

Preface

The purpose of this course seems to acquaint students with some areas of knowledge which in the course of their exposure to more 'vocalized and focused' knowledge regarding computers and their applications not only remains neglected but probably is treated as something of little use for individual progress or for the development of society. The broad area known as 'Humanities' covers a wide range of knowledge and is closely related to the latter part of the nomenclature of the course that is, 'social obligation'. India is following western model of industrialization, western model of capitalism and western model of education in which, individuals are not 'prepared for life' but are trained to serve the interests of the state and the markets. It is but inevitable that while imitating western models in industry and markets, concepts like 'corporate social responsibility' and 'social obligation' are being imported from western business models.

We, no doubt, agree that both the concepts must be a part of curriculum of not only computer courses but all the courses especially professional courses and would like to congratulate Yashvantrao Chavan Maharashtra Open University for introducing this course. At the same time, we, authors of this book are of the opinion that both those ideas are not new to Indian culture and tradition. To make our point we have planned to present this book in two major parts.

In the first part, a brief review of Indian tradition has been presented which brings out quite clearly how Indian economic structures had not only encouraged but rather imbibed the values such as duty towards society and respect for performing arts, sculpture, literature, history, culture, philosophy and ethics, which are products of human imagination and make human beings 'human', which no other species on earth is capable of. Traditional Indian education system inculcated these values complementing theoretical understanding with practical applications. The 'guru' evaluated students not only on the basis of their theoretical knowledge but how they applied their theory in practice and more importantly, adjudged them on the basis of the service (seva) they provided to others in the society.

There were other notions also which indicate the commitment of Indians of the past. At the family level, the guest was treated as God (atithi devo bhava), at the village level either caste Panchayat or village Panchayat looking after the orphans. The king taking care of the needy sections of society by opening dharmashalas, (free shelters), organizing free food feasts (bhandara), water supply by constructing small bunds, digging wells and arranging drinking water supply points (pani poi) along the roads etc. Not only India, all ancient civilizations gave higher prestige to those individuals and groups, which were dutiful and committed towards society and fulfilled expectations of the society.

The British advent in India opened up new avenues of not only business but gave a new dimension to conducting business. From controlled capitalism of the traditional culture to unrestricted capitalism introduced and demonstrated by the British Empire distorted the Indian tradition of conducting business for the common good. British education system introduced by the East India Company was not interested in developing personalities of the students but was interested in preparing baboos for the administration of the company. Thus, the two main pillars of Indian tradition were shattered by the British policy, namely, the industry and the education.

The independent India tried to follow a path of industrialization via what is labeled as 'mixed economy'; which was an attempt towards recognizing the

importance of ‘social duties’ of the state – the government. India having accepted the principle of ‘welfare state policy’, tried to develop new methods of fulfilling the ‘social obligation’ towards the needy sections of the society. Though certain outcomes of the experiment were perhaps successful in achieving the aim of distributive justice, still, at the macro-economic level, unfortunately, overall failure was the result. In 1991, India had to join WTO and it changed the course of development in India.

In the new economic policy after 1991, Indian government was required to cut many expenses meant for poor masses. The large unemployed, untrained and unprepared populations were left to themselves more as individuals than as groups because the caste or traditional trade had no place in the new economico-political system of democracy; and socialism was curbed down in response to demands of globalization of markets. On this backdrop, concepts like ‘corporate social responsibility’ were encouraged so that ‘social obligations’ which the government had aimed at but failed to fulfill, could be at least partly fulfilled by private industrialists. Though late, it is realized by west that winning by adopting any and every means does not succeed in the long run but only sharing and inclusion of all works. ‘Cluster concept’ of industries emerged out of this understanding.

In the US, certain awards were declared to judge the performance of industries for which one of the parameters was, ‘how that industry is doing something for the needy and neglected sections of the society and how much are being spent for that purpose’. On similar lines, in India, Tatas also declared certain awards for similar reasons. At the end, we have given important details of such awards.

The question of Humanities gaining importance in the education system has remained, however, unresolved. The government is not unaware of the challenges before the subjects under Humanities and at the same time is quite aware of the importance of those subjects also. In the modified education policy that mostly deals with entry of foreign universities into India, the government has put up a condition that any university which wants to open a campus here, will not be allowed to run only professional courses like engineering, medical and IT unless they also offer the Humanities courses. That is a welcome step to promote humanities subjects. Let us wait and see the results. Our best wishes to the students offering this course.

A professional student has to interact with different people having their own culture, thought process, values. One needs to be aware about those wide variations in traditions and culture not only in India but all over the globe. How to be a proud Indian as well as a good human being. Being aware of one’s own rights implies knowing the responsibilities also and offering due respect to every other individual. The course is formulated to grow the awareness about individual responsibility and need of offering ‘seva’ (service) to mankind.

We would like to express our thanks to Ms. Shubha Rudra and Mr. Tushar Lashkare for illustrations. Our sincere thanks to Mr. Ajay Vaidya of Thermax for his supply of valuable source material on prestigious industrial awards

Since this is the first course of its type perhaps in India, and this is the first study material of its type, suggestions to improve content and presentation will be most welcome.

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Chapter I

Part A] Introduction

- (a) Historical background: occupations, production and markets in various societies, stands taken by major religions.
- (b) Role of business, entrepreneurs and governments in the past.
- (c) Concepts of Humanities and Social Obligation in the past and present.

(a) Historical background : occupations, production and markets in various societies, stands taken by major religions.

Human life on earth started as tribal life along the forests and caves for shelter, food supply and other resources including fresh water. Many tribes continued their respective existence for centuries without much changes in the life style. However, a few of the tribes underwent a lot of changes from this primitive form of living. How or why this happened is as yet unresolved. Why such developments took place only at certain places is also a puzzle. There is no geographical explanation to such developments except perhaps that all those developments have occurred along the sources of perennial fresh water, that is along the banks of big rivers like the Nile in Africa, the Ganga in India, the Tigris in Arabia or the Lake Titicaca in south America.

“Civilizations” – All over the world, what is labeled as ‘civilizations’ has been in existence for the last 4000 and odd years. From amongst many societies living independently in different parts of the world, a few developed into civilizations while most of the others remained in their primitive stage only. The main difference between a primitive society and a civilized society is that the civilized society does not depend on naturally available material and farm production alone for its subsistence.

Various crafts are developed in a civilized society. This becomes possible only when the farm production is abundant or surplus so that it can support other craftsmen who do not produce food grains – the most important commodity for survival – but contribute towards society’s other needs in some form or the other. The non-farmer craftsmen used to satisfy those needs which were connected with comforts of life than survival alone. Most of them provided service to ruling class of the society. Ruling class provided protection from outsiders and maintained law and order situation within the society. Thus a web of dependence amongst various groups possessing different skills and performing complementary roles was created in any civilized society. In fact, when any society achieves that stage of development, we label it as ‘a civilized society’. In a civilized society, the ruling class forms a frame or a set of rules to govern the common people. The priest class supports the ruling elites who in return support the priest class. This mutual dependence of ruling class and priest class has been in practice in all the civilizations of the past.

The governments of the past were thus basically interested in maintaining law and order within the society so that they could enjoy benefits of being the rulers. The societies of the past were mostly governed by religion, though not directly. The ruler, mostly monarch, was apparently in command but justice was given on the basis of religious ideas prevailing in the society. The priest class used to guide the ruler to run his kingdom according to the dictates of religion. The ‘right’ and ‘wrong’ was decided by using religious parameters rather than anything else. Human beings were treated as slaves of religion. In practice this meant that they had to accept whatever was interpreted by religious authorities. Individuals had to follow what religious leaders

from local level to the highest level of some central body (like church for Christians, Shankaracharya for Hindus) prescribed for them to practice. In many civilizations, the king was the religious leader also. The social web of activities was seen as a religious arrangement, a means to achieve the highest religious aim of attaining salvation or moksha.

Studies in archeology and history of ancient past have brought to the light that most of the ancient societies which developed to the stage of civilization followed the pattern almost similar to the one described above. The Egyptians, the Mesopotamians, the Babylonians, the Chinese and the Indians of the ancient times were living a life style suitable to their respective environments but their religious thinking and practices show a pattern matching with each other. Worldly or material developments were followed by development in thought also. relationship between man and other forces of the universe, relationship between sections of society and relationship between man the God were major themes in philosophical thinking of man since those ancient days and very surprisingly, most of the times, these relationships seem to be explained in much similar terms in most places and in most times.

Importance of Religion: - All the matters of this world were related with the world of God by those ancient civilizations and people lived a life as religious follower was expected to live. The various professions and occupations practiced by people were said to be by The God's order and by The God's will. The happiness and sorrow experienced by the members of mankind were believed to be The God's gift. What was seen by an individual as his fate was ultimately part of social reality. If every individual's life was The God's prescription, then the social reality was also The God's prescription. The purpose of individual activity was to fulfill the Wish of God rather than anything else. Individuals followed their respective occupations because they believed that it was The God's Wish.

Code of Conduct for business : - In such conditions, it is no wonder that religions prescribed how business or particular occupations should be practiced. It is important to note that all the major religions of the world, that is Hinduism, Christianity, Islam, Buddhism, Confucianism, Sikhism prescribe almost similar principles to be followed by followers of their respective faith. The following principles can be summarized in a nutshell :

- ❖ The aim of any occupation should be to serve fellow human beings and not to make any personal gains for the practitioner.
- ❖ By following a certain occupation, individual is not obliging anybody in particular or the society in general but it should be seen as an opportunity by the individual to serve the society.
- ❖ By serving the society, individual serves The God Almighty.
- ❖ The practitioner's conduct of his business should be as per the guidelines provided by the religious leadership and in the frame of regulations as laid down by the ruler.
- ❖ The proportion of profit should be restricted. The manufacturer, the trader and the consumer are all related as brothers and therefore should not take disadvantage of anybody's need for survival.
- ❖ All those who make profits, should donate a good part of their income towards the religious authorities so that the needy and the poor will receive support from the religious authorities.

It is important to note that surprisingly, every advanced or developed religion has found this frame of reference as proper for performing various occupational roles

by individuals. Every individual who followed religious orders was assured God's Grace and thereby a place in the heaven or salvation after death.

Keeping aside minor variations in the beliefs related to life after death, it is important to note that the founders of all religions had a common vision of mutual dependence of various sections of society and therefore prescribed that irrespective of occupations, everybody must remember that he is a member of society and his well being is tied up with the well being of others with whom he is related and with whom he is dealing as a business man.

(b) Role of business, entrepreneurs and governments in the past:

From the known history of mankind it can be concluded with sufficient certainty that the successful monarchs of the past had a clear vision regarding the roles of entrepreneurs and businessmen in their respective kingdoms. If one goes through the epics like Ramayana and Mahabharata, at many places relationship amongst the rulers and the businessmen has been discussed and analyzed. The well known treatise 'Arthashastra' by Kautilya discusses in great details the frame work of regulations so that all the three parties concerned with business in the society benefit without hampering the prosperity of the others. The three parties involved in any business are the manufacturers and traders, the society for whom they are supposed to be working and the ruler who protects them so that they can conduct their respective business smoothly. These three parties are dependent upon each other.

The folk stories and works like 'Dashakumar Charitam' also depict the relationship of these three sectors. In the west also these sectors are discussed in details in the epics and other folklore as well as academic works. Economic activities were always believed to be the backbone of any successful kingdom. Manufacturers and traders brought prosperity to the kingdom and therefore their protection became the most important task of the rulers. In the course of time, as a few societies made advance in production and markets, craftsmen and traders separated eventually from each other and traders attracted more attention from the rulers. They alienated from the common man also in this process.

Instead of following the religious prescriptions regarding business practices, they probably took more interest in their selfish motives that were not necessarily in the interest of the society at large. Thus, the moneylenders and traders became usurpers and exploiters than servants of the society. Exploitation assumed superior position over fair business practices. This situation occurred because the labor and capital needed was either supplied by the producers themselves out of their savings or by the village landlord or by the village moneylender. These credit agencies supplied finance at exorbitant rates of interest but since the moneylender and the landlord were the only sources of credit, the peasants and even the artisans were forced to depend on them. The village artisans and menials were the servants of the village and had to serve as per their respective occupations. Such changes occurred prominently in those societies where hold of religion was weakened and material interests dominated the social welfare motives.

