



## Dr.Ambedkar Economic Philosophy and Contributions towards Social and Economic Development

Dr.M.Krishnamoorthi<sup>1</sup> , Dr.A.Abdul Raheem<sup>2</sup>

<sup>1</sup> Assistant Professor in Economics, Saraswathi Narayanan College, Madurai-625022

<sup>2</sup> Associate Professor in Economics, The New College, Chennai-600014.

### ABSTRACT

*Ambedkar contributed significantly in the evolution and development of modern India during a crucial political activities, he was driven by desire to understand the vital national issues that the country faced and to find solution. Ambedkar believed that the social and individual efficiency requires us to develop the capacity of an individual to the point of competency to choose and make his own career. Ambedkar differed with those who believed in a single-purpose approach. He observed that "if conservation of water was mandatory from the point of view of public-good, then obviously the plan of embankments was a wrong plan. It was a means which does not sub serve the end, namely conservation of water, and must, therefore, be abandoned." The appropriate method, according to him, was to follow the approach adopted by some developed countries, that is, "to dam rivers at various points to conserve water permanently in reservoirs" and put it to multipurpose use. Such reservoirs, besides irrigation, could be used for generating electric power and navigation. In formulating the water policy, the main issues for which Ambedkar had to provide an answer, in agreement with the Provinces and the States, included: (a) The justification to have an all-India policy for irrigation and electric power development; (b) Justification for the need for active participation of the Central Government in the development of irrigation and electric power projects on inter-State rivers. Ambedkar with his political status, immense concerns and high scholarship was successful in persuading the Provinces to have an all-India policy, to develop the instrument of River Valley Authority to manage the project on inter-State rivers for multipurpose development and with active participation of the Central Government. He observed that "social and economic democracy is the tissue and the fibre of a political democracy. In the field of Dr.Ambedkar stands for nationalization of basic and key industries only He suggested that some of the spheres of production should be available to the private sector and taking into consideration the interests of the society, it should be decided as to which industries should be operated through the state. Ambedkar's writing on economics are varied in nature, nevertheless their perusal offers us an insight into his thinking on economic development. Ambedkar's views on economic development go back to the year 1918, when he participated in an academic debate on the problem of small holdings in India and its remedies. Beginning with a discussion of the problem arising out of the smallness of land holdings, it went on to analyze the backwardness of the agricultural sector as a whole and ended with the proposed solution of capital investment in agriculture and industrialization for the overall development of the economy.*

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<sup>1</sup> Assistant Professor in Economics, Saraswathi Narayanan College, Madurai-625022

<sup>2</sup> Associate Professor in Economics, The New College, Chennai-600014.



## Introduction

The evolution of economic and political framework of present day India can be traced back to crucial period in Indian history from the early 1920's to mid 1950's. It is during this period the major part of struggle for freedom was fought and independence realized, the process of constitution making began, which ultimately led to 1935 Act and the new constitution. At the same time this period also brought forth a galaxy of eminent persons who contributed tremendously to this process and making of modern India. It is important to recognize that Dr. Bhimrao R. Ambedkar (1889-1956) emerged on the scene during this crucial period. In several respects however, he stood apart from his eminent contemporaries because he combined in himself a distinction of being a great scholar, statesman and social revolutionary, a combination that is rarely come across. A prolific writer, he had imbibed knowledge that was vast and covered such diversified fields as economics, sociology, history, political science, law, constitution and religion. Over a period of nearly forty years of immensely academically, socially and politically active life, Ambedkar contributed significantly in the evolution and development of modern India during a crucial political activities, he was driven by desire to understand the vital national issues that the country faced and to find solution. Ambedkar addressed and contributed practically on all issues of national importance that arose during the early 1920's and mid 1950's.

Most memorable of Ambedkar's contribution include his intellectual efforts in articulation of political and economic framework for India in the form of Indian Constitution right from 1919, the problem of minorities and issue of Pakistan, reorganization of the States, reform of the Hindu social and religious order, social policy, labour policy and number of other issues but above all the social and political efforts for the upliftment of deprived classes.

Dr. Bhim Rao Ambedkar was basically an Economist, a keen student of Professor Seligman. Dr. Ambedkar started his career as a teacher in Economics after getting his Ph.D. for his thesis, "National Dividend of India - A Historic and Analytical Study", from Columbia University in 1916. He resumed his studies at London in 1920 and was awarded the degree of M.Sc., in 1921 for his thesis entitled "Provincial Decentralization of Imperial Finance in British India". As an intellectual, right and critical thinker and analyst, his range of comprehensive thought and analysis covered issues ranging from caste and untouchability to land reforms and foreign policy of India. He used to go deep into any subject to bring out an original analysis of the same. Ambedkar was also a lawyer with forensic intellect. As a member of the provincial and Central Legislatures, as law and labour of the variety of the Viceroy's Council and later as a Union Cabinet Minister, he had a various of experience from various fields. He produced eleven books on topics of contemporary interest. Thus, Ambedkar was one of the few modern Indian public men whose thought ranging over a variety of subjects that deserve to be studied. It is a lesser known fact that Dr. Ambedkar had written extensively on economics in general and the Indian Monetary System in particular. Eminent economists of like J.M. Keynes, Edwin R.A., Seligman, and Edwin Canon had appreciated his economic ideologies. Also, his statement of evidence submitted to the Royal Commission on Indian Currency and Finance in 1924-25 was well received by the contemporary Englishmen. In this paper an attempt is made to provide an overview of **Dr. Ambedkar Economic Philosophy and Contributions Towards Social and Economic Development** to the economic thoughts. Some of the economic ideas of Dr. Ambedkar are presented here.

## Economic Consequences

The manner in which the formal economic rights concerning the private property, occupation, employment, wages, education and informal rights (i.e. norms, custom, values etc.) concerning dignity of labour were devised and evolved under the Hindu Social order, it could not but produce immense economic inequality and general atmosphere of backwardness. The adverse impact on the motivation to work and invest was quite obvious. The rules governing employment reduced incentive to work. The restriction on occupational mobility and hence of



labour, capital and entrepreneurship across economic activities for generality of people discouraged investment. Such restrictions on factors mobility reduces the competition and create imperfect and monopolistic situation in the markets. Further the restriction on choice of occupation as well as the social status of high and low attached to each one of them generate voluntary unemployment. As observed earlier the division of labour involve under caste system is not spontaneous. It is not based on natural aptitude. Ambedkar believed that the social and individual efficiency requires us to develop the capacity of an individual to the point of competency to choose and make his own career. The principle of individual choice is violated in the caste system in so far as it appoint a task to an individual in advance, not selected on the basis of training or capacities but on the basis of the social status of parents. This obviously affect incentive to work and productivity. The efficiency of labour suffers on another count also. Under the overall scheme of caste system the dignity of labour is severely undermined as some of the occupations are considered socially degrading. Forced into these occupations people cannot be expected to derive job satisfaction if the occupation reduces their social status. There cannot be incentive to work. In fact work efficiency cannot be promoted, if the social position of person is degraded by seeking a particular occupation. As an economic organization caste system thus turn out to be highly inefficient institution, in as much as it involves the subordination of man's natural powers and inclination to the exigencies of social rules. The additional mischief the caste system does is to dissociate intelligence from work and create contempt for physical labour. The dignity of labour is nearly absent in the general scheme of the caste system. A Brahman who is permitted to cultivate his intellect is not permitted to labour, indeed he is taught to look down upon labour, while the Shudra who is required to do labour is not permitted to cultivate his intelligence.

The social restrictions on the choice of occupation become positively pernicious in another way. First, by not permitting readjustment of occupation, caste becomes a direct cause of much of the voluntary unemployment in various groups, because a religious Hindu would prefer to be unemployed for some time than to take up an occupation not assigned to his caste. Secondly, the so called economic efficiency demand that there exist a fair competition in the market. By not allowing mobility of labour, capital and entrepreneurship across occupation, the caste system creates segregation in each of these markets. Far from promoting competition, it bring imperfection and monopolistic situation in the labour and capital markets as it enclosed the exchange with in the caste. The labour and capital thus does not flow from one occupation to another in so far as they system prohibit the labour and capital mobility across economic activities. The brings inefficiency in resource allocation that the neo-classical economists talk so much about.

The economic schemes involved under the caste system had however produced worst possible consequences for the exuntouchable caste. They had no right to property and right to education. They could not use their labour for their own uplift but only to serve higher castes. They could not undertake trade or enter into military service. All possible means of livelihood were denied to them. In this context Ambedkar observe that "even in Europe, when the strong had not shrunk from exploitation of the weak, the strong had never contrived to make helpless against exploitation so shamelessly as the Hindus had done in India. The weak in Europe, had in his freedom of military service his physical weapon, in suffering his political weapon, and in education his moral weapon. These three rights for emancipation were never withheld by the strong from the weak in Europe. But in India all these rights were denied to the exuntouchable. The system thus crippled the untouchable as it denied economic security and independence".

### **Ambedkar Economic Contribution**

Ambedkar brought to bear his political sagacity and ambitions for India's economic development on the new policy for electric power. To enhance electric power development, the Labour Department prepared a policy paper. It suggested that, subject to efficient working, electricity was to be made a State or quasi-State enterprise, but entry for the private sector was not ruled out. Further, electric power development was to be carried out on a



regional basis. The formulation of post-war irrigation and electric power policy and its planning were a joint effort by the Labour Department. While comprehensive technical details were efficiently worked out by the technical experts, political, constitutional and economic questions were resolved by Ambedkar. In formulating the water policy, the main issues for which Ambedkar had to provide an answer, in agreement with the Provinces and the States, included: (a) The justification to have an all-India policy for irrigation and electric power development; (b) Justification for the need for active participation of the Central Government in the development of irrigation and electric power projects on inter-State rivers, (c) Identification, by the Labour Department, of the areas or projects for its participation, and the nature of intervention; (d) Development of the instrument of executive authority to deal with the projects on inter-State rivers to overcome limitation posed by the Constitution Act of 1935; and (e) Adoption of an appropriate development approach of water resource development. Ambedkar with his political status, immense concerns and high scholarship was successful in persuading the Provinces to have an all-India policy, to develop the instrument of River Valley Authority to manage the project on inter-State rivers for multipurpose development and with active participation of the Central Government.

The new water policy was also influenced by Ambedkar's humanistic outlook and his immense concern for the poor and underprivileged. He rarely allowed the planners to forget the significance of irrigation and electric power development for the poor. While pointing out the ultimate objective behind the irrigation and electric power policy, he observed that the planner should be guided by the right spirit and determination to arrive at the best solution and to open a way to the inauguration of a new water policy for a regime of prosperity for the poverty-stricken millions of this country.

### **Indian Constitution Inter-State Rivers and Ambedkar's Role**

This line of thinking, which led to the creation of river valley Authority, was also reflected in the framing of the new Constitution for independent India. When the draft Constitution was submitted on February 21, 1948, it was obvious that it had benefited from the influence of Ambedkar, who was Chairman of its Drafting Committee, especially as regards independent India's water policy. The draft Constitution included Articles 239-242 corresponding closely to Sections 130-134 of the Government of India Act, 1935, as adapted in 1947. These articles used the earlier phrase "water from any natural source of supply". List I of the Seventh Schedule (viz. Union list) to the draft Constitution, however, made a major departure from the 1935 Act and placed the development of "inter-State waterways" under the Union List, the relevant item being: ". The development of inter-State waterways for purposes of flood control, irrigation, navigation and hydro-electric power" Ambedkar moved an amendment to Entry 74 in the Constituent Assembly as follows: 74. The regulation and development of inter-State rivers and river-valleys to the extent to which such regulation or development under the control of the Union is declared by Parliament by law to be expedient in the public interest. The new entry came to be adopted in the Constitution as Entry 56 of List I. No amendment was proposed to Entry 20 in the State List in the draft Constitution and it came to be adopted finally as Entry 17 of List II, which read: Water, that is to say, water supplies, irrigation and canals, drainage and embankments, water storage and water power subject to the provisions of Entry 56 of List I. On September 9, 1949, Ambedkar moved another amendment to insert article 242A as follows, in place of draft Articles 239-242: "Adjudication of disputes relating to waters of inter-State rivers or river valleys" 242A. (1) Parliament may by law provide for the adjudication of any dispute or complaint with respect to the use, distribution or control of the water of, or in, any inter-State river or river valley.



### **Water Management**

The Ambedkar remedy suggested was single-purpose in nature, namely to control floods. Ambedkar differed with those who believed in a single-purpose approach. He observed that "if conservation of water was mandatory from the point of view of public-good, then obviously the plan of embankments was a wrong plan. It was a means which does not sub serve the end, namely conservation of water, and must, therefore, be abandoned." The appropriate method, according to him, was to follow the approach adopted by some developed countries, that is, "to dam rivers at various points to conserve water permanently in reservoirs" and put it to multipurpose use. Such reservoirs, besides irrigation, could be used for generating electric power and navigation. He particularly emphasized the use of rivers for navigational purpose. In the Conference on Orissa Rivers (November 8, 1945), he observed : Navigation in India has had a very chequered history. During the rule of the East India Company, provision for international navigation occupied a very prominent part in the public works budget of the Company's government. Many of the navigation canals we have in India today are remnants of that policy. Railway came later, and for a time the policy was to have both railways and canal navigation.

### **Damodar Valley Project**

The Damodar Valley Project was to be the first in a series, he said. He reiterated his belief in multipurpose projects in the second Conference on the Damodar Valley Project (Calcutta, August 23, 1945). He stressed that : the issue before us is whether we should be content with damming the river for the purpose of stopping the flood only or whether we should make it a multipurpose project so as to cover generation of electricity and supply of water for irrigation and navigation also...the consensus of the opinion should be that we go for the latter.

### **Sone Valley Project**

The Sone Valley Project was treated as a multipurpose river management scheme covering not only the potentialities for irrigation by canals and perennial hydel power for the area but also for increased utilization of such power for agricultural development such as for pumping from the tube wells and increased fertility by dewatering in water-logged area, provision of cheap power for industrial development, improved supply of water for irrigation on the Ganga and improved flood control. Opening the Conference on Sone Valley in March 1945, Ambedkar highlighted the importance of the scheme to the economic development of U.P., Bihar, and some of the Central Provinces and States. He emphasised that if the possibilities of the scheme were to be fully exploited it was necessary to make a regional rather than local approach to the problem.

### **Mahanadi Project**

Ambedkar stressed the multipurpose use of water even more emphatically in the case of the Mahanadi rivet Referring to the water problem, he stated that : Orissa must ...adopt the method which the U.S.A. adopted in dealing with the problem of its rivers....that method was to dam rivers at various points to conserve water permanently in reservoirs. Such a storage scheme as applied to the rivers of Orissa will have the special feature, namely, that it will not only give irrigation and electricity, but also provide a long line of internal navigation....my comment is that this should be regarded as the only method and treated as an immediate programme rather than as an ultimate aim. He stated that the project could be a success if only it was treated as a regional project. It could not succeed with local treatment. The systematic steps towards the introduction of the concept of River Valley Authority for projects on inter-State rivers and creation of two technical expert bodies at the Centre, namely the Central Waterways, Irrigation and Navigation Commission and the Central Technical Power Board were attempts to provide technical advice for the multipurpose development of water resources on regional basis. He made this clear in the first Calcutta Conference (January, 3, 1944): as a



preliminary step for securing the best use of water resources of the country the Government of India have created a central organization, called the Central Technical power board, and are contemplating to create another to be (-died the Central Waterways, Irrigation and Navigation Commission. The objects which have led to the setting up of these two organizations are to advise the Provinces on how their water resources can be best utilized and how a project can be made to serve purposes other than irrigation.

### **Economic Democracy**

Democracy was "a form and method of Government whereby revolutionary changes in the economic and social life of the people are brought about without bloodshed". Further, he observed that "social and economic democracy is the tissue and the fibre of a political democracy. The tougher the tissue and the- fiber, the greater the strength of the body, political democracy cannot succeed where there is no social and economic democracy". Therefore, he wanted that the shape and form of the economic structure of the society be prescribed by law that is through constitution.

### **Land Reforms and Ownership of Property**

Ambedkar has written a brief paper on "Small holdings in India and their Remedies", in the 'Journal of Economic Society'. He believed that consolidation of holdings would obviate the evils of scattered holdings if they were economic holdings. However, the absolute size of land was not the only decisive factor responsible for efficient production. The remedy for the ills of agriculture in India does not lie in the enlargement of holdings, but in the Matter of increasing capital and capital goods.

### **Ownership of Property**

Dr. Ambedkar never regarded the right to own property as a fundamental right. He disfavored making the right to own property as fundamental right even in the Constituent Assembly. He was of view that ownership of property is one of the greatest obstacles in free thinking and application of free thought.

### **Industrialization**

In the field of Dr. Ambedkar stands for nationalization of basic and key industries only He suggested that some of the spheres of production should be available to the private sector and taking into consideration the interests of the society, it should be decided as to which industries should be operated through the state. Dr. Ambedkar maintains that the private enterprise cannot bring about rapid industrialization of Indian economy because of its motive of earning maximum profit and in the context of the absolute backwardness of the traditional village economy even if it attempts to industrialize the economy, it would produce inequalities of wealth, exploitation of workers and such other evils of capitalism. Dr. Ambedkar maintained that nationalization of basic and key industries are essential from the point of view of public goods, workers welfare and the progress of national economy.

### **Nationalization of Insurance**

Dr. Ambedkar realized that the insurance, if nationalized, would definitely give support to the economic welfare of the people in general and depressed people in particular. Therefore, he advocated that the insurance shall be owned and run by the State only. He suggested that the State shall compel every citizen to take a life insurance policy commensurate with his wages. This would provide not only for life security to individual but also help in lessening the economic suffering of these depressed people. He also claimed that nationalization of insurance enable the State to finance its economic planning without resorting much to borrowing from the market at higher



rate of interest. The Government of India realized the force of the argument and acted accordingly, and most of the insurance companies are now owned and run by the States. Various insurance schemes are being evolved in order to inculcate saving habit among the people. This definitely adds to the revenue of the state.

### **Gold Exchange Standard**

Dr. B.R. Ambedkar held that the exchange standard is inferior to convertible standard, because, the discretion of the issuer in the former is unregulated while the discretion of the issuer in the latter is regulated. He also said that the Gold Exchange Standard is economical but for that very reason it is insecure. Therefore, it was recommended to abandon gold as a standard of value. This recommendation was accepted by the Committee and forwarded the same to the Government of India for implementation.

Before the Committee, he held that "Gold standard means not the starting of a gold mint but making provision whereby gold will become currency. Now in order that gold may be currency, it is necessary that other forms of currency must be limited in their volume". There are two ways by which currency may be limited. One way is to make it convertible and the other is to fix a positive limit on its issue. If you choose to adopt convertibility as a method of limitation, then there is a reason for maintaining a gold reserve. If you choose fixing of issue as a method of limitation then there is no reason for maintaining a gold reserve. Ambedkar preferred the fixing of the issue for two reasons, one is exchange system as well as convertible system which is subject to management and the other is by adopting the convertible systems. In his book, the Problem of the Rupee, Dr. Ambedkar attempted an exposition of the events leading to the establishment of the exchange standard and an examination of its theoretical basis. Ambedkar was against the exchange standard. According to him, "the far better way would be to have an inconvertible rupee with a fixed limit if issue". He differed with the Government's view on the fall of the rupee value. It was due to the loss of purchasing power of the rupee, whereas the Government explained that it was due to an adverse balance of trade.

### **Financial and Currency System**

In order to examine the financial system and to suggest reforms of the Indian currency, a committee called the 'Royal Commission on the Indian Currency and Finance' was formed and the Commission visited India during 1924-25. The Commission ascertained the views of the Indian scholars on various aspects of Indian currency and financial system. Dr. Ambedkar was one among them. He made emphatic statements before the Commission on issues like gold exchange standard, gold reserves,, and money markets, etc.

### **Taxation**

Ambedkar criticized the then taxation system since it was against the interests of the poor and common man. His chief recommendations were in the form of levying tax on the taxable capacity but not on the income. The tax must be progressive and the rich must be taxed. More concessions and exemptions to tax-payers must be to certain extent and dependence on the land revenue must be less and elastic subject to variations. To raise and conserve the financial resources, Dr. Ambedkar advocated measures such as reduction of financial resources. Dr. Ambedkar advocated measures such as reduction of expenditure on the army, relieve of the salt tax, abolition of prohibition and the saving of the excise revenue, nationalization of insurance and compulsory insurance for the state and private employees.

### **Dr. Ambedkar's Views on Economic Development**

Ambedkar's writing on economics are varied in nature, nevertheless their perusal offers us an insight into his thinking on economic development.



Ambedkar's views on economic development go back to the year 1918, when he participated in an academic debate on the problem of small holdings in India and its remedies. Although his paper focused on the problem of small holdings, in its theoretical formulation, and implied solution, it contained a broad framework for economic development. Beginning with a discussion of the problem arising out of the smallness of land holdings, it went on to analyze the backwardness of the agricultural sector as a whole and ended with the proposed solution of capital investment in agriculture and industrialization for the overall development of the economy. Carefully working out the theoretical logistics of the proposed strategy. Ambedkar's analysis covered the issue of how to enlarge small and scattered land holdings, and keep them consolidated. The underlying assumption that fragmented land holdings were too small to be economically efficient. Many argued that the solution to consolidate small and scattered holdings was through voluntary or compulsory exchange of owned land. Therefore, for them the question of enlargement of farm size was a practical programme to be realized through administrative and legal measure. For Ambedkar, consolidation of holdings was a practical programme while their enlargement was a theoretical one, demanding discussion of economic principles which could be said to govern the size of the farm. He argued that the evil of small land holdings in India was not fundamental but derived from the parent evil of maladjustment in her social economy. Maladjustment resulted mainly on account of distortions in the use of inputs. While capital (in the form of capital goods and implements) was scarce in relation to land, and land (agricultural) was scarce in relation to rural population/holdings, the stock of labour force was disproportionately high. The availability of land and capital in relation to each other being limited, this posed major constraints on the optimum use of resource inputs. Ambedkar provided extensive evidence for the decline of average size of land holdings and the amount of capital goods and implements used in agriculture. A survey about deficiency of agricultural stock such as ploughs, cattle, irrigation wells and manure had, for example, revealed that:

Ambedkar stated that capital arises from saving and saving is possible where there is surplus. India's agriculture - the mainstay of her population - gave them no such surplus. Because of the pressure of population on land, output per worker was low. A large agricultural population in relation to agricultural land in actual cultivation meant that a large part of the agricultural population was superfluous and idle. The economic consequence of idle labour was twofold. First, given the lack of alternative job opportunities, the enormous population pressure led to subdivision of land into small and marginal holdings. Secondly, since idle labour continued to depend on agriculture, it reduced the income per worker to barely subsistence level: it left no scope for saving and capital investment in agriculture. Productivity of agriculture could be increased, according to Ambedkar, by simultaneously expanding capital and capital goods, and reducing labour to raise land and labour productivity. If the stock of capital goods alone was increased, without reducing surplus labour, the problem of small and scattered land holdings would not be solved. In fact it would be aggravated as long as the stock of idle labour continued to increase. This would further subdivide the holdings, and reduce labour productivity. Ambedkar therefore argued for a strategy of transferring labour from agriculture to other sectors of the economy. He advocated that: The sponging off of surplus labour in non-agricultural channels of production will at one stroke lessen the pressure and destroy the premium that at present weighs heavily on the land in India. Besides, this labour when productively employed in agriculture and industrial sector will cease to live by predation and will not only earn its keep but give surplus; and more surplus is more capital. In short, according to Ambedkar, industrializing India was the surest remedy for her agricultural problems. The cumulative effects of industrialization, namely a lessening of pressure on land and increasing amount of capital and capital goods would forcibly create the economic necessity of enlarging the holding. Not only this, industrialization by cancelling the premium on land would give rise to few occasions for subdividing and fragmenting it. Industrialization would be the most effective barrier against subdivision and fragmentation. Ambedkar did not rule out direct capital investment in agriculture to improve land productivity, but believed



that improvement in labour productivity would be a better source of surplus and capital investment in agriculture.

### **Conclusion**

Ambedkar addressed and contributed practically on all issues of national importance that arose during the early 1920's and mid 1950's. Ambedkar's contribution include his intellectual efforts in articulation of political and economic framework for India in the form of Indian Constitution reorganization of the States, reform of the Hindu social and religious order, social policy, labour policy and number of other issues but above all the social and political efforts for the upliftment of deprived classes. Ambedkar believed that the social and individual efficiency requires us to develop the capacity of an individual to the point of competency to choose and make his own career. The principle of individual choice is violated in the caste system in so far as it appoint a task to an individual in advance, not selected on the basis of training or capacities but on the basis of the social status of parents. political democracy cannot succeed where there is no social and economic democracy". Therefore, he wanted that the shape and form of the economic structure of the society be prescribed by law that is through constitution. Dr. Ambedkar maintains that the private enterprise cannot bring about rapid industrialization of Indian economy because of its motive of earning maximum profit and in the context of the absolute backwardness of the traditional village economy even if it attempts to industrialize the economy, it would produce inequalities of wealth, exploitation of workers and such other evils of capitalism. Dr. Ambedkar maintained that nationalization of basic and key industries are essential from the point of view of public goods, workers welfare and the progress of national economy. Ambedkar's analysis covered the issue of how to enlarge small and scattered land holdings, and keep them consolidated. The underlying assumption that fragmented land holdings were too small to be economically efficient. Dr. Ambedkar advocated measures such as reduction of financial resources. Dr. Ambedkar advocated measures such as reduction of expenditure on the army, relieve of the salt tax, abolition of prohibition and the saving of the excise revenue, nationalization of insurance and compulsory insurance for the state and private employees.

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