political association of Poona which awakened the social and political conscience of the people and represented to the Government the needs and the aspirations of the people. Association with this Sabha made the Britishers suspect his bonafides.

He was also dynamic leader of the Indian National Congress, infact one of the seventy two members joining the first session of the Congress at Bombay. On account of his massive intellect, he was called the 'Socrates of Maharashtra'. Even A. O. Hume, the founder of the Congress regarded him as his political 'guru'. Infact, Ranade dedicated his whole life for the regeneration of her teeming millions in all respects.

**RANADE'S ECONOMIC IDEAS**

Ranade has thoroughly the economic thoughts of Smith, Malthus, Ricardo and Mc Cullough and had come to the conclusion that their ideas were not suitable to India. He was, however, influenced by the protectionism of Friedrich List and the positivistic methodology of August Count. He advocated positive measures for the eradication of India's Economic ills. He stood for state intervention for the realization of Economic ends. He suggested investment of foreign capital as well in the country for the rapid growth of industries. He proposed immigration from thickly populated agricultural regions to new lands for the promotion of economic and moral well-being of the people. He advocated changes in land revenue policy of the Government. In brief, his economic philosophy was opposed to the economic ideas of Smith and Ricardo. However, he cannot be categorised as Marxist either as he did stand for capitalistic development in India.

As already said, he did not accept Dadabhai's Drain Theory and attributed appalling poverty of India to the following factors:-

- a) The dependence on agriculture as the soul source of wealth production.
- b) Th lack of capital for investment in new industries.
- c) The antiquated system of credit.
- d) The over-crowding in certain areas.
- e) Lack of adventurousness.
- f) The incongruity between the current need of mobile economy and conservative social structure.

The economic amelioration of the country was possible through the simultaneous promotion of industry, trade and agriculture.

He laid special emphasis on the precarious condition of the peasants on account of their sole dependence on agriculture. The ever increasing land revenue further exasperated the condition of the fillers. Hence, he suggested that the ryot should be brought out of morass of indebtedness and the land revenue system should

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be reformed. He proposed a reorganisation of rural credit on the patters prevailing in Switzerland, Hungary, France, Belgium and Italy.

Ranade was opposed to the policy of the Laissez Faire. He favoured industrialisation and recommended advance of loans to the private enterprises at the cheap rate of interests. He suggested the development of Iron, Coal, Paper, Glass, Sugar and Oil industries. He advocated the flow of capital in agrarian industries as well. He exhorted the Government to establish deposit and finance banks.

His views regarding the establishment of new industries have been given weight by the fathers of our Republican Constitution. As a visionary, he visualised that if industrialisation did not take place in India she would not be able to survive in a world of deadly competition.

### CONCLUSION

Ranade's social economic and political ideas reveal that he was a social reformer, a keen economist and an ardent nationalist. His essays on Indian Economies and his miscellaneous writings reflect his archolarly creativism in the context of Indian Social Sciences. However he cannot be regarded as an economic philosopher belonging to a new school of thought. He failed to evolve systematically inter-related concepts of economic science for future analysis by the Indian economists.

Ranade's emphasis on liberty was a commendable contribution to the Indian political thought. He championed the cause of freedom – freedom of all types. He suggested removal of all fetters which enchained the freedom and thus dwarfed a nation. Ranade was undoubtedly the prophet of an intervenist state in India and a champion of exalted Indian nationalism. Ranade was infact keen to restore confidence which the Indians had lost due to the perpetuation of the rule of the Imperialists. Hence he described the Indian race as the chosen race'.

Ranade occupies a significant place in the history of economic thought in order to make economic studies more realistic and meaningful. Ranade suggested the study of economic problems in the national context. He was really a national economist. He has been characterised by Sir J. C. Coyajee as an economic relativist and by Prof. D. G. Karve as the first economist who suggested planning many of Ranade's suggestions were put into practice.

His suggestion for re-organisation of credit system led to establishment of land mortgage banks. His advocacy of many-sided economic development and state action helped to great extent in the eradication of poverty. Besides being an eminent economist and able historian, he was a leader of thoughts and great patriot.

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