Mutual dependence:- Sometimes the rulers supported their activities and let the common man suffer; sometimes rulers like Emperor Ashoka took interest in the welfare of the society at large and especially the needy and neglected sections of the society. But in general it can be said that due to religious mentality of the people, the rulers, the traders and the public at large did not cross the interests of each other. The ruler as well as the common man always respected the manufacturer and trader

because they were the people who brought prosperity to the state on the one hand and satisfied needs of the masses on the other hand, though not overlooking their own interest in the process.

In the medieval period, rulers always promoted individuals to start business and offered promotion schemes for pioneers. Many cities of today or parts of those cities were established by craftsmen and traders of the past in historical periods on invitation by the rulers of certain regions. We have written records of such processes by which the rulers invited groups and individuals to open shops, manufacturers to open their production units and traders to open their offices and godowns in demarcated areas. Tax concessions and moratoriums were offered to those who responded positively to the appeal made by rulers. For example, Pune city has records of appeal by Peshva ruler of the city in 1763-64 to establish new marketing area, known today as Sadashiv Peth, in memory of late warrior member of Peshva family, Sadashiv, who lost his life at Panipat in 1761-62 war. Other cities also have similar history of development. The concept of development was definitely there in the minds of the rulers of the past, with only difference that those ideas probably differed to some extent from the ideas of development existing today. The interests of developers and those of the common man were not seen as opposing each other.

The rulers of the past had an ideal of a prosperous kingdom. A good and prosperous kingdom was reflected in various ways. Construction of big cities, big palaces, mansions and other buildings, temples, monuments, gardens, canals, bridges were physical signs of a prosperous kingdom. Amongst other, encouragement to humanities was one important aspect of a prosperous kingdom. Of course, the humanities as we understand today were not considered the same way in those days, but encouragement to artistic craftsmanship and performances was definitely considered as a part of the duties of rulers. Emperor Akbar of Delhi is known for supporting 'Navratnas' (nine gems or jewels) in his court. Appointments of court musician, court astrologer, court doctor etc were considered as signs of prosperity and capacity of a king to support experts in various fields of arts and knowledge. Today we label those fields as humanities. A ruler's prosperity and personal development in esthetics was gauged by the support he offered to artists, craftsmen, producers of artifacts and skilled performers also as from the size of army he could maintain.

(c) Concepts of Humanities and Social Obligation in the past and present :

It is clear from the short and brief narration given above that the concepts of Humanities and Social obligation had been existing in all of the civilized societies all over the world including Indian society since known times. It may be religious concept behind life activities of individuals and groups in the society, it may be feudal concept of loyalty towards the aristocratic lords of the society or it may be in the form of fidelity towards believers of a particular faith; people have always followed their respective occupations and professions as a part of their duties towards the God and indirectly towards the society.

Those who were compelled to perform menial and hard labor jobs, were definitely not happy with the trouble they had to take when somebody else was seen not doing any work at all but enjoying pleasures of life without restraint. But at the same time they had this belief that whatever everybody had to do in the world was his destiny and the only way to please the God almighty was by performing that duty, by behaving the way the God wants him to behave, by giving his best in fulfilling his part of the demand from the God.

The material sacrifices on the part of an individual, the mental agony one may have to tolerate while performing occupational duties were not seen as something avoidable though unwanted. Partly by force but partly by a faith in God's way of justice, people accepted their respective fates and performed their occupational duties to the best of their abilities and tried to get satisfaction out of occupational activities. While there was an attempt to find individual satisfaction in performing duties, there was also an attempt to fulfill social obligations by individuals. Everybody had an understanding that unless every one performs his duties, no one in the society would get his due share of happiness and pleasures. Thus, this understanding can be equated with the concept of social obligation as we understand today. This can be witnessed in many works of literature, compositions and sermons of saints who guided the society in their own capacity and very openly in the scriptures of not only Hindus but of all religions.

Art and craft : part of life:- Development of performing arts like singing, dance, painting and drawing, sculpture and stone work, gardening and floriculture, and many more were seen as achievement on the part of individual on the one hand and at the same time they were seen as social achievements also. The rulers especially took pride in supporting performers of arts. Every ruler's court had amongst its honored members selected art performers appointed as court singer, court dancer, court astrologer, court poet etc. Emperor Akbar's court is famous for his 'Navratnas' as mentioned above. High quality performance could be achieved only if and only when the performers made efforts in research and development of their respective art forms. The administration required different skills and artists required not only different skills but a different atmosphere also. Artists require much more freedom in their activities and experiments, which not only reflect the economic generosity of the ruler but tolerance towards differences of opinions between ruler and the citizens.

An anecdote in this connection is recalled here. Tansen – the court singer – was one of the nine jewels of Akbar's court is a well known fact. Once Akbar asked Tansen a favor, "If you are so much proficient in your art, your teacher (guru) must be superior to you; I want to listen to his singing." Tansen answered, "that is true, my master, but for that you will have to go to his place." It is said that Akbar, in spite of being The Emperor, approached Tansen's guru and requested him to present his art. This is the reflection of generosity on the part of ruler in non-economic terms. Such actions are the true support to any art. New artists can try new experiments only if such encouragement from the well to do section of the society is extended to them.

The performers are not seen as a burden to society but they are to be seen as valuable members of the society. Any civilized society encourages development of various types of arts and that development is not possible without study and research. Though we do not find in the written form any particular definitions of Humanities or Social Obligation in the past, it is safe to conclude by applying logic to the available material that the concepts existed in the minds of thinkers and rulers regarding promotion of studies of non-technical, non-scientific, non-commercial aspects of life so that individual and social life becomes more meaningful than simply survival.

Development of personality is not possible without encouragement to artistic side of the personality. Everyday life is not simply a summary of rational actions for gains in one form or the other, it is very much a life of expression, life of enjoyment, life to engage in activities without any gainful motive behind it, life to help others in all possible ways. A person can gain happiness only when he does something for others. Very rarely we come across a personality who does not want to do anything for anybody other than himself.

The development of languages, literature, philosophy and other aspects of culture which has taken place in the ancient times is sufficient to make us believe that civilizations of the past had clear and matured ideas regarding the importance of humanities and social obligations in private as well as public life.

The modern concept of Humanities :

According to one definition, Humanities are those “Branches of knowledge that investigate human beings, their culture, and their self-expression, distinguished from the physical and biological sciences and, sometimes, from the social sciences”. In fact, some of the researchers are of the opinion that the modern conception of the humanities has roots in the classical Greek *paideia*, a course in general education dating from the 5th century BC that prepared young men for citizenship. It also draws on Cicero's *humanitas*, a program of training for orators set forth in 55 BC.

The European thinkers of seventeenth and eighteenth centuries contrasted *studia humanitatis* (studies of humanity) with studies of the divine that means studies in religion, occult and theology. The division was based upon the subjects of studies. Studies regarding human activities were recognized as humanities while those regarding the spiritual or God's existence and activities were called divine studies. Gradually as the natural sciences developed by the 19th century, further distinction was drawn between the humanities and the sciences because of the methods applied and the content of respective studies.

Thus, at present, we can say that the humanities are those academic disciplines, which study the human condition, using methods that are largely analytic, critical, or speculative, as distinguished from the mainly empirical approaches of the natural and social sciences. Human condition refers to the holistic experience of being human.

The disciplines related to humanities are ancient and modern languages, literature, history, philosophy, religion, visual and performing arts (including music), anthropology, area studies, communications, cultural studies and many more. The humanities are the stories, the ideas, and the words that help us make sense of our lives and our world. The humanities introduce us to people we have never met, places we have never visited, and ideas that may have never crossed our minds. By showing how others have lived and thought about life, the humanities help us decide what is important in our own lives and what we can do to make them better. By connecting us with other people, they point the way to answers about what is right or wrong, or what is true to our heritage and our history. The humanities help us address the challenges we face together in our families, our communities, and as a nation.

The extreme thinkers and supporters of humanities insist that ‘humanities’ should not be confused with ‘humanism’, a specific philosophical belief, nor with ‘humanitarianism’, the concern for charitable works and social reform, but opinions may differ in this matter. As fields of study, the humanities emphasize analysis and exchange of ideas rather than the creative expression of the arts or the quantitative explanation of the sciences.

Disciplines of the humanities such as philosophy, history, and literary studies offer models and methods for addressing dilemmas and acknowledging ambiguity and paradox. They can help us face the tension between the concerns of individuals and those of groups and promote civil and informed discussion of conflicts, placing current issues in historical perspective. They also give voice to feeling and artistic shape to experience, balancing passion and rationality and exploring issues of morality and value.

The study of the humanities provides a venue in which the expression of doddering interpretations and experiences can be recognized and areas of common interest explored :

1. History, Anthropology, and Archaeology study human social, political, and cultural development.
2. Literature, Languages, and Linguistics explore how we communicate with each other, and how our ideas and thoughts on the human experience are expressed and interpreted.
3. Philosophy, Ethics, and Comparative Religion consider ideas about the meaning of life and the reasons for our thoughts and actions.
4. Jurisprudence examines the values and principles, which inform our laws.
5. Historical, Critical, and Theoretical Approaches to the Arts reflect upon and analyze the creative process.

Modern concept of Social obligations: [only introduction to the term and its meaning has been presented here. Detailed discussion and analysis will be offered in the final chapter]

Technically, The concept of Social obligation is often misunderstood to corporate social responsibility. The word social obligation is always attached with corporates. But it is not so. In a very broad sense, “Social obligation is an owe of each and every individual and institutions who is a member of the society to contribute towards the welfare of the society”.

- People must learn to turn to a system of values, which place prime importance on the welfare of humanity as a whole.
- In order to enable people to achieve such a consideration for one another, they must be guided towards responsible, positive social behavior, which has vision beyond that of the individual person. The essential requisite for this ability is created in primary socialization and must be improved in the further stages of the socialization process.
- We get a lot from society and it is individual’s duty to contribute something in return to the society. For example, the concept of ‘pay it forward’ started in the west a few years back.

It is clear from the definition presented above that the Humanities and Social obligations are closely connected with each other as not only concepts but as practical guidelines for behavior also. In a civil society, individuals are supposed to be proactive in shaping their own behavior patterns but as members of a civil society, what should be their prime concern is guided by these two concepts.

In the today’s mechanized life style and world of mechanical gadgets serving as guiding principles of life, both these concepts are of prime importance to make human life meaningful. The machines have not only changed the production processes but changed the perspective towards life in general also. The capitalist way of economic activities has changed the way people look at each other and towards the society. Everybody around us is seen as a means to achieve some commercial goal, every occasion is seen as an opportunity to grab something more than what is in possession now.

The results of such an attitude are quite open for observation. The doctors world over are warning against the observed and possible ill effects of this life style and the perspective. The diseases and physical disorders related with this life style are over shadowing ordinary man’s life. A healthy person has become difficult to find,

especially in cities. In villages there is a large population facing health problems due to malnutrition, scarcity of food, medicines and other facilities while in cities there are people who are suffering from overeating and indulging in vices. This contrast needs to be resolved so that both the sections of the society lead a complementary and meaningful life and contribute towards well being of the society in maximum possible capacity. Understanding and studying Humanities is expected to help in this direction. Engineers, computer related workers, technologists, administrators, professionals and those other sections of the society who are living a life cut from the common man, cut from the basic living conditions and basic values of social living need to pay more attention to the issues related with these disciplines.

Part B] : A brief review of Indian tradition in manufacturing, trading and commerce :

- (a) The Jajmani (balutedari) system : network of production and distribution in the pre-British period.
- (b) The British rule over India : Policy of the East India Company till 1857 and the colonial rule after 1858.
- (c) De-industrialisation of Indian traditional industries.
- (d) The movement for Swadeshi – production and education for Indian society

In the earlier part we have tried to understand the background on which the concepts of humanities and social obligation are to be studied in more details. Now let us try to understand historical developments in the course of Indian industries from the point of view of humanities and social obligation and how importance of those concepts has been a concern for society for many centuries.

(a) The Jajmani (balutedari) system : network of production and distribution in the pre-British period :

According to historians, India seems to have a history of at least 4000 or more years continuous till date. The written records are available from approximately 6th century B.C. The earlier history is in the form of oral tradition and archeological findings. The scriptures, the epics and other literary works which have been preserved for centuries through recitation need to be carefully studied, analyzed and interpreted in the frame of corroborating evidences with cross references and in the form of contemporary records in other civilizations outside India which also need to be scrutinized carefully.

Our main concern here is regarding the production and distribution system of those times and relationship between individual and the society. Most of the available records show that various occupations developed in India long ago. Agriculture was the backbone of economy but other vocations also developed in early Vedic period. Mentions of various occupations and vocations carried out by individuals are found in Vedas and other scriptures. In epics like Mahabharata detailed descriptions of various vocations can be obtained. Occupational groups are mentioned there as ‘caste’ because each of the castes was given a particular occupation and members born in a caste were not permitted to practice any other vocation than that of the family in which an individual was born.

The Varna Vyavastha:- In fact, till that time, a fourfold system of stratification was prevalent in the society which was called as ‘Varna vyavastha’. A

Varna was a category of occupations. The Brahmin Varna was connected with education, priesthood and religious studies. The Kshatriya Varna was connected with ruling, governance, war and weaponry etc.; the Vaishya Varna was connected with most of the other activities of the society which required some craftsmanship and manufacturing. Blacksmith, carpenter, goldsmith, gardener, tinsmith, coppersmith, tailor, oil extractor, and such other occupations were included in this category. The fourth Varna, Shoodra included sections which provided services to the three varnas mentioned above. The barber, the washer man, the potter, mason are a few of the castes falling in this category. When the 'untouchable' category came into existence, is as yet not known. It is mentioned in the medieval literature as 'pancham varna' meaning the fifth Varna.

Every village accommodated mainly landowners and land laborers as main occupants. Almost 80 % or more families were depending on farming as their source of income. Of the remaining population, one or two families of each caste that directly supported farming resided in the village. In a group of 5-8 villages, one or two families belonging to the castes which were not directly connected with farming but fulfilled important needs of the society used to reside. Thus in a group of 7-8 villages, nearly 30 castes were represented by at least one family. The blacksmith, the carpenter, the potter, the washer man, the oil extractor were a few castes which directly supported farmer families. They were called 'balutedar' and the number of such castes was 12. There were 18 more castes which were called 'alutedar' and those were indirectly supporting farmers and other families in villages. In addition, there were 5-8 castes which resided in the vicinity but outside a village and were called as 'untouchable' castes. The members belonging to those castes were treated as 'individuals whose touch should be avoided by the rest of the people'. Thus, in all, a group of 5 – 8 villages usually had a population belonging to nearly 37- 40 castes which worked according to their respective traditional occupations and contributed towards normal functioning of the village.

The main difference between these two categories is that balutedars used to receive annual fixed reward from the farmers while alutedars were paid every time they provided material or service, their remuneration was not fixed. This arrangement continued for at least 2000 years since the times of Chandragupta Maurya (300 B.C.). In the literature of those times we do not find mention of 'untouchable castes' as a category. Dr. Babasaheb Ambedkar has offered a theory regarding origin of untouchables. According to him, when Buddhism spread all over the country, the Hindus tried to keep away from the converts because the Buddhists allowed meat as food, especially beef, which the Hindus disapproved of. The beef eaters were compelled to stay away from the main habitation of a village and were given work related to tanning of the skin of the dead animals etc. and other menial works of the village. He attracts attention to the fact that the untouchables were not allowed near Hindu religious places and were not allowed to even listen to religious chanting etc., this observation, according to Dr. Babasaheb Ambedkar, throw light upon relationship of Hindus of those days with Buddhists of those days. The practice not only continued, but became more and more rigid in the centuries to follow till the British conquered India.

The Caste system:- The Varna system of the ancient past and the caste system since the known past are very much under criticism today because a lot of restrictions were imposed on all the castes and individual freedom was negated by the caste system to members of all the castes. One important advantage in connection with our present study is that because of traditions, members of all the castes had

developed an attitude of 'duty' or 'obligation' towards society while performing their respective traditional occupations. Though the priest class imposed religious restrictions on most of the castes and members were required to observe those restrictions very strictly to avoid severe punishment, it developed a sense of belonging to the caste and performing own duty towards welfare of the society.

Through the religious strings attached to the various practices related to occupations, followers not only performed their duties but believed that they are dutiful towards the God by performing their respective occupational duties. Everybody was aware that unless he/she performs his/her duties perfectly, he/she had no right to demand anything from the society. Society provided economic protection, physical protection and mental satisfaction to individual members, which was not only connected with survival but with a healthy and 'human' life style. Thus the network created by the caste system regarding production and distribution of commodities gave rise to a sense and an attitude in individuals of the responsibility towards others in the society. It created a perspective in individuals and smaller groups like family that welfare of any single entity is not possible without welfare of all others. A single unit can obtain satisfaction and happiness only if the whole society also obtains satisfaction and happiness.

Thus in traditional Indian system of production and distribution of commodities and services through caste system, had given rise to sense of social obligation and social responsibility in spite of many other aspects which were harmful to individual and the society.

(b) The British rule over India : Policy of the East India Company till 1857 and the colonial rule after 1858 :

The British rule over India needs to be understood in proper perspective. The background of East India Company's activities can be well understood when one tries to know more about the conditions of Indian society of those days.

Independent villages:- The village community was based on a simple division of labor. The farmers tilled the soil and tended cattle. Most of the food produced in the village was consumed by the village population itself. The raw materials produced from primary industries were the feed for the handicrafts (called *balutedars*). Thus the interdependence of agriculture and hand industry provided the basis of the small village republics to function independently of the outside world. Sir Charles Metcalfe writes in this connection, "The village communities are little republics having nearly everything they want within themselves; and almost independent of foreign relations. This union of the village communities, each one forming a separate little state by itself, is in a high degree conducive to their happiness, and to the enjoyment of a great portion of freedom and independence." The villages did acknowledge some outside authority, by paying a portion of the agricultural produce as land revenue. The land revenue sustained the government. It was on this background that the British came to India.

Initially, it was the East India Company which was actually a trading company, but assumed the role of ruler. Naturally, its aims and objectives in doing so were openly and comprehensively commercial. They bothered least regarding the welfare of the people of this country and especially when contradicting their objectives. Openly they declared the policy of non-interference in the religious and social matters of the people but it had a hidden agenda of allowing people to fight for

their own interests. As rulers East India Company never bothered to take initiative for the welfare of the people. The period of its rule is taken approximately as a century upto 1857 A. D. Though all this time the company did not have total political control of the whole country, the company gradually expanded its political interference in most of the parts of the country starting from Bengal in 1757 A. D.

Though company's policy directly hampered the prospects of the farmers because of the greed of company, other craftsmen were also affected by the policies of company indirectly. Study of Jajmani system enables us to understand the relationship of farmer and other craftsmen forming the web of caste system. In short it can be said that the other craftsmen castes depended upon the surplus production of farmers, which was taken away by the East India Company by force. When the farm surplus was not available, the craftsmen could not prosper, if somehow managed to survive. In the times of droughts and famines situation became more difficult and the overall result was that Indian farmers as well as other craftsmen castes suffered due to greedy policies of the East India Company. Survival became the main and the only worry for masses in rural areas, which naturally hampered the economic progress of farmers as well as the craftsmen.

Industries in pre British India :

The popular belief that India had never been an industrial country is incorrect. It was true that agriculture was the dominant occupation of her people but the products of Indian industries enjoyed a worldwide reputation for more than 3000 years. The muslin of Dacca was known to the Greeks under the name Gangetika, the calicos of Bengal, the sarees of Banaras and other cotton fabrics were known to the foreigners. Egyptian mummies dating back to 2000 B.C. were wrapped in Indian muslin. The chief industry spread over the whole country was textile handicrafts. Besides the muslins, the textile handicrafts included chintzes of Lucknow, dhotis and dopattas of Ahmedabad, silk, bordered cloth of Nagpur and Murshidabad. In addition to cotton fabrics, the shawls of Kashmir, Amritsar and Ludhiana were also very famous outside India.

In addition to textiles and related handicrafts, one must take cognizance of the fact that India was also quite well-known for her artistic industries like marble-work, stone-carving and sculpture, jewellery and ornaments of silver and gold, brass, copper and bell-metal wares exhibiting high level of metallurgical progress that existed in India. Construction of palaces, mansions and temples of very high quality of masonry skills and architecture including wood carving, etc. was also known to the world. That is why Alexander and others from west invaded India time and again.

India as exporter:- The Indian industries “not only supplied all local wants but also enabled India to export its finished products to foreign countries.” Thus, Indian exports consisted chiefly of cotton and silk fabrics, calicos, artistic wares, silk and woolen cloth. Besides, there were other articles of commerce like food products such as pepper, cinnamon, opium, industrial products like indigo, etc. In this way, Europe was a customer of Indian manufactures during the 17th and 18th centuries. It was this industrial status of India in the pre-British period that prompted the Industrial Commission (1918) to record:

“At a time when the West of Europe, the birth place of modern industrial system, was inhabited by uncivilized tribes, India was famous for the wealth of her rulers and for high artistic skills of her craftsmen. And even at a much later period,

when the merchant adventurers from the West made their first appearance in India, the industrial development of this country was, at any rate, not inferior to that of the more advanced European nations.” In other words, Indian industries flourished till nearly beginning of the nineteenth century.

Unfortunately, the most important impact on the society of the British period was seen, by Hindus and Muslims of India alike, as an attack on their respective religions. Economic aspects were not understood properly by the leaders of the communities because they could not think of castes purely in terms of economic activity as such. None of the religious leaders had a vision of nation as a whole as we have today. The result was that East India Company's policies and activities were not seen as an attack on economy in general or on particular vocations and occupations of the people but as interference in religious matters of society, which would have reduced the powers of priest class and that was taken as the greatest threat to the stability of Indian society.

(c) De-industrialisation of Indian traditional industries :

Before the beginning of Industrial Revolution in England, the East India Company concentrated on the export of Indian manufactured goods, textiles, Spices, etc., to Europe where these articles were in great demand. The Industrial Revolution reversed the character of India's foreign trade. Tremendous expansion of productive capacity of manufactures resulted in demand of raw materials for British industry and the need to capture foreign markets for the finished products. As a first step, attempts were made to restrict and crush Indian manufacturer. On the other hand, efforts were made to commercialize agriculture so as to step up the export of raw materials. The Indian textile handicrafts were the first to be hit. The decline of this industry started a chain reaction leading to the speedy decline of other handicrafts. The process of decline of handicrafts was accelerated by the development of means of transport. The principal causes that led to the decay of handicrafts were as follows

(1) Policy of the East India Company : The British were always guided by their own interests and never bothered to consider the effects of their policies on the people of India in terms of unemployment, human suffering, or social welfare in general. They formulated certain policies based upon theoretical bases supplied by British economists catering to the British interests, but when conditions changed in England they were quick to reverse or suitably alter them. For instance, in the first half of the 18th century, the British used tariff with the object of protecting their woollen and silk manufactures on the one hand and of raising additional revenues to finance continental wars, on the other.

The period 1882 to 1894 was one of complete free trade. By this time, England had developed industrially to such an extent that unrestricted competition of British manufactures with Indian handicrafts led to the decline of the latter. It was only when England rose to the position of industrial supremacy that free trade was advocated by the British economists and administrators. Thus, the British manufacturers received support of political powers in order to exploit the Indian market. It must be realized and remembered that the selfish policy of the British imperialists helped the process of industrialisation in Britain at the cost of Indian traditional industries.

(2) Disappearance of local rulers : The patronage of rajas, princes, and Nawabs who ruled in Indian regions before British invasion, helped growth of quite a number of industries. The British rule dismissed all such local level rulers and that led to the

disappearance of this patronage enjoyed by the handicrafts. Cotton and silk manufactures suffered especially. Besides, the artisans who manufactured specially designed articles for display and decoration of local courts also suffered because of a decline in the demand for works of art. Except the rulers, very few were rich in the first place, and those who were rich, were not necessarily appreciative of arts and crafts as were the rulers.

(3) Competition by machine-made goods : The machine-made goods in England began to compete with the products of Indian industries and handicrafts. Large-scale production that grew as a result of Industrial Revolution meant a heavy savings in costs. It also created a gigantic industrial organization and, consequently, it led to the decline of textile handicrafts – the largest of traditional industries of India. Whereas the British emphasized the free import of machine-made manufactured goods they did not allow the import of machinery into India as such. The decline of Indian handicrafts created a vacuum which could be filled by the import of British manufactures only. Thus, India became a classic example of a colonial country supplying her imperialist rulers raw materials and at the same time serving as markets for the manufactured goods in the ruling country.

(4) Demand for new patterns of commodities : The contact with the British created a demand for new patterns of commodities which the traditional artisans and craftsmen could not fulfill. Those new patterns were not simply a different variety or simply a change in the taste of the Indians, but those new articles were cheaper and conveyed a mindset of the owners. After the British conquered the country, a class of people took pride in showing their closeness with the rulers in various ways, one of them being to use the British material rather than Indian material for day to day usage. Use of English language, fashions of dresses and apparels, hair style were a few other ways to show alliance with the British. Another perspective was to show oneself as ‘modern’ person. In India, modernity is equalized with westernization. By using British materials, British style of behavior and English language, especially the educated class in cities tried to exhibit its modernization. This trend helped increasing the demand for machine made goods and that also made in England.

Effects of de-industrialization: Amongst many of the economic and other ill effects of the de-industrialization of Indian traditional industries a few are noteworthy from the present perspective. First of all, it not only hampered the prospects of the craftsmen as individuals but it also resulted into the loss of traditional techniques of production, which, in a few cases are not matched by machines of even today. Artisans and craftsmen who lost their occupational stability and skills could not find suitable alternative because of the caste system. We have already seen that the caste system did not permit individuals to change their traditional family occupations on any ground and in any circumstances. The craftsmen became landless laborers. Estimates of population depending upon land and agriculture show that from around 1850 A. D. to 1931 A. D. more and more population was compelled to take support of agriculture because there was no other source of earning. From approximately 55 % to 72 % is definitely a high flow of population towards agriculture in that span of 75 – 80 years.

This change in economic composition of masses led to important changes in social and psychological aspects of Indian population. The sense of belonging to the society and a keen sense of duty towards the society were replaced by individualistic perspective of families and individuals. The caste or the religion could not help people

out of the situation in which they were thrown for no fault on their part. The new occupational structure had no place for the caste system but the system had embraced all other aspects of living in its strong clutches which acted as a stranglehold for the artisans and craftsmen of India. The pride they used to take in their creation, the pride they used to get in continuing quality of work, the pride they used to get by complying to the demands of traditions at any cost was all in vain. Sheer survival became the most important problem to be solved.

Break from tradition:- As if to add fuel to fire, The British empire implemented for the first time a centralized law agency for the whole country. This new legal system had many ideas and practices which were not only new to Indian society but were unpalatable also. Earlier laws had religious basis, while the new laws did not have such religious basis. Earlier law recognized groups rather than individuals – family, Gotra and caste in that order; the new law held individual responsible for his/her acts and treated individuals without considering caste or creed. Legal treatment was equal to all alike.

It must be noted here that under such conditions, it is not a wonder that the arts were neglected, traditional skills were forgotten or lost along with the death of the expert persons and in general apathy developed towards the Humanities in general. There were no supporters for artists to experiment with their innovative ideas in their respective fields, there were no encouragement from the well to do sections of the society for traditional arts; and performers had to follow the dictate of markets rather than the willing expressions of the artists. The capitalism and individualism went to an extent at which individuals either neglected or forgot their duties towards the society at large. The struggle for survival occupied highest position in the priorities of even educated people. It also brings out how these two concepts are related to each other. When Humanities were neglected, social obligation was forgotten.

(d) The movement for Swadeshi – production and education for Indian society :

Background : Lord Macaulay and British Education

The managers of East India Company initially did not interfere with education as a policy matter. For example, when in 1818, the city of Pune was captured by the British, there were more than 450 pathshalas [that means day-schools training Brahmin youth in scriptures] which the East India Company supported for the next 10 years; but later in order to meet the need to fill the lower and middle echelon clerical cum administrative posts the British undertook to draw up the plan of an educational policy for India within twenty years of the fall of Maratha power. There were two opposing thoughts among the British ruling elites themselves regarding education policy to be framed.

Christian missionaries in India had been encouraging the Government to adopt a broad Westernizing education policy in the hope of aiding their efforts of conversion. The advocates of Westernized education argued that not only did the Government need English language trained civil servants but also, inspired by nineteenth century ideas of progress and liberalism, that India could never prosper unless it was shown the way of the West and its sons were educated to think and act as Europeans. The leading European Orientalists urged that the Indian civilization and its traditions should be maintained and revitalized through a policy of education that was centered around the study of Indian classics. The East India Company

government could not be brought to choose between the Western and the classical systems till 1835 when Thomas Babington Macaulay presented his famous 'Minute on Education' to the Governor-General.

In part, Macaulay wrote,

"The object of the British Government ought to be the promotion of European literature and science among the natives of India; and that all the funds appropriated to education would best be employed on English education alone."

Macaulay considered the classical Indian tradition was backward and degraded. His attitude is well demonstrated by his statement to the effect that,

"The great majority of the population of India consists of idolaters, blindly attached to doctrines and rites which, considered merely with reference to the temporal interests of mankind, are in the highest degree pernicious. In no part of the world has a religion ever existed more unfavorable to the moral and intellectual health of our race."

To Macaulay's way of thinking India's centuries-old civilization must be discarded; the nation must be remade in the image of nineteenth century Europe. He was convinced that only through copying the West could India hope to prosper and progress. He hoped that through this education policy the masses of India would eventually be modernized. The Government, so long dedicated to the policy that it should not 'interfere', decided that it could 'influence' the Indian way of life, and finally accepted Macaulay's educational proposals. In many respects this proved to be a decisive document in the history of modern India. The acceptance of such a policy initiated the educational system that wrought a revolution in the rising generation of Indian intellectuals of the second half of nineteenth century.

The Macaulay effect:- As expected, many young Indians sought to avail themselves of this new Western education for it would enable them to rise in the British Indian bureaucracy. Eventually, many young Indian graduates came to discard the older Indian value system and to accept the rationalistic, materialistic, utilitarian doctrines they had learnt from the nineteenth-century Europe with enthusiasm. The Western education pursued in all the Government-supported school was ruinous to the future health and well-being of the nation. The younger generations were being educated away from not only their families and the great majority of the Indian people but also away from the value system of India's civilization. Government-supported Western education uprooted the youths from their ties to the past and made them Indians-in-name only.

The new intelligentsia, so soon inspired by their education to avidly imitate the West, found that they had been educated out of one faith yet not accepted into another. They were uprooted, deracinated from their own heritage; everything Indian was made alien by their new Westernized vision of the world. In being educated away from the classical values, they were also educated away from and lost contact with the Indian tradition and culture. A sort of vacuum was created in the minds of educated Indians and at the same time, at least a few of them were inspired by the value system propagated by the British.

The studious youngsters who were educated in this new system soon started comparing what the British taught and what did they practice in India. They realized the wide divide between the preaching and practice of the British. In their own way, they tried to analyze the causes of this discrepancy. Mahatma Jyotiba Phule, a young

man from Pune found the fault in Indian traditional religion which he suggested could be replaced with a new religion founded on rationality and a search for truth. There were other reformers also. Attempts were being made to pick up from the British thought whatever could help the Indians to elevate their status. However, as mentioned earlier, most of the attempts focused on religious reforms than social, political, economic or educational reforms. A few of the educated Indians started schools on their own to impart education in British way in big cities but overall education was neglected as an important aspect of life.

NATIONAL EDUCATION PROPOSED BY BAL GANGADHAR TILAK:

Assessment of situation:- One of the great personalities to realize the importance of education system was Mr. Bal Gangadhar Tilak of Pune. In his own words, “To be able to read and write alone is no education but they are simply the means of its attainment. Which gives us knowledge of the experiences of our ancestors is called education may, however, be through books or through anything else. Every business needs education and every man has thus to give it to his children. There is no business indeed which does not require education. Our industries have been taken away by other people, but we do not know it. A potter knows how to shape a pot of China-clay but does not know what this clay is made of; hence his industry is lost.The tradesmen who are present here this evening send their sons very reluctantly to school and some of them do not send at all: because they do not get their education which they need. Besides their sons educated in the present-day system turn out fashionable. They wish to become clerks. They feel ashamed to sit on the gaddi where their forefathers earned the whole of their estate. The reason for this is that the education which they receive is one-sided.”

Thus, after bringing out the importance of education, he takes a review of the situation created by the education system introduced by the British in India.

“The Government wanted engineers, doctors and clerks. It, therefore started such schools which supply its need. The students, therefore, who came out of these schools at first were bent upon services. It was the state of things sometime back that after passing three or four classes in school one could easily get on in life, but it has now become absolutely difficult, even to live from hand to mouth. We have, therefore, become conscious it has become now almost clear that it is not the fault on our part that even after getting so much education we remain unable to satisfy our bare necessities; but the fault goes direct to the education that we receive. Naturally, therefore, the question as to how to reform the present system of education stood before us.”

Importance of Education:- He pinpoints that unless education system is changed, the educated would be of no use, either for themselves or for the society as a whole. He goes a step ahead of analysis and suggests possible measures to be taken to improve the situation. “If the Educational Department had been under our control we could have effected in it any necessary changes immediately. At first, we asked the Government to transfer it to our control – the selection of the text-books for schools, for example. We feel now the necessity of such education which will prepare us to be good citizens. We were not given such education as may inspire patriotic sentiments amongst us. In America, the Proclamation of Independence is taught in V or VI classes. In this way they train their children in politics. Properly speaking these things ought to be done by the Government itself. We pay taxes to the Government only that it may look after our welfare. But the Government wants to keep us lame. There is

conflict between the commercial interests of England and India. The Government, therefore, cannot do anything in this matter.”

What are the alternatives ? What Indians can do about it ? He comes out with his scheme, which he thinks will tackle more than the issue of training the youth to read and write alone. He suggests the scheme to be called as ‘national education’ because it will serve the purpose of not only training the young but to educate them with a spirit of nationalism and groom them into nationalists with the following aims of such a scheme.

Aims of national education:- “There being no convenient schools in the villages, our villagers cannot train their children. We must, therefore, begin this work. There has been a good deal of discussion over this matter. And in the end we have come to the conclusion that for proper education national schools must be started on all sides. There are some of our private schools but owing to the fear of losing the grant-in-aid, the necessary education cannot be given there. We must start our own schools for this education. We must begin our work selflessly. Such efforts are being made all over the country.

[1] Of the many things that we will do there religious education will first and foremost engage our attention. Secular education only is not enough to build up character.....Hinduism to the Hindus, Islamism to the Musalmans will be taught in these schools. And it will also be taught there to forgive and forget the differences of other religions.

[2] Second thing that we will be to lighten the load of the study of the foreign languages. In spite of a long stay in India no European can speak for a couple of hours fluent Marathi, while our graduates are required as a rule to obtain proficiency in the English language. One who speaks and writes good English is said, in these days, to have been educated. But a mere knowledge of the language is no true education. Such a compulsion for the study of foreign languages does not exist anywhere except in India. We spend twenty or twenty-five years for the education which we can easily obtain in seven or eight years if we get in through the medium of our vernaculars. We cannot help learning English; but there is no reason why its study should be made compulsory.. To save unnecessary waste of time we have proposed to give education through our own vernaculars.

[3] Industrial education will be the third factor. In no school is this education given. It will be given in these schools. It is an important thing. Six crores of rupees are drained out every year from this country only for sugar. Why should this be? Well, can we not get here sugarcane ? Or the machinery necessary for its manufacture? The reason is that we do not get here the education in this industry..... The British Government, imparts it in England but our Government does not do it here....we must not sit silent if the Government is not doing it. We are intending to start a large mechanical and scientific laboratory for this purpose. Sugar produces Rab and from Rab is extracted liquor, but the Government does not permit us this extraction; hence we cannot get here cheap sugar. Mauritius imports to this country twenty thousand tons of sugar every year. All this due to the policy of the Government, but we do not know it. The Government will be obliged to change it if we put pressure upon it. We have come to learn these things not earlier than twenty-five years after leaving the college. Our young men should know them in their prime of life.

[4] Education in politics will be the fourth factor: We are not taught this subject in the Government schools. The student must understand that the Queen's Proclamation is the foundation of our rights. Government is trying to shut our young men out from these things. What has been proved by our revered Grand Old man Dadabhoy Naoroji after ceaseless exertion for over fifty years, should be understood by our students in their youth. Every year some thirty or forty crores of rupees are drained out of India without any return. We have, therefore, fallen into a wretched state of poverty. These things, if understood in the prime of life, can make such a lasting impression over the hearts of our young men, as it would be impossible in an advanced age. Therefore, this education should be given in schools. A nation cannot progress if it meets no difficulties in the way. We do not get this sort of education for want of self-Government. We should not, therefore, await the coming of these rights, but we must arise and begin the work"

In Indian history, no other thinker has come forward with such convincing advocacy of 'national education' to be given by our own institutions. At the same time, he draws attention to the fact that the government may not sanction grants for such schools and therefore, the educational institutions and teachers will have to sacrifice for running such schools.

Boycott, swadeshi and national education:

Actually national education was only a part of a threefold program presented to the nation for effective, practical political action. The three principles were boycott, swadeshi and national education. Boycott initially involved the refusal of the people to purchase British-manufactured goods. But soon the boycott movement took on far more significant aspects than merely economic pressure.

In a speech at Poona, as early as 1902, Tilak urged, "You must realize that you are a great factor in the power with which the administration in India is conducted. You are yourselves the useful lubricants which enable the gigantic machinery to work so smoothly. Though down-trodden and neglected, you must be conscious of your power of making the administration impossible if you but choose to make it so. It is you who manage the railroad and the telegraph, it is you who make settlements and collect revenues, it is in fact you who do everything for the administration though in a subordinate capacity. You must consider whether you cannot turn your hand to better use for your nation than drudging on in this fashion..... This is boycott and this is what is meant when we say, boycott is a political weapon." Boycott foreshadowed non-cooperation movement later started by Mahatma Gandhi.

Awakening of masses:- Swadeshi initially began as a primary economic counterpart to the program of economic boycott. Swadeshi meant self-help, to rely upon Indian-made goods rather than to patronize the retail outlets of the manufactured produce of Birmingham and Manchester. Beginning in Bengal, bonfires of European clothing lit the night sky, and the people turned to local Indian production of swadeshi goods. Swadeshi was the first great impetus to industrial development in India. Local Indian production was given the stimulus for its natural growth. But like boycott, swadeshi soon came to mean a great deal more than simple economic self-sufficiency. "In Germany, France, America, Governments protect their infant industries by imposing taxes on imports. The Government of India should also have done the same if it professes to rule India in the interests of Indians. It failed in its duty, so the people are trying to do for themselves the Government ought to have done years and years ago." Asserted Tilak.

If there could be self help in the economic sphere, then there most certainly could be self-help in all spheres of life. The Dharma of action had taught self-respect and self-reliance, and swadeshi extended self-reliance to self-help in all things. As Tilak later explained, ‘The object.....is to bring about the spread of swadeshi (i.e., country-made) things, visible and invisible, to bring about the gradual disappearance of visible foreign things, and to bring about the gradual disappearance of foreign ideas also..... Like the bodies our minds also should become swadeshi.....Swadeshi thoughts should always reign in our hearts.’

The third element in their threefold program for effective political action was national education. The program for national education was a logical outgrowth of the boycott and swadeshi movements. The plan involved the establishment of schools throughout the country dedicated to giving young India a truly national educational background. The idea of national education was implicit in the starting and conducting of the Poona School by Tilak to provide inexpensive and wholesome education emphasizing the new spirit of self-respect and self-reliance which young people could not expect to receive in the Government-supported institutions.

This threefold program of boycott, swadeshi and national education – an economic program – became a political program; a national issue; the cause of altering a specific British policy evolved into the cause of gaining India’s self-determination. “In fact, Swadeshim is a large term which includes politics and to be a true Swadeshi one must look on all lines — whether political or industrial or economic — which converge our people towards the status of a civilised nation.” Declared Tilak in clear terms.

Having studied the words of Lokamanya Tilak, the reader realizes the role of indigenous education as well as local industries in building a nation. It was expected to reduce the ill effects of ruthless capitalist exploitation by the British government and check the drain of Indian money to British treasury.

Summary

In this unit, the following important points have been explained :

1] What differentiates civilization from a primitive society is the development of commerce and trade. That becomes possible only in surplus economic conditions. As a non-agriculturist class develops in a society, development of philosophy, performing arts, laws, language and literature also follows. All the developed societies of the past have encouraged growth and development of those dimensions of human life in general as well as in the life of individuals also.

2] The rulers of the past civilizations were not only aware that humanities need to be supported but practically contributed towards preservation and development of the various aspects which we include today in Humanities. Prosperity of a kingdom was judged on military strength, commercial volume and the encouragement of art and craft.

3] All social activities in a civilized society involved religion and religions always promoted mutual dependence among various sections of society. Understanding of mutual dependence had percolated to individual life also. Occupations were seen as God’s will and were followed as a social duty.

4] When the British arrived in India, art and crafts had reached a very high standard and Indian goods were being exported to Europe. Initially, East India

company also exported Indian goods to Europe but after industrialization picked up pace in England, East India company systematically destructed traditional Indian industries in order to promote English industries.

5] Amongst the few educated people, Lokamanya Tilak vehemently pushed forward the four point program of Swarajya (indiependence), Swadeshi (indigenous production), Bahishkar (boycott of imported goods) and Rashtriya Shikshan (national education).

6] Concept of Humanities and social obligation in the modern times have been realized by the West and have been revived in new form. In the mechanical life style of today, it is of utmost importance that all sections of the society spare some time and energy to study Humanities so that they will understand their respective social obligations properly and shape up their respective behavior accordingly.

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CHAPTER III

Understanding Humanities

- (a) Humanities : definitions, importance and criticism
- (b) Main Topics studied under humanities
- (c) Stages of human development : Erickson's model
- (d) Social development : its relationship with humanities

Definitions of Humanities:

The term Humanities technically relates to many 'subjects of study' especially in university curricula. In this context, one has to understand that study of any subject cannot take place unless there is a minimum level of development of that subject. The development of a particular subject can happen only when people practice something related to that subject. One important point to be considered in this connection is that, people practice something for their respective interests and purposes, not to make an activity 'a subject for study' for someone. In other words, activities of people take place for quite some time – may be decades or centuries together – and then the universities form what is called as 'a subject' out of the activities in a particular field, which are closely related with each other. The term Humanities covers a very wide range of 'subjects' of studies :

1. History, Anthropology, and Archaeology study human social, political, and cultural development.
2. Literature, Languages (ancient and present), and Linguistics explore how we communicate with each other, and how our ideas and thoughts on the human experience are expressed and interpreted.
3. Philosophy, Ethics, and Comparative Religion consider ideas about the meaning of life and the reasons for our thoughts and actions.
4. Jurisprudence examines the values and principles, which inform our laws.
5. Historical, Critical, and Theoretical Approaches to the Arts reflect upon and analyze the creative process.

Looking at the list, which may add new subjects as time passes, it will be realized that this area is much different from what is called as 'natural sciences' and rely upon methods which are not necessarily used by natural sciences. In fact, these are the areas which are directly related to human activities as individual behavior, individual choices and individual reactions to surroundings – events and processes in society. They are the activities in which groups, categories and sections of a society are also involved the way individuals are involved. In contrast with the 'natural world' of non-living bodies moving according to the rules of nature, the subject

matter of Humanities is ‘social world’ in which individuals live and perform functions of their day to day lives as per their wishes.

What distinguishes the humanities from the natural sciences is not a certain subject matter, but rather the mode of approach to any question. Humanities focus on understanding meaning, purpose, and goals and furthers the appreciation of singular historical and social phenomena — an interpretive method of finding “truth” — rather than explaining the causality of events or uncovering the “truth” of the natural world. Apart from its societal application, narrative imagination is an important tool in the (re)production of understood meaning in history, culture and literature.

At the same time, it must be realized that **Humanities are different from social sciences** which are an attempt to study society and social matters using method applied by ‘natural sciences’. Those methods rely much upon what is observed and recorded by the observer. Those methods rely upon quantification of observations, reasoning, rational perspective and giving mathematical and statistical treatment to the data collected by observers. Those methods are not bothered about what ‘the observed’ has to say because ‘the observed’ subjects of natural sciences are ‘the non-living objects’.

The case of social world is different. ‘The observed’ in social world are human beings – live and active, self guided and self oriented, thinking and acting – rather than controlled by nature’s laws. This difference in the nature of subjects to be studied requires a different approach for studying them. The social sciences attempt at applying the methods of natural sciences – in somewhat modified form – to study the social world. Humanities on the other hand, try to understand social world from the point of view of ‘the observed’ also, that is how they differ from social sciences.

The 1980 United States Rockefeller Commission on the Humanities described the humanities in its report as, “Through the humanities we reflect on the fundamental question: What does it mean to be human? The humanities offer clues but never a complete answer. They reveal how people have tried to make moral, spiritual, and intellectual sense of a world in which irrationality, despair, loneliness, and death are as conspicuous as birth, friendship, hope, and reason. Through their narrative imagination, humanities scholars and students develop a conscience more suited to the multicultural world in which we live. That conscience might take the form of a passive one that allows more effective self-reflection or extend into active empathy which facilitates the dispensation of civic duties in which a responsible world citizen must engage. [this is the connection between humanities and social obligation] Scholars in the late twentieth and early twenty-first centuries have extended that “narrative imagination” to the ability to understand the records of lived experiences outside of one’s own individual social and cultural context.

Imagination, as part of the tool kit of artists or scholars, serves as vehicle to create meaning which invokes a response from an audience. Since a humanities scholar is always within the nexus of lived experiences, no ‘absolute’ knowledge is theoretically possible; knowledge is instead a ceaseless procedure of inventing and reinventing the context in which a text is read.

According to many theorists the foundation for modern democracy is to provide a link between the private and the public realm in society and strengthen the public sphere. The present day Western culture nurtures practices which are opposite of this requirement. The leisure activities are captured by privatization trends and a need for instant gratification – immediate temporary joy – is being created by commercialized cultural activities. Jürgen Habermas, a thinker, has argued that two important requirements for modern democracy to be successful are, disregard of social status and looking at problems in a rational, humanistic and realistic way instead of a way convenient to only limited sections of society. One could argue that the humanities offer a unique kind of pleasure based on the common pursuit of knowledge (even if it is only disciplinary knowledge) that contrasts with this individualized trend of cultural activities. Such an argument need not insist on social usefulness as an explicit goal of humanistic study, but instead simply points to the fundamental commonality of the democratic ethos with such study.

History of the humanities

In the West, the study of the humanities can be traced to ancient Greece, as the basis of a broad education for citizens. During Roman times, the concept of the seven liberal arts evolved, involving grammar, rhetoric and logic (the trivium), along with arithmetic, geometry, astronomy and music (the quadrivium). These subjects formed the bulk of medieval education, with the emphasis being on the humanities as skills or "ways of doing."

A major shift occurred during the Renaissance, when the humanities began to be regarded as subjects to be studied rather than practised, with a corresponding shift away from the traditional fields into areas such as literature and history. In the 20th century, this view was in turn challenged by the postmodernist movement, which sought to redefine the humanities in more egalitarian terms suitable for a democratic society.

Descriptions of the humanities as self-reflective — a self-reflection that helps develop personal consciousness or an active sense of civic duty — have been central to the justification of humanistic study since the end of the nineteenth century. Humanities scholars in the mid-twentieth century German university tradition, including Wilhelm Dilthey and Hans-Georg Gadamer, centered the humanities' attempt to distinguish itself from the natural sciences in humankind's urge to understand its own experiences. This understanding tied like-minded people from similar cultural backgrounds together and provided a sense of cultural continuity with the philosophical past.

In India, education and studies were given religious color since long. Vedas and other scriptures were apparently content of the studies but in order to be able to understand and interpret them one was needed to study linguistics and language. The content of scriptures was not restricted to religious matters alone and as such one finds reflections of social reality, psychological insight, historical records, political philosophy and even geographical details in the scriptures. Studies were said to be complete only when the pupil experienced to realize the validity of what he learnt. All these requirements indicate that the learners were required to study and develop those 'subjects' which are included in Humanities today. The process of learning was also

understood in its psychological perspective. Every student was given his own time period for completing education and was 'examined' or judged separately. There was no standardized ranking but the actual performance was the only demonstration of abilities and level of achievements. That way improvement in artistic and other performances was encouraged so as the development of those arts and techniques could take place.

It can be concluded in short, that most of the past civilizations, encouraged development of art and craft, which form the subject matter of humanities today.

Criticism of the humanities:

While on the one hand there is no doubt that humanities must be encouraged in order to maintain the 'human quality' of mankind and educate every new generation; in the western world, especially, in the industrially advanced societies, there are a few undercurrents, which oppose spending on teaching and research in the subjects included in Humanities.

Universities in the United States in particular have adopted corporate guidelines requiring profit both from undergraduate education and from academic scholarship and research, resulting in an increased demand for academic disciplines to justify their existence based on the applicability of their disciplines to the world outside the university. Responses to those changing institutional norms, and to changing emphasis on what constitutes "useful skills" in an increasingly technological world have been questioning teaching of humanities.

In the modern American job market, where several years of specialized study is required in many / most job fields, spending on traditional humanities / liberal arts degree program has been challenged by many that see them as both expensive and relatively 'useless'. To the claim that teaching humanities is essential to shape up personalities of the young students, there is disagreement on the level of impact humanities study can have on an individual and whether or not the meaning produced in humanistic enterprise can guarantee an 'identifiable positive effect on people'.

Further, in response to the claim that humanistic study endows the individual with analytical skills applicable in many other life situations, it is brought to the notice that this benefit is not limited to the scholarly study of texts in university class rooms. Critical thinking can be acquired in many different ways and settings. It thus cannot be defended as an exclusive domain of the scholarly pursuit of the humanities at universities.

If the Language and literature are considered to be the central topics in humanities, the impact of the changing means of electronic communication is of great concern to these fields. The immediacy of modern technology and the internet speeds up communication, but may threaten 'deferred' forms of communication such as literature and 'dumb down' language. The library is also changing rapidly as bookshelves are being replaced by computer terminals. Despite the fact that humanities will have to adapt rapidly to these changes, it is unlikely that the traditional forms of literature will be completely abandoned.

Approach to the humanistic study is based on questions of meaning, intentionality, and authorship. This exposure has opened up the interpretive structures of the humanities to criticism that humanities scholarship is 'unscientific' and therefore unfit for inclusion in modern university curricula because of the very nature of its changing contextual meaning. In the recent years of technological advancement in various fields of scientific enquiry, there are a few more arguments made against

the humanities as university subjects from different angle other than its 'utility' value. In today's age with its focus on the ideals of efficiency and practical utility, scholars of the humanities are thought to be becoming obsolete.

The current trends in the scientific understanding of human beings are calling the basic category of 'the human' itself into question. Examples of these trends are:

(a) assertions by cognitive scientists (psychologists) that the mind is simply a computing device, (b) by geneticists that human beings are no more than ephemeral husks used by self-propagating genes, or (c) by bioengineers who claim that one day it may be both possible and desirable to create human-animal hybrids.

Taking into cognizance all such criticism, there are a few suggestions to scholars in humanities such as, "it is vitally important for scholars of literature, history and the arts to engage in 'collaborative work with experimental scientists' or even to simply make 'intelligent use of the findings from empirical science' so that humanities can prove their usefulness in the changing world of technical advancement and consumer culture.

In spite of such criticism, there is a lot of support all over the world, for humanities in most of the universities for the following reasons.

Why are the humanities important?

A] An important argument in favor of humanities is that it proves to be useful in the following ways :

(a) Insights into Everything

Through exploration of the humanities we learn how to think creatively and critically, to reason, and to ask questions. Because these skills allow us to gain new insights into everything from poetry and paintings to business models and politics, humanistic subjects have been at the heart of a liberal arts education since the times when ancient Greeks first used them to educate their citizens.

(b) Understanding Our World

Research into the human experience adds to our knowledge about our world. Through the work of humanities scholars, we learn about the values of different cultures, about what goes into making a work of art, about how history is made. Their efforts preserve the great accomplishments of the past; help us understand the world we live in, and give us tools to imagine the future.

(c) Bringing Clarity to the Future

Today, humanistic knowledge continues to provide the ideal foundation for exploring and understanding the human experience. Investigating a branch of philosophy might get you thinking about ethical questions. Learning another language might help you gain an appreciation for the similarities in different cultures. Contemplating a sculpture might make you think about how artist's life affected her creative decisions. Reading a book from another region of the world might help you think about the meaning of democracy. Listening to history course might help you to have a better understanding of the past, while at the same time giving you a clearer picture of what the future holds.

[B] A similar claim is made in the following argument :

Humanities enrich and ennoble us, and their pursuit would be worthwhile even if they were not socially useful. But in fact, the humanities are socially useful as they fulfill vitally important following needs:

- To study the problems and issues in the society and work out appropriate solution towards it.
- To develop and implement policies
- Critical and imaginative thinking about the issues that confront us as citizens and as human beings.
- Reasoned and open-minded discussion of the basic values that are at stake in the various policies and practices that are proposed to address these issues
- Understanding and appreciating the experiences of others, and the ways in which the issues that confront us now have been understood in other times, places, and cultures.

Humanities concern themselves with the complete record of human experience – exploring, assessing, interpreting, and refining it, while at the same time adding to it. Without humanities we cannot possibly govern ourselves wisely or well.

[C] One more argument from a wider angle :

The main aim of education in a modern democracy is to create autonomous individuals who are able to make informed and worthwhile choices as individuals, as citizens and as workers. Such autonomy, leading to informed and worthwhile decision-making, is impossible without understanding human experience and the interactions of humans with each other and with their natural (and economic, social and cultural) environment. For such understanding the humanities subjects are vital. And because of the insights they give into human behavior these subjects are as important as English, mathematics, science and especially to older pupils who are moving through adolescence to adulthood with all its responsibilities and rights. Without a substantial humanities component, young people will be restricted in their capacity to make sense of the complex, unequal, fast-changing and often dangerous world they live in, to the detriment of the quality of their lives and of the society to which they belong.

These are a few important arguments made in support of humanities to be a part of curricula in higher secondary schools and at university level.

Who's Involved in the humanities?**Not Just Professors**

Many people who study the humanities are professors at colleges or universities, but they are also comprised of students, independent scholars, authors and artists. At Stanford university, USA for example, there are **over 200 professors** working in the **15 departments** of the humanities cluster, and many more working in other departments on humanistically-oriented projects. Many of the Stanford humanities faculty are of national and international renown, and include Pulitzer Prize Winners, MacArthur Fellows, and numerous members of national scholarly academies.

Humanities Research - Raising Questions

Professors in the humanities are often associated with their teaching, which is an important part of their work; but they also conduct research and publish their findings in academic journals and books. Whether written for a small academic community or for a broad public audience, humanities research maintains the common purpose of contributing to an on-going dialogue in their area of study. Unlike scientists, humanists are interested in raising questions, rather than providing absolute answers.

While this debate goes on in scholarly circles, public at large is not quietly watching the scene. Many organizations and agencies other than universities are involved in various aspects of works that can be covered under the umbrella term humanities. Such activities are labeled as 'Public Humanities'.

Public humanities is a term used to describe the work of organizations, including federal and state humanities agencies, that support and present lectures, exhibitions, and other programs for the general public on topics that include history, philosophy, and the arts. The American Council of Learned Societies' National Task Force on Scholarship and the Public Humanities suggests that the nature of public humanities work is to teach the public the findings of academic scholarship: it sees 'scholarship and the public humanities not as two distinct spheres but as parts of a single process, the process of taking private insight, testing it, and turning it into public knowledge.' Others suggest a more balanced understanding of the ways in which history, heritage and culture are shared between the academy and the public. Public humanities programs explore ways in which humanities may enrich everyday life.

Several universities have established programs in the public humanities, including Brown University, whose John Nicholas Brown Center supports public humanities programs, and whose American Civilization Department offers a masters degree in public humanities; the University of Washington, whose Simpson Center for the Humanities offers an annual symposium.; and Michigan State University, whose Public Humanities Collaborative 'provides a gathering place, a commons, where faculty, students, and outreach professionals can collaborate with community groups to build strong campus-community partnerships and enhance public understanding of liberal arts for democracy'.

What are the main concerns of researchers in humanities? Why are they given so much importance? What is the significance of those issues in not only individual's life and also in public life? To be able to know some of the answers to such curiosity, one must try to understand first what are the main topics covered under Humanities. This is not a list of 'subjects' those are covered under the umbrella term 'humanities' but these are the 'topics' which are studied by researchers in different subjects of humanities. Any one subject may include studies related to any of these topics and at the same time one can see that any of these topics may be studied by researchers in more than one 'subjects'.

Here are the **main topics covered under Humanities** with explanation of their meanings:-

Ethics:

No society can survive without a moral order. Man is guided by a sense of duty towards himself and society. Human conduct is largely directed by the tenets of morality; there is hardly any person who, by discipline, education and example, is not impressed with the code of social conduct. This is so because society is held together by the respect which man pays to his fellow beings.

The science of ethics is essentially social in origin. For, the right ordering of moral life is the ultimate aim of all human behavior. Ethical code is thought to be primarily a matter of individual conscience; but individual morality itself has been treated as the cumulative result of social forces. Without the group there would hardly be any conception of right or wrong.

All human relationships have an ethical bearing. Society is built upon a kind of web of 'should' and 'ought'. It is a moral obligation for man to maintain self discipline. Morality is a powerful integrating force in society; it helps to bring about order and peace. The theory of moral sense establishes a direct relation between individual sense of righteousness and social order. In practice, we find the essential difference between the thoughts and deeds of. Different individuals, with the resultant clash of interests in society.

Code of Social Conduct:

Ethical values, as seen above, are the basis of social conduct and these are more or less common to all societies. All religions uphold the nobler sentiments and condemn the baser qualities of mankind. The Sermons : "Love thy neighbor" and "thou shalt not kill," "Do not steal," "Speak the truth" or "See no evil" are teachings of Hinduism and all other religious systems. For example, Indian science of living – known as Ashtanga Yoga – defines 'yam' and 'niyam' as the first step towards the development of individual and society. The 'yam' defines "don'ts" in social life such as 'Ahimsa', 'truth', 'asteya' (do not steal) etc. The niyam defines "dos" for individuals such as cleanliness and hygiene, worship of God, etc. They helped to knit together a strong social structure in the past.

Social Philosophy:

Philosophy helps us to piece together the wide variety of experiences of man and to decide what judgments to accept and what actions to adopt. Social philosophy has to take into account the general facts of society. It is essentially a study of values and ends; it is also speculative in the sense that it explores social ideals worthy of mankind. The basic principles governing the processes of social progress form the subject-matter of social philosophy. The social philosopher takes a bird's eye view of society and detects the causes of social disorder. He aims at a synthesis of the highest values of human life and the tenets of social conduct. He is also concerned with the task of redefining culture in an intelligible manner and, by doing so he lends a constructive dimension to it. It is his duty to give a timely warning against a "crisis of character."

Human motives may have to find new channels to suit the changing needs of society. For that the social philosophy has to study the impact of science and technology on society so as to bring about necessary readjustments of existing institutions in the context of all new developments and innovations.

Values:

A social system needs certain collective goals or 'values' for smooth life of mankind. Values are related to the highest good; they provide the basis for social norms which govern public conduct. All values are interrelated. Values may roughly be divided into ethical values and social values; these are however, inseparable like the two sides of the same coin.

Human Spirit and Rationalism:

If human personality is to grow to its fullest stature, it needs to be reinforced by lofty ideals. These ideals are inspired by the spirit of 'rationalism'. Man is a rational animal; reason is the distinctive property of man. By 'rationalism' is meant the application of this reasoning power by man to regulate his instincts so that he can pass judgment even on his own emotions. The biological struggle for the preservation of human species leads to co-operation among human beings. This is further strengthened by rationalism so as to form a well ordered social structure. He is gifted with the moral sense by which he can distinguish between 'right' and 'wrong'. Rationalism is based on the theory that reason is the foundation of certainty in knowledge. A rational approach towards the prevalent social customs was advocated by many great thinkers at different times. There is the science of logic which is capable of a sharp scientific analysis of any given problem. All ignorance is regrettable and must be eliminated. Rationalism helps us to determine what moral rules are more likely to promote human happiness.

Sanctions behind Moral Values:

Man's character is determined by the relative pulls of two internal forces; viz, the virtue and the vice; where virtue prevails, society endorses the actions of such a citizen; where vice prevails society censures, though all violations of ethical norms may not be actually punished. The only real sanction (or informal punishment) is through one's conscience, which is the sole arbiter. Public ridicule or public disapproval of a man's deeds serves as punishment.

Cultural Advancement:

Culture is defined as "that complex whole which includes knowledge, beliefs, arts, moral law, customs and other capabilities acquired by man as a member of society." It is human values and attitudes which constitute culture. A culture is the sum total of values which society wishes to realize and for which it gets organized. Culture is the quality that differentiates man from other animals. Human civilization refers to the totality of social progress. It has added to material prosperity in advanced societies. The essence of civilization lies in the zest and reverence for life; it has both purpose and passion. Civilization prepares the ground for cultured societies; cultural advancement, in turn, is a quest of beauty, harmony and peace. True civilization consists in the exercise of all those powers and faculties which are over and above our mere existence as animal beings. Art and literature, science and scholarship and other creative products of the mind are the tests of civilization.

The concept of 'culture' covers the entire field of man's achievements. It encompasses all forms of art, recreation, language, humor, and government because these are manifestations of human attitudes, preferences and aspirations. Culture is also creative of new arts and sciences; it works through the medium of social appreciation. Culture is, therefore, continuously evolving, growing, expanding and the cultural flow is parallel to social progress. Cultural growth can be divided in to three processes e. g. (i) creativity or invention, (ii) diffusion and (iii) transmission.

When free transactions take place among different societies, there is bound to be cultural diffusion whereby skills and crafts are exchanged with mutual benefit among the communities concerned. Modern industrialization, technology and research can be similarly viewed as results of cultural diffusion among different societies. Cultural heritage is the result of transmission of culture from one generation to another. It is a cumulative process. The household and recreational practices and other customs and traditions form part of the cultural heritage of mankind.

Social Values and Fundamental Rights:

While ethical values ennoble the human spirit, social values consist of norms which regulate man's social behavior. If a society wishes to achieve consistent progress, it must depend upon the bulwark of social values which recognize the rights and duties of individuals and the loyalties and responsibilities of citizens to the state. Modern society is undoubtedly progressive; it aims at providing all opportunities to individual; to develop their intellectual, moral and physical faculties. Society itself depends upon the dynamic leadership of intellectual giants and it must encourage such people to come forward. A democratic state guarantees the fundamental rights to one and all, irrespective of race, caste, sex, and so on.

The Preamble to the Constitution of India contains the fundamental rights as follows:

The rights of justice, liberty, equality and fraternity are different aspects of social values and they are present in any system of law. In all cases of violations of these rights, the state may resort to legal action and use of force. The punishment is of a deterrent nature.

The following is one of the important directive principles contained in the Constitution of India. It may be said that India launched her career as a Welfare State by the provision of such directive principles.

“The State is required to secure for the citizens an adequate mean of livelihood, equal pay for equal work, protection against abuse and exploitation of worker's economic necessity, protection of their health as also of children of tender age and youth, and protection against exploitation and moral and material abandonment”.

Nature of Laws:

Laws are a body of rules to guide human action in society. Some laws may be traced to customs. Every society acts through government to make laws of the land. Laws are, therefore, commands ordering or prohibiting specific actions of the citizens. State may make new laws to suit the changing circumstances.

Law is defined as the system of rights and obligations which the State enforces. It lays down precisely the responsibilities of each citizen in relation to other citizens. Law is obligatory and must be obeyed. Backed by the authority and power of government, law safeguards liberty and administers justice.

A law should be permissive rather than restrictive because it should be conducive to liberty. Respect for law is characteristic of civilization. Man became really free when he recognized that he was subject to law. In order that the system of law is stable, law must be founded on reason and it must appeal to commonsense. Laws are made to restrain and to punish criminals; the wise and good persons need them only as a shield against oppression or other injustice. Loyal citizens can live an

orderly and cultured life even if there were no laws because they are always guided by ethical norms or moral code. A law has value if it has the inherent quality of justice.

Justice:

Justice is the reconciler and the synthesis of political values. It consists in the right ordering of human relations. Justice is the fundamental virtue of social life as it embraces all fields of human activities. From the ethical point of view, justice is described as 'truth in action'; it consists in doing no injury to others. In everything, however in significant, there is justice due to humanity. The moral sense of right and wrong is the foundation of justice. In fact, law itself emerges from the social ideal of justice. The judiciary of the State seeks to enforce law and to preserve order in society. The State authority represents power, which is in actual practice wielded only by a few. Historically, powerful sections of the community created awe and fear in the minds of the masses.

So, the ideals of power and justice confronted one another. Where judiciary is weak, administration is bound to be corrupt. Under dictatorships all power is vested in the top leader. In a democracy there is the principle of the Supremacy of Justice, which seeks to regulate power through law. Impartial, cheap and timely justice constitutes the true armor of the common man against all unjust claims of power.

Liberty:

The principle of liberty means that the state treats each and every moral person as a free agent, capable of developing his own capacities and therefore capable of enjoying and exercising the rights which are the conditions of such development. A free citizen in a free nation is an ideal worthy of attainment. Liberty consists in freedom of thought, word and action. Historically battles were fought for the sake of freedom and liberty. 'Liberty, equality and fraternity' were the founding principles of French Revolution.

Liberty implies responsibility because when an individual is free to act, he is responsible for his action. Moreover, liberty implies legality, since the liberty of the citizen is his legally recognized power of enjoying his rights. A community cannot continue its existence without liberty, nor can liberty prevail in the absence of social norms. Some great philosopher had rightly said, 'Eternal vigilance is the price of liberty.'

Harold Laski classified liberty as follows:—

- (1) Private liberty: This indicates the freedom to follow one's customs and religion and to provide one's personal security.
- (2) Political liberty: It includes the right to cast vote, to stand as a candidate for political elections etc.
- (3) Economic liberty: This includes the right to economic opportunities.

The following is yet another classification of liberty:—

- (1) Natural liberty: Man, in the state of nature, obeyed his instincts; an individual wants freedom to meet his natural urges, irrespective of social considerations.
- (2) Civil liberty: This implies freedom to act in the best interests of the society; it includes the fundamental rights guaranteed by the State. Part III of the Indian Constitution covers the entire range of fundamental rights.

Safeguards of liberty: Liberty is very difficult to practice. Any misunderstanding of liberty by one person is encroachment on liberty of other persons. To make safeguards of liberty really effective, competent Law is a vital condition. In addition to legal provisions an enlightened citizenship is quite essential to preserve liberty. After all, laws need to be respected and followed by citizens though some of them may hamper their immediate and temporary gains or pleasures. Unless one respects the liberty of others how can one expect others to respect his / her liberty? Therefore it is of utmost importance that citizens must be not only educated but need to be 'learned' in true sense of the term.

Equality:

The principle of equality means that whatever rights are guaranteed to one individual shall also, and in the same measure, be guaranteed to others and that whatever rights are given to others shall also be given to that individual.

Equality goes hand in hand with liberty and fraternity. Following is a classification of equality:

- (1) Civil equality: This implies that the citizens enjoy protection from the state, in the enjoyment of their fundamental rights, irrespective of caste, race, religion or sex.
- (2) Political equality: This is the cardinal principle of democracy which grants not merely the political rights but also equal eligibility for holding administrative posts, subject to necessary minimum qualifications.
- (3) Economic equality: This includes equal economic opportunities, such as, opening of an industry, business, trade etc. It also indicates equitable distribution of wealth in society so far as it is compatible with the civil and economic liberty of other persons in respect of their property. The State tries to reduce economic inequalities gradually by means of progressive taxation.

Fraternity:

Fraternity means brotherhood. Fraternity denotes a sense of unity and a feeling of common cause among the members of a community. It is essentially an emotional concept which underlies patriotism, nationalism, once loyalty to the groups to which one belongs. The principle of fraternity as recognized by the State involves the responsibility of 'common provision for common needs'. It assures the dignity of the individual and inspires him to respect and help his fellowmen. Thus fraternity stands for brotherhood of mankind.

Fraternity would, however, be meaningless without liberty and equality. Mutual respect among the members of a community will sustain so long as all of them enjoy equal rights and opportunities in all walks of life. Fraternity has a great role to play in a secular State.

After looking at these topics it is easy to realize that these topics are concerned with those qualities of human life which actually make us human beings. This process when takes place at a social level, it is called as social development. The main purpose of studies in humanities is to achieve social development.

The term '**social development**' refers to qualitative changes in the structure and functioning of society that help society to better realize its aims and objectives. Development can be broadly defined in a manner applicable to all societies at all historical periods as an upward ascending movement featuring greater levels of energy, efficiency, quality, productivity, complexity, comprehension, creativity,

mastery, enjoyment and accomplishment. Development is a process of social change, not merely a set of policies and programs instituted for some specific results.

Concern for human development is essential because it is the pivot of any real progress. No matter how many buildings, facilities, schools and hospitals we build and no matter how many projects and bridges we set up, it will remain a lifeless, material entity incapable of survival. The spirit of all this development is man, it is man who is capable with his mind, resources, art and determination to preserve these achievements and push further. Though we confine the use of the term 'development' to economic progress, in reality the same applies to political, social and technological progress as well. All these various sectors of society are so intertwined that it is difficult to separate them.

Development in all these sectors is governed by the same principles and laws and therefore the term can be applied uniformly to all these fields. A high standard of education, investment in a sophisticated health service, the development of human resources, the empowerment of women and the provision of social welfare to the less well-off have ensured that any civil society continues to be a tolerant, open, caring society that cherishes its traditional roots.

This process of social development has been going on since the dawn of history. But during the last five centuries it has picked up in speed and intensity and during the last five-six decades has witnessed a marked surge in acceleration.

The process of social development is closely related to the process of individual development. A society can not develop without its members being developed as individuals. Development of individuals is a lengthy process called as 'socialization of children'. Every society since times unknown, has a well defined, nicely spaced and neatly organized system of socialization of its new generations. The child rearing practices were not merely taking care of physical health of the growing children but they included mental wellbeing, skills development for particular occupation, general skills required for rural or urban living, public manners and etiquettes, formal procedures in public sphere and religious rituals. Traditional socialization process was a comprehensive process of developing a child into a responsive and responsible adult member of the society. Apparently religious rites and rituals connected with the stages of life of an individual, helped to establish a sort of harmony between the growing awareness of the needs of the individual and at the same time making an individual an alert and able contributor to the social welfare.

Modern day psychologists have studied and analyzed the growth process of an individual and have been able to identify certain stages of mental and physical development of an individual. Taking into consideration that personality development is a product of nature and nurture both, (about which we shall study in more detail in the next chapter), they have tried to show typical relationships between stages of individual growth and his / her growth as a participant of social structure. At the same time, emotional qualities also develop in the personality of an individual which possess a social dimension also. The apparently individualistic looking qualities like love, competence, fidelity have a social dimension as well. These qualities are meaningless without a social context.

Further, these qualities make human life worth what it is. Arts and crafts are basically expressions of emotional excitement of individuals. Every artistic performance is meaningful so far as there are others to appreciate it. Without society to observe and comment, any art work has no place. An individual's expression is meant for the society to pay attention to, to recognize it, to defend or oppose it or to react in some or the other way. An artist paints a picture, a dancer performs a dance, a

singer presents his singing only for the others to appreciate. A performance without anybody's response will soon lose its significance. This reciprocity between the performer individual and the society around him / her is the basis on which 'humanities' flourish. In order to understand humanities in a better way, we need to understand at least the main stages of individual growth pattern and connection of each of the stage with the social qualities that develop in an individual.

Here we present the famous psychiatrist Erik Erikson's scheme of human development:-

Erikson's Eight Stages of Human Development:

Erickson has proposed that human physical development takes place in various stages which can be shown to be connected with certain emotional stages. Of course, one has to keep in the mind that it is not a time table of railways or any such thing. The phases of growth are approximate only. Erickson has given thrust upon the child rearing practice in a particular family and its probable effects on the child's mental set up. Broadly, he distinguishes two types of families, namely, first type in which a healthy up bringing is found and the other in which some how parents are not able to maintain mentally healthy atmosphere which shows its impact on the mental development of the child. Parents' certain ways of behavior and certain treatment given to the child are highly likely to inculcate certain traits in the personality of the child. A society with high proportion of members possessing only a particular type of traits is definitely not a society with balanced development of all sections.

Existing stage of cultural development of any society, at the given time, definitely contributes towards the healthy growth of majority of children of that society. Unless a society promotes studies in humanities, it can not encourage healthy practices of child rearing, which ultimately is responsible for further development of culture. Thus, looking from this angle, proper development of individuals and humanities studies are closely related, though this realization is not common even amongst many so called 'educationists'. Erickson has brought out this relationship in a sufficiently clear manner. A good scrutiny of his proposals leads us to better understanding of the mutual dependence of individual development and social development and the role of humanities to bridge these two factors.

1. Learning Basic Trust versus Basic Mistrust (Hope)

Chronologically, this is the period of infancy through the first one or two years of life. The child, well - handled, nurtured, and loved, develops trust and security and a basic optimism. Badly handled, he becomes insecure and mistrustful.

2. Learning Autonomy versus Shame (Will)

The second psychosocial crisis occurs during early childhood, probably between about 18 months or 2 years and 3½ to 4 years of age. The 'well – parented' child emerges from this stage sure of himself, elated with his new found control, and proud rather than ashamed.

3. Learning Initiative versus Guilt (Purpose)

This third psychosocial crisis occurs during 'play age,' or the later preschool years (from about 3½ to entry into formal school). During it, the healthily developing child learns: (1) to imagine, to broaden his skills through active play of all sorts, including fantasy (2) to cooperate with others (3) to lead as well as to follow. Immobilized by guilt, he is: (1) fearful (2) hangs on the fringes of groups (3) continues to depend unduly on adults and (4) is restricted both in the development of play skills and in imagination.

4. Industry versus Inferiority (Competence)

The fourth psychosocial crisis is handled, for better or worse, during what he calls the 'school age,' presumably up to and possibly including some of junior high school. Here the child learns to master the more formal skills of life: (1) relating with peers according to rules (2) progressing from free play to play that may be elaborately structured by rules and may demand formal teamwork, such as baseball and (3) mastering social studies, reading, arithmetic. Homework is a necessity, and the need for self-discipline increases yearly. The child who, because of his successive and successful resolutions of earlier psychosocial crisis, is trusting, autonomous, and full of initiative will learn easily enough to be industrious. However, the mistrusting child will doubt the future. The shame - and guilt-filled child will experience defeat and inferiority.

5. Learning Identity versus Identity Diffusion (Fidelity)

During the fifth psychosocial crisis (adolescence, from about 13 or 14 to about 20) the child, now an adolescent, learns how to answer satisfactorily and happily the question of "Who am I?" But even the best - adjusted of adolescents experiences some role identity diffusion: most boys and probably most girls experiment with minor delinquency; rebellion flourishes; self - doubts flood the youngster, and so on.

Erickson believes that during successful early adolescence, mature time perspective is developed; the young person acquires self-certainty as opposed to self-consciousness and self-doubt. He comes to experiment with different - usually constructive - roles rather than adopting a "negative identity" (such as delinquency). He actually anticipates achievement, and achieves, rather than being "paralyzed" by feelings of inferiority or by an inadequate time perspective. In later adolescence, clear sexual identity - manhood or womanhood - is established. The adolescent seeks leadership (someone to inspire him), and gradually develops a set of ideals (socially congruent and desirable, in the case of the successful adolescent). Erickson believes that, in our culture, adolescence affords a "psychosocial moratorium," particularly for middle - and upper-class American children. They do not yet have to "play for keeps," but can experiment, trying various roles, and thus hopefully find the one most suitable for them.

6. Learning Intimacy versus Isolation (Love)

The successful young adult, for the first time, can experience true intimacy - the sort of intimacy that makes possible good marriage or a genuine and enduring friendship. Indian philosophy has prescribed four ashrams as stages of life of an individual. The first one is called as "brahmacharya ashram - the period to gain knowledge and

training of skills. In the second i.e. 'grihasthashram' – the period to earn the bread and butter for family, to enjoy worldly pleasures and perpetuate family. In the third stage called 'vanaprasthashram' – the period of elderly couple retiring from daily household activities in quest of self. These guidelines apparently for individuals are for sustaining social systems. They provide an ideal combination for fulfillment of individual desires and aspirations and at the same time contribute towards overall growth of society.

7. Learning Generativity versus Self-Absorption (Care)

In adulthood, the psychosocial crisis demands generativity, both in the sense of marriage and parenthood, and in the sense of working productively and creatively.

8. Integrity versus Despair (Wisdom)

If the other seven psychosocial crisis have been successfully resolved, the mature adult develops the peak of adjustment; integrity. He trusts, he is independent and dares the new. He works hard, has found a well - defined role in life, and has developed a self-concept with which he is happy. He can be intimate without strain, guilt, regret, or lack of realism; and he is proud of what he creates - his children, his work, or his hobbies. If one or more of the earlier psychosocial crises have not been resolved, he may view himself and his life with disgust and despair.

These eight stages of man, or the psychosocial crises, are plausible and insightful descriptions of how personality develops but at present they are descriptions only. We possess at best rudimentary and tentative knowledge of just what sort of environment will result, for example, in traits of trust versus distrust, or clear personal identity versus diffusion. Helping the child through the various stages and the positive learning that should accompany them is a complex and difficult task, as any worried parent or teacher knows. Search for the best ways of accomplishing this task accounts for much of the research in the field of child development. At the same time it must be remembered that the content of this process, i. e. 'what to teach' is supplied by humanities. Socialization, then is a learning – teaching process that, when successful, results in the human organism's moving from its infant state of helpless but total egocentricity to its ideal adult state of sensible conformity coupled with independent creativity.

This healthy type of development of individuals only will lead to superior works of arts and crafts in any society. Thus, a cycle seems to be operative in this cultural field. Healthy personality development needs a developed culture and as a result adds to that culture in such a way that it develops further towards excellence and improvement.

Social development:-

Our concern for human development is essential because it is the pivot of any real progress. No matter how many buildings, facilities, schools and hospitals we build and no matter how many projects and bridges we set up, it will remain a lifeless, material entity incapable of survival. The spirit of all this development is man, it is man who is capable with his mind, resources, art and determination to preserve these achievements and push further.

A high standard of education, investment in a sophisticated health service, the development of human resources, the empowerment of women and the provision of social welfare to the less well-off have ensured that the UAE continues to be a tolerant, open, caring society that cherishes its traditional roots.

The term 'social development' refers to qualitative changes in the structure and functioning of society that help society to better realize its aims and objectives. Development can be broadly defined in a manner applicable to all societies at all historical periods as an upward ascending movement featuring greater levels of energy, efficiency, quality, productivity, complexity, comprehension, creativity, mastery, enjoyment and accomplishment. Development is a process of social change, not merely a set of policies and programs instituted for some specific results. This process has been going on since the dawn of history. But during the last five centuries it has picked up in speed and intensity and during the last five decades has witnessed a marked surge in acceleration.

Though we confine the use of the term 'development' to economic progress, in reality the same applies to political, social and technological progress as well. All these various sectors of society are so intertwined that it is difficult to separate them neatly. Development in all these sectors is governed by the same principles and laws and therefore the term can be applied uniformly to all these fields. Some researchers have tried to bring out relationship between humanities related cultural development and technological advancement which is very rarely realized by people.

Cultural Mores and Technological Innovation :

Cultural preferences have resulted in technological innovations in the past and are even today. During the 'rational period', considerable attention was paid to human psychological processes. The analysis of moods and emotions led to elaborate theories on the role of color and design in inducing psychological well-being. Treatises on art and architecture emphasized the importance of color. As a result, the use of color in decorating household artifacts, textiles, furniture, and public and private dwellings became widely prevalent and a matter of conscious choice.

Discoveries concerning the manufacture and application of natural and artificial dyes quickly followed. Block printing, tie and dye, and other textile-dyeing techniques were popularized. The use of mordants in color-fast dyeing of textiles became known as did the knowledge of lacquers that could be applied to wood or leather. Paints that could be used on different building materials were developed and elaborate techniques were employed to prevent fading and loss of color during the heavy monsoons. (It is remarkable that paintings in the Ajanta caves have survived almost 1500 years, but what is even more noteworthy is how the paint on some of the exterior sections of Ellora's temples has survived 1200 years. The richness of color in well-preserved Indian miniatures continues to amaze and astonish. It may be noted that for many centuries, color-fast dyes made up an important component of India's exports, and export of these to ancient Rome has been documented in Roman records)

State Support of Technology

A notable aspect of technological progress in India was its dependence on state support. Without the support of a technologically inclined nobility, without grants from the royal treasuries, many of the technological developments that took place in the field of water-management, construction and metallurgy simply would not have taken place. Progress in astronomy also benefited from active state support.

Raja Bhoja (1018-60 of Dhar -Malwa) who was himself a great engineer and was the architect of Bhojsagar - (one of the largest artificial irrigation lakes of medieval India) was a great patron of engineering projects. Reputed to be a fine scholar, he was well educated in the sciences and the arts and was responsible for the commissioning of a university (Bhoj Shala) at Dhar and several monumental temples in the Malwa region, including one at Bhojpur which has a cast iron Shiva-Linga of very impressive proportions. Viewing town planning as an important aspect of government, he provided a detailed network of roads connecting villages and towns in his magnum opus, Somarangana Sutradhara.

In addition to a chapter on town planning, the Somarangana Sutradhara also included chapters on mechanical engineering, soil testing, orientation of buildings, the selection of building material, architectural styles, and the vertical and horizontal components of buildings. The Somarangana Sutradhara also describes machines and mechanical devices such as chiming chronometers (putrika-nadiprabodhana), and in his Yuktikalpataru, Raja Bhoja also warned shipbuilders about using iron along the bottom of the vessels for this would render them vulnerable to magnetic rocks at sea.

However, state support for technological innovation was not always forthcoming and depended considerably on the attitude of individual rulers. By and large, arms manufacturing and the production of luxury goods received the maximum support from the rulers. Mughal rulers like Akbar and Aurangzeb invested heavily in the production of artillery and other weapons as did some of the Rajputs and the Deccan kings. Specialized manufacturing towns were promoted almost throughout the country.

As these are a few incidences which bring out clearly relationship between cultural aspects and technological advancement, there were certain forces in operation at the societal level especially since the medieval period which thwarted growth and development of certain scientific progressive sections. Researchers draw our attention to the following factors which hampered Indian industries developing into world leading industries. It is important to note that, as some of the socio-cultural factors have been promoting scientific-technological development, another set of socio-cultural factors has hampered the further development of the same. Ultimately what needs to be realized is that, practice and study of humanities can have both the types of impact on social development – positive and negative, as can be seen in the following section;-

Limitations of pre-industrial manufacturing:

However, one of the limitations of Indian manufacturing prior to the industrial revolution was that although Indian artisans could produce goods of exceptional quality, much of Indian manufacturing (as was the case in much of the world) was highly labor intensive. Although Indian artisans used a variety of tools and implements in facilitating their manufactures, there was insufficient investment in augmenting and expanding the range of available laborsaving tools.

Yet, more than in any other nation, manufacturing in medieval India involved considerable specialization of labor. India had a very large pool of relatively cheap skilled labor trained in a variety of specialized tasks and manufacturing processes were optimized to take full advantage of these highly trained hands. Since most manufactured goods catered largely to the elite, demand was relatively limited and the available labor pool was more than sufficient to meet those needs. Hence, complacency ruled the day. India's great manufacturing strengths thus became a significant obstacle in transitioning towards the modern industrial era.

Nevertheless, in certain areas where demand growth was considerable, there were successful attempts at improving manufacturing techniques. The textile industry was one such industry where steady improvements in manufacturing technology took place. Indian textiles commanded a worldwide market and prior to colonization, India's manually operated textile machines were amongst the best in the world and the early textile machines produced in newly industrialized Britain and Germany were modeled on the best of these machines. The huge demand for Indian exports also gave a fillip to the ship-building and packaging industry and during the 18th century, the Wadias of Bombay were building ships as good as any in the world.

Why India remained backward when Europe was industrializing :

It is often argued that the glory of past Indian achievements is somewhat overemphasized. If India had such notable advances in the past, why it could not compete with European development of industries in the nineteenth century? On analyzing history one finds a few important causes that seem to have led to lagging behind of Indian industries. There were powerful forces at work that inhibited the growth of science and technology in India and prevented Indian manufacturing from entering the industrial era on its own terms.

Perhaps the most important of these factors was the relative prosperity that India enjoyed vis-à-vis the rest of the world. A mild climate meant that the peasantry and working class could survive relatively cheaply. And the huge trade surplus the country enjoyed enabled the nobility and the middle classes to live lives of relative luxury and comfort. There was little incentive to bring about revolutionary changes and the forces of parasitism and conservatism prevailed quite easily over more radical forces. Harry Verelst (Senior Officer of the East India Company) described Bengal before Plassey quite succinctly: "The farmer was easy, the artisan encouraged, the merchant enriched and the prince satisfied".

But in Europe, virtually all classes had an interest in bringing about revolutionary changes that could improve their lives. Long and harsh winters meant that even the peasantry and working class needed more items of personal consumption just to survive, let alone live comfortably. