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Dr. Priti Tiwary
Assistant Professor
Department of Political
Science, S.G.R.R (P.G.)
College, Dehradun,
Uttarakhand, India

The ideology of socialism in Indian constitution

Dr. Priti Tiwary

Abstract

Socialism is acknowledged as the cherished goal of Indian political system. Socialism lays emphasis on the welfare of the people, it seeks to give equality to the people and tries to remove exploitation of one class by the others and ensures economic and political equality to all. It has been held that not only political but economics and social democracy are equally essential for the development of the country. Under article 14 to 18 of Indian constitution right to equality is defined, in which all citizen are equal before law. On the basis of any caste, creed or religion nobody should be denied of his legal right, thus ensuring social equality. Untouchability was a curse on Indian Society, Which was abolished, practices of untouchability in any form was forbidden and made punishable. Title such as sir, khan sahib, etc was abolished. Private Banks were nationalized, PSUS were established. In other social reform, education was made free and compulsory up to the age of 14 to all. Steps were also taken for the benefit of backward classes, to bring justice and progress for them. It is so significant and imperative for the modern democratic polity that the Indian Constitution Despite being permeated with the spirit of socialism, necessitated the 42nd amendment in 1976 to get the word socialism inserted in the preamble of the constitution as the basic philosophy of the Indian Polity. This basic constitutional concept has added to give economic content to justice equality and fraternity and to affirm the resolve of non-discrimination on ground of religion. Social and economic justices are the pillars of socialism. That is why, the framers of our constitution have prescribed these fundamental principles in shape of directive principle of state policy in part 4th of our constitution to establish a welfare state based on the principles of socialism. The holy spirit of the socialism enshrined in our constitution need to be safeguarded by all of us, so that we can have all round progress with peace and harmony.

Keywords: Socialism, enshrined, abolish, untouchability, creed, imperative, necessitated, cherished

Introduction

The modern political system, all the world over, is fashionably enamored of two political ideologies — Socialism and Secularism, which are complementary to each other and have taken different shapes even in the fascist, totalitarian and dictatorial regimes. These two political concepts are so significant and imperative for the modern democratic polity that the Indian Constitution despite being permeated with the spirit of Socialism and Secularism, necessitated the 42nd amendment in 1976 to get the words like 'Socialist' and 'Secular' inserted in the Preamble of the Constitution as the basic philosophy or postulates of the Indian polity. These basic constitutional concepts were added to give economic content to justice, equality and fraternity and to affirm the resolve of non-discrimination on grounds of religion. Thus both socialism and secularism are acknowledged as the cherished goal or professed aim of the Indian political system.

Our goal is to achieve a socialistic pattern of society in India. Socialism lays emphasis on the welfare of the people. It seeks to give equality to the people and tries to remove exploitation of one class by the other and ensures economic and political equality to all. It has been held that not only political but economic and social democracies are equally essential for the development of the country. Social and economic justices are pillars of Socialism. That is why; the framers of our Constitution have prescribed these fundamental principles in the shape of Directive Principles of State Policy in part IV of our Constitution to establish a welfare state based on the principles of Socialism.

Correspondence
Dr. Priti Tiwary
Assistant Professor
Department of Political
Science, S.G.R.R (P.G.)
College, Dehradun,
Uttarakhand, India

Marxian Socialism

Marxian Socialism is generally known as Scientific Socialism. It is scientific because it is based on the study of history. There are mainly four pillars of Marxian socialism. There are as follows:

Dialectical Materialism

Marxian dialectic has given a right shape to the Hegelian dialectic. The difference between the two proceeds from the fact that whereas for Hegel the ultimate reality is spirit or reason, for Marx it is matter in motion. According to Hegel, the historical development takes place under the stress of conflict between nations. Its moving forces are ideas. Marx, on the other hand, holds that units, in which humanity becomes organized in the course of development, are economic classes and not nations. The goal towards which the dialectical materialism is moving is the society perfectly organized for production in which there shall be no class distinctions and no exploitation. It represents the final synthesis which would not give rise to its antithesis.

Historical Materialism

Historical Materialism is the direct application of the principles of dialectical materialism to the development of society. It is, in fact, an economic interpretation of history. This theory starts with the belief that economic activities are the basis of political, legal, cultural and religious institutions and beliefs. The theory starts with the simple truth that man must eat to live and in order to eat he must produce. Thus his survival depends upon the success with which he can produce what he wants from nature. Production is the most important of all activities. Society is the result of these necessities of man. According to the materialistic interpretation of history the course of history is solely and ultimately determined by the economic forces. The final cause of all social and political changes lies in the mode of production. The doctrine of class war is a natural corollary of Marxian theory of materialistic interpretation of history. Marxian thesis is that in every system of production the society becomes divided into two hostile groups with conflicting interests. According to Marx, "The history of all hitherto existing society is the history of class struggle. Freeman and slave, patrician and plebeian, lord and serf, guild master and journeyman, in a word, oppressor and oppressed, stood in constant opposition to one another, carried on an uninterrupted now hidden, now open fight, a fight that each time ended, either in a revolutionary reconstitution of society at large or in the common ruin of the contending classes" Thus the history of humanity is the history of class struggle, whatever the form of struggle the fact of class war is fundamental.

Theory of Surplus Value

The theory of surplus value has been discussed by Marx in *Das Capital*. It is based upon the labour theory of value formulated by Sir William in England and was later developed by the classical economists like Smith and Ricardo. Marx pointed out that it is labour alone that produces value. The value of the price that the thing fetches should go to the labour. But this is not so in actual practice. The labour is given only his wages which are just enough to keep him active. The capitalists give only a little to the labour and keep the rest for themselves. Marx called Surplus Value as 'Concealed Labour' or labour not paid for. Surplus

value was the difference between the value of commodity and the wages received by the labour. The appropriation of surplus value by the capitalists is simple and pure exploitation. It is this appropriation of surplus value by the capitalists which makes the capitalist system exploitive in nature. Marx used the theory of surplus value to prove his thesis that capitalism is by its very nature exploitive.

Dictatorship of Proletariate

According to Marx, capitalism is inevitably doomed to destruction and communism is bound to come. But after capitalism is destroyed communism will not spring up all above. Its march will be preceded by what Marx called 'Proletariat Dictatorship'. It is an essential stage in the course of transition from the capitalistic society to socialistic sovereignty. According to Marx, the state was an obstructive force in social revolution. It was the agency through which the ruling class imposed its will upon the subject classes. He said that even when capitalism was overthrown and the dictatorship of proletariat was established, the state was to continue for some time. The reason was that the machinery of the state was to be used by proletariat for the purpose of crushing the resistance of the capitalists. However, with the work of destruction being finished, the state was to wither away. Thus the state was not to be a permanent institution.

Gandhian Socialism

Gandhian Socialism requires that there should be no exploitation of man by man. Every man has to live a life of virtue. There should be no gambling immorality or class hatred. *Satya* and *Ahimsa* are the foundations of his socialism. Gandhi ji was in favour of dispossessing every person of all his private property if that could be achieved by truthful and non-violent methods. According to Gandhi ji, people should utilize their property for the benefit of their community. If universally practiced, trusteeship would lead to economic equality and equitable distribution. In the words of Gandhi ji "Trusteeship proves a means of transforming the present capitalist order of society into an egalitarian one, it gives no quarter to capitalism but gives the present owning class a chance of reforming itself" He repudiated the state on ethical, historical and economic grounds. According to him, the state represents violence in a concentrated and organized form. In his own words, "I look upon an increase in the power of the state with the greatest fear, because although while apparently doing good by minimizing exploitation, it does the greatest harm to mankind by destroying individuality which lies at the root of all progress" Both Gandhi ji and Marx wanted to establish an order which would make the masses co-sharers in the gift of nature and fruits of human labour. But while Gandhi ji insisted upon adherence to truth and non-violence for achieving this object, Marx did not care for the means provided they could achieve the end as quickly as possible. Marx put forward the theories of class war and dictatorship of proletariat, while on the other hand, Gandhi ji pronounced the theories of *Varna*, *Dharma*, *Satyagraha*, *Decentralization* and *Trusteeship*. It should be remembered that the greater part of the differences between various theories of socialism is based not so much on nature and definition of socialism but on the method and tactics of changing the present capitalist society into a socialist one. However, one thing is common to all the above groups of socialism. They lay emphasis on the welfare of the people.

Socialism seeks to give equality to the people. It tries to remove exploitation of one class by the other and ensure economic and political equality to all. The essentials of socialism may be summarized as follows.

(a) Socialism puts emphasis on Society

Socialism puts more emphasis on society than on individuals. It subordinates the individual interest to the higher interest of the society. According to the socialists, the whole of the productive system of the country should aim at producing only those things which are needed by the society. Socialism puts emphasis on the organic unity of the society. It aims at organizing society in the interest of individual freedom. It implies the provision of those opportunities which enable an individual to live a full and free life and also to do that which is considered to be right by him. In the words of Sriman Narayan “Socialist society would be the establishment of social and economic order based on equality of opportunity and on social, economic and political justice”

(b) Socialism aims to the elimination of Capitalism

Capitalists are the natural enemies of working class. Capitalism results in unequal distribution of wealth. Under this system, the workers are given only a little share and the surplus goes into the pockets of the capitalists. It is an exploitation which is a big obstacle in the way of social justice. Capitalism also leads to unfair distribution of wealth of the country. It is based on the principle of profit making. Some ten or eleven thousand years ago, wealth was invariably concentrated in the hands of a few. The rich owned the means of production and everything else they needed to maintain their dominance. Characterizing the development of the civilization dominated by private ownership, Engels wrote, “Naked greed has been the moving spirit of civilization from the first day of its existence to the present time, wealth, more wealth and wealth again, wealth not of society, but of this shabby individual was its sole and determining aim”

(c) Socialism stand for Equality

The socialists condemn the existing inequality created by the present capitalistic system. There is no fair competition between the rich and the poor on account of the existing economic inequality. The danger of starvation forced the workers to accept whatever is offered to them by the capitalists. As Victor Turovsev remarks: “The purpose of the capitalists is to enrich the ruling class and exploit the working people”. Under socialism, the link between labour powers and the means of production is based on the community of the working peoples’ economic interest, on their mutual dependence. Production is organized, guided and regulated by their joint efforts to improve the well-being of all.

(d) Socialism stands for the abolition of Private Property

Socialism wants to abolish private ownership of property. It wants to transfer the means of production to social ownership. It wants to bring about a state of affairs in which all men become owner of property, leading to a healthy and prosperous life for them. In the words of Marx, “Capitalism cannot be vanquished without repealing private ownership of the means of production”.

Socialism in India

Some sentimental and humanitarian ideals regarding human fraternity, solidarity and spiritual equality are found in the Rig-Veda and in the Buddhist scriptures, especially the Dhammapada but Socialism as a philosophy of social and economic reconstruction is developed and popularized in India solely due to the impact of the West. The growth of socialist thought in India is almost absolutely a phenomenon of the twentieth century, unlike the West, where pre-eminent socialist thinkers flourished in the nineteenth century. In the articles of Bal Gangadhar Tilak written in 1908 in the Kesari, there is mention of the Russian Nihilists. But they are mentioned as a group of terrorists or anarchists. There is no evidence to show that Tilak had any acquaintance with the ideas of the eminent Nihilistic philosophers like Pisarev, Chernyshevsky and Dobrolubov. Lala Lajpat Rai was possibly the first Indian writer to write about Socialism and Bolshevism but his attitude to Bolshevism is unsympathetic. In 1921-23, M. N. Roy wrote his India in Transition and Indian Problem in which he engaged in a bitter criticism of the bourgeois domination of the Indian National Congress. He wrote as a confirmed Marxist and held that Lajpat Rai was 'a bourgeois politician with no sympathy for Socialism'. M. N. Roy and Virendra Chattopadhyaya were the two Indians intensely interested in Communism in the early twenties. C. R. Das in his presidential speech at the Gaya Congress (1922) referred to the great event of the Russian Revolution of 1917, but he did not show any sympathy for it. Without being a socialist, Das, however, helped in the building up of a Trade Union movement in India.

Although the economic and political theory of democratic socialism has been borrowed mainly from England, nevertheless some thinkers and writers in India prepared the intellectual background for the reception of this ideology. Indian culture from the Vedas, the Upanishads and Buddhism to the times of Ram Mohan Roy and Gandhi has emphasized the aspect of tolerance of contrary and contradictory opinions. The ideal of intellectual tolerance of the view of opponents is a democratic heritage. Vivekanand and Rama Thirtha felt that the Hindu Sannyasis who had renounced the attachment to wealth and power were true socialists. Vivekanand's denunciation of the so-called upper castes in Indian society was trenchant. Bankim Chandra preached the notion of Samya and talked about relief of the agricultural workers. Dadabhai Naoroji believed in redeeming the laborers' from exploitation.

Socialism is, perhaps, the most significant and emotion-charged concept in international politics today. Several Indian thinkers and leaders also began to formulate some kind of a socialist ideology.

Jaya Prakash Narayan was the most well-known and recognized personality in the field of Indian Socialism. It was his important contribution to have joined the socialist movement in India to the great struggle for national freedom that was being fought under the banner of the Indian National Congress. Narendra Deva and Jaya Prakash Narayan tried to orient the socialist ideology to the emancipation of the masses from imperialist political domination and native feudal thralldom. Hence they emphasized the socialist philosophy as a war-cry on two fronts-national liberation struggle and social revolution. In the context of the immense poverty and decadent agricultural society of India, Narayan has stressed the elimination of the restraints, both mechanical and social that

hampers agricultural productivity. Dr. Ram Manohar Lohia has made a significant contribution to the progress of socialist movement of India. He had been a fiery propagandist of socialist thought in India and pleaded for a greater incorporation of Gandhian ideas in socialist thought. As a socialist intellectual Ram Manohar Lohia had done vigorous thinking.

Impact of Socialism

The greatest sources for the propagation of socialist ideology in India have been the Congress Socialist Party and Jawaharlal Nehru. Sardar Vallabhbhai Patel had enunciated in 1935 that true Socialism consists in the development of village industries. He further maintained that in the Western World, mass production had resulted in the creation of chaotic conditions. In refuting his point of view, Jawaharlal Nehru pointed out that the poor sections could not be allowed to rot under a system of underdeveloped economy. He opined that the basic evil did not lie in the system of production but in the inadequacy and malformation of the distribution system. Indian Socialists have contended that large-scale mechanization will release human labour power which can be profitably utilized for other creative work. They state that it is only a perverted vision that wants to utilize human power in all those works of drudgery which can very well be done by machines. They recognize that mechanization will, of course, create some degree of unemployment but this problem of unemployment can be solved by some other means and not by tying ourselves to a primitive society based on utilization of human labour-power only. Indian Socialists say that what has failed is not the machine but the wrong application of the machines by monopoly capitalism and a tyrannical state.

After Independence, the Congress Socialist Party became committed to the ideal of democratic socialism. Ashok Mehta wrote a book entitled *Democratic Socialism* wherein he rejected the idealistic theory of the State and totalitarianism. He preached, like Laski and Barker, the notion of plural State and felt that Socialism was not antithetical to culture. He stated that the planned economics of Russian Communism tends to centralization. But democratic socialism is committed to cultural pluralism and certain absolute concepts and criteria of ethics.

In 1964, the All India Congress Committee passed a resolution at Bhubaneswar wherein they stressed democratic socialism. Kama raj (1903- 1975) as the Congress President emphasized democratic socialism as the ideal of the Congress and invited all socialists to join its rank.

Democratic Socialism as it is being advocated in India claims to be an alternative to state capitalism and bureaucratic tyranny. State capitalism can be more heartless and cruel in its techniques of suppressing freedom than private capitalism. A private capitalist can only engage in the economic exploitation of the laborers. But when the state becomes a capitalist, then, on certain occasions, it can even legally arrest a laborer for engaging in what it considers illegal practice. The controlling devices of the state can be more ruthless than those of the private capitalists. Democratic Socialism, to be successful, has to make provisions for ending the dreaded evils of state socialism which is an euphemism for state capitalism. It must provide for increasing workers' participation in the managerial processes. Mere advisory councils of workers are not enough. Indian Socialists are more fascinated by the

experiments of the Social Democrats in Germany and the British Labor Party. They contend that it will be a retrograde step in culture to reduce men to the condition of animals by crushing them under the heels of an armed bureaucracy and total regimentation. Hence they want to put adequate emphasis on individual initiative and freedom. They do not think that the all powerful state alone can bring into existence a state of prosperity and growth. Moreover, it will be suicidal on the part of the state to crush individual development under the name of Socialism. The Socialists sincerely want to utilize the instrumentalities of the State for effectuating social and economic reconstruction. But they do not want to vest it with arbitrary and dictatorial powers. According to Indian Socialists, their system alone will release the energy which will build a society based on leisure, in which the evils of capitalism will be ended in which talent will come from the classes which have so long been considered backward and inferior, in which illiteracy will vanish, in which sufficient attention will be paid to the development of all kinds of art, literature, science, philosophy etc. While the Communists, in India, are singing the praise of Russia and lately of China, Socialists believe in an economy and polity which will be Indian and not a carbon copy of the Russian system. An attempt has been made by Indian Socialists to build a non-proletarian basis for carrying forward their schemes of social reconstruction. They felt that more than the urban and industrial workers, the Indian rural workers and the landless farmers are the most exploited sections of the Indian Society. Indian Socialists hold that for the last several centuries the backward classes and the scheduled castes and tribes have been mercilessly exploited and suppressed. Socialism wants that full economic and social opportunities should be provided to these sections. Hence the SSP demanded that 60% of the posts under the government should be reserved for the backward sections, including among the backward also women and Muslims. Indian Socialists remark that only Socialism will provide relief to the vast majority of the poorer sections of the Indian society.

Democratic Socialists assert that intellectual criticism is the foundation of every progressive. Hence scientific researches have to be encouraged. Like their European counterparts, the Indian Socialists also say that only in a socialist society it will be possible for the vast masses to reap the advantages of scientific inventions which, so far, are generally utilized for the personal advantages of the capitalists. Indian Socialists want to realize their ideals by democratic means and they have no desire to categorize some people as permanent rulers and some people as permanent ruled. Socialists want to free human beings from a system of slavery which capitalism breeds. The Indian Socialists have received considerable inspiration from the researches of the Russian biologists who pointed out that it is a dogma of aristocratic racial philosophers to propound that people are made for ruling and some people are made for being ruled. So far as the impact of Socialism on the Indian political system is concerned, the Zamindari system which was a source of great exploitation and evil in Bihar and Uttar Pradesh, had been abolished immediately after the adoption of the Indian Constitution. The amendment of Article 31 of the Indian Constitution sought to give power to the State to take away private property for public purposes. The quantum of compensation in such cases was not justiciable. In other words, the legislature or the executive could fix the

compensation that was to be paid to those whose properties were requisitioned. Influenced by socialist ideology, important public sector enterprises were set up in this period in the field of iron and steel, electricity, hydro-electric power etc. It is very true that the total amount of investment in public sector enterprises in India was only to the tune of 20 per cent. This figure is much less than the figure for the so called capitalist countries of Western Europe and America. Moreover a socialist thinking had also been growing that the dividends of the enterprises must also be utilized for the enhancement of the welfare of the workers. Mere state control of the means of production is not enough. The distribution of the national resources for the enhancement of the good of the workers is also a prime necessity. Estate duty as well as heavy and progressive income-tax are being used to reduce the disparities in income of the lowest and the highest. Thus, the Indian political system has made much headway in the path of achieving the ideals of democratic socialism.

It is true that Karl Marx and Lenin, the two most famous names in the history of socialism, were materialists. Marx had written his doctoral dissertation submitted to the University of Jena, on the difference between the materialistic philosophy of Democritus and Epicurus. Lenin was a militant atheist. In India also, we have different schools of thought like idealism, materialism and atheism. Buddhism, Jainism, the Samkhya and the Mimamsa are atheistic. Kautsa and Charvaka (Brihaspati) were recognized exponents of anti-Vedas. But I do not think that socialism, in the primary sense of a philosophy of economic organization wherein ownership of the means of production is prevented from being transformed into a source of obtaining power over others, and wherein control of the means of production is divested from private owners and given to the state, is necessarily and logically attached to any one particular system of metaphysics, whether it is idealistic or materialistic. It is true that a militant atheist like Lenin denounced the attempts of Bogdanov, Bazarov, Lunacharsky and Yushkevitch when they tried to incorporate idealistic elements into Marxism

But in India we find that there have been agnostic atheistic and Idealist champions of socialism. Jawaharlal Nehru was an agnostic and Lohia was an atheist. But Dr. Sapurnanand was a confirmed believer in the teachings of Vedanta as well as Yoga. It is therefore possible to accept an idealist approach in the field of metaphysics and cosmology and at the same time to maintain that private capitalism is an inequitable institution and, hence, to sponsor the socialist alternative. There is, however, no reason to denounce western socialism as a social and economic philosophy on the ground that its basis is in materialistic ontology.

Socialism has been variously defined and interpreted. Durkheim made a distinction between the ancient transcendental communism and the modern mechanistic socialism which has developed in the post-Industrial Revolution era as a counterpoise to the evils generated by industrialization. The key-concept in modern socialism has been the socialization of the means of production. Sometimes, socialization and nationalization are used interchangeably. But a distinction must be made.

Socialization & Nationalization

Socialization is certainly something more than nationalization. it is possible that through nationalization the

power of the big government may be enhanced and there may be the triumph of omnipotent bureaucracy. But nationalization cannot gratify the economic demands and social goals of the people without the realization of socialist values. Nationalization of the means of production may result either in state capitalism or state socialism. Genuine socialization, on the other hand, implies the realization of the values of equality, public welfare, fearlessness and justice. Nationalization is only one vital and dominant technique is socialism, but socialization is more than nationalization. There need be no quarrel with the philosophy and ideology of socialism. But, in practice, in several countries, we find that it has various evils. It has resulted in the proliferation of state capitalism instead of the withering away of the state. The state has become firmly entrenched in some socialist countries and may itself act as a powerful agent of exploitation. There is no chance of the state withering away in China.

In India, we find that the proliferations of the public sector enterprises, which are supposed to be the main agents for implementing socialism at the economic level, is operating contrary to the principle of commercial economics. Some of the public sector undertakings have been running into heavy losses. Some of the glimpses of socialism that we are finding in India indicate that it is characterized by the lack of efficiency in government enterprises as well as the want of responsibility on the part of the workers. In the peculiar situation in this country, it has become difficult to punish anybody for dereliction of duties. The concept of rationalization demands that one should work devotedly for the betterment of the enterprise one is engaged in. It is difficult not to say that Indian socialism is not delivering the goods that were expected of it.

It is true that in developing countries the major problem is to bring about betterment of the economic conditions of the people. Nevertheless, the mounting governmentalization of all sectors of life, even in India, makes it imperative that we should address ourselves to examining once again the views of Hayek that socialization means opening the road to serfdom, and of Mosca that socialism will reduce every person to being the servant of the state. Socialism must result in the realization of the basic human values of liberty, equality, fraternity, justice and fearlessness.

Onslaughts of Bureaucracy

Socialist parties would like to have a bureaucracy genuinely committed to the implementation and institutionalization of socialism. In this modern world, we cannot avoid gigantic organizations and big structures. Apart from increasing governmentalization, consequent upon the growing nationalization of the dominant sectors of the country's economic life, even modern technology is leading towards bigness. It is easy to talk of devolution and decentralization but, in the context of modern life, bigness cannot be avoided. Even the decentralized units of any organization must have their district headquarters and also provincial and national headquarters which, eventually, tend to become huge organizations employing large personnel and entailing enormous financial investments. The main problem is how to safeguard the liberation values of the individual in face of such enormous expansions at different levels.

Bureaucratization, today, cannot be eliminated from the government. To the contrary, bureaucratic organizations are developing even in non-political spheres. A new class of

bureaucrats and technocrats is emerging. To organize a cultural organization of the youth to fight the evils of bureaucracy, on the Maoist lines, does not seem possible in India. Experience, however, shows that bureaucrats are not a monolithic unit. There are numerous divisions even amongst them and hence it does not seem correct to conceive of bureaucracy as a major organized opponent of socialist values.

Of course, the only solid way for avoiding the evils of bureaucracy is to strengthen the people in their determination to resist the onslaughts on democracy, because, in the last analysis, it has to be noted that there is no alternative to the grit and determination for fighting to preserve one's freedom. Freedom cannot be given. It has to be fought for and maintained. Hence it is for the citizen to develop the consciousness of their rights so that the possible encroachments of a bureaucratic character upon freedom, culture and education can be counteracted.

New Economic Policy

Indian politics, like global politics, has witnessed dramatic changes during past two decades or so, particularly after the disintegration of Soviet Union and collapse of socialism as a model of economic development in East European countries as also in Yugoslavia. In this process of change, some new trends are emerging in Indian politics which are contrary to the concept of socialism India has fostered. The process of economic liberalization was initiated by Narsimha Rao government as the development-oriented basis of plans. Obviously, under the dictates of IMF-WB and G-7, the so-called 'new economic policy' was formulated which had far-reaching socio-political consequences.

India began with economic management in 1990-91 to place the economy on suitable path (at the moment when Soviet Union disintegrated even after some basic structural changes). By enhancing the speed of 'commodity production', new techno-economic paradigms have internationalized the product process which in fact deciphers the concept of competitiveness in world market. Most interesting thing about the analysis of reform programmers in India from the western countries, is its criticism for slower pace as compared to the changes taking place in the other parts of globe, especially in the field of production and transaction, but western media have not only misinterpreted the ramification but have also turned its face from the reality of crises agglomeration. Structural reforms as the condition for the assurance of so-called financial aid have touched the primary human values without considerable advantage. Restructuring was initiated in the form of industrial policy reforms, public sector reforms, agricultural reforms, trade and exchange rate reforms and reforms in regulation Acts, e. g. MRTP and FERA. An appropriate generalization of all these reforms lies in the simple argument that it is delimitation of state's sphere of activities in nation's economic progress. Such reforms thus ignore the prospects of socialism out rightly. The 'structural adjustment' as an imported policy to surmount the economic crises in developing countries has not provided an amenable solution to the socio-economic problems of majority of countries especially Latin American. India is no exception to it- the nation which is committed to attain socialistic pattern of society, has not been digesting anti-socialistic elements and measures of the pact being imposed by foreign forces which can be significantly interpreted in the form of four D's-

Devaluation, Denationalization, Deregulation and Desubsidisation, which are being advocated as macro-economic stabilization by western evaluators.

The economic invigoration of a particular country can rightly be emphasized with the rate of increase in investment. But most important aspect in this direction is that not only in India but in almost entire developing economies, state revenue does not compose a substantial source of capital investment and, therefore, increased rate of investment in economy is only possible from big business, NRIs and MNCs. Will these sources up-grade the national economy to tune with speed of transformation at global level? Free and frank invitation to MNCs and ingenuous emasculation of mechanism of State control on the means of production may drag the state economic system to the curses of capitalism.

Capital investment as a phenomenon has its own ingredients, such as basic economic infrastructure, market potential and maximum profitability. Do the factors such as — unequal international division of labour, wide disparities in wages, labour costs between developed and developing countries and wide technological gap between developed and developing world, permit state to be withered away at once? This is what denationalization means in which capital is supposed to play pre-dominant role in value determination of individual. The success of privatization and liberalization which are being supposed attainable through recomposition of the structures of commodities production and value allocation depends upon the efficiency of micro-economic.

Besides denationalization, new economic policy is aimed at the enlargement of investment as a means of substantial development by encouraging the multinationals and NRIs through the reduction in the control of expansion and scrap of protective veil on indigenous production units which may fairly be stated as deregulation or decontrol. Ramifications of such practices may be perceived in the form of relicensing the foreign investment which in result would lead to denationalization of capital investment, decodifying MRTP which would lead to concentration of capital in a few hands in form of monopolies, and scrapping FERA which would open up the fields of primary commodities production to MNCs simply on the principle of maximum return.

To the minimum, explanation of such practices would manifest differential implications for different sections of people. Simultaneous increase in capital investment may provide partial relief, but it is doubtful whether this investment would decompose the reverse impacts of these policies such as unemployment, price rise etc. Here we would like to emphasize categorically that the present concept of globalization which cannot equalizes the value distribution among the individuals and future course of relations might be guided by capital laws which would certainly be more severe for economically handicapped people in a particular nation and weaker nations in world community.

Another important measure being imposed by International Financial Institutions is desensitization of state services and also agriculture sector which is perhaps the most important condition affecting the value disposal system guaranteeing the socio-economic justice to poorer. In the broader sense of value allocation the desubsidisation would lead to collapse of institutions of civil society such as – health, education, transportation etc. Majority of Indian population household

income (with 5 to 6 family members) is less than Rs. 1000 per month which means per capita income is less than Rs. 7. If subsidies are scrapped at once it is supposed to affect not only state services i.e. health, education, transportation, etc. but also to public distribution system. Under these circumstances, IMF package has been described as economic genocide.

The ramification of globalization and liberalization along with the GATT measures may be dismal for amenable economies like that of India where such measures are going to touch the maximum people as compared to any other country in the world, particularly in the form of marginalization of work-force due to greater differential equation of wages and labour. The capital monopolies will come up with new impetus not only in the field of production but also in the field of marketing and services. What will be the accessibility of under-developed economies in world market system if R & D will become an exclusive job of foreign capitalists and moreover is not it the externalization of process of policy formulation for our own people having governed by so called democratic government if our own local skills and producing units are to be left emasculated in the hands of foreign capitalists or if wage-labour is being authenticated by a few handful multinationals? We cannot say it burglary simply because we are being left free to choose the participation in global market through this agreement.

Thus the process of liberalization and economic reforms have become an inevitable part of our political system since mid-1991. There has been an increase in foreign investment; foreign exchange reserves have grown steadily and currency transaction in the current account have been made convertible. Yet much remains to be done as the pace of reforms with the backdrop of economic liberalization has been brisk. India is yet to catch up with international trends. If the process of liberalization in India is to stay, the entry of multinational companies has to be ensured.

Nevertheless, the collapse of socialism (planned and controlled economies) should not put an end to our social imagination, if we think in terms of a classless society or welfare concept. The failure of socialism was of performance and not of faith. It is still noble vision which can help wiping out poverty and oppression from the world. It is good that we have taken painful experience how socialism resulted into statism; it is also good that we are moving towards a new vision of capitalism, based on market driven forces, in which public policy is needed instead of central planning or the license - quota permit raj. However, care has to be taken that India's democratic path of transformation of her controlled economy may not become the victim of authoritarian path, endangering national unity and political legitimacy, because the trend of globalization contains the germs of imperialism of 16th century vis-a-vis the capitalist world economy which is being followed by the West, China, Japan etc. after the collapse of the USSR.

Conclusion

Within the limits of the Indian Constitution, as it stands, one can make substantial progress towards the realization of social justice and socialism. Articles 14, 15 and 17 which have guaranteed legal, social, racial and religious equality are tremendous milestones, if seen in the context of the previous Indian tradition of despotism and ecclesiasticism. The Indian *Dharma-Shasta's* blatantly preach the gradation

of punishment according to the *Varna* of a particular person. They have no conception of the rule of law. Hence, in the Indian historical perspective, it must be acknowledged that the Indian High Courts and the Supreme Court have played a monumental role in safeguarding the legal and social equality of citizens. The judgments delivered by the higher courts safeguarding liberty and equality are important charters in the realization of legal and social freedom in India. This trend has to be strengthened in the interest of democratic socialism.

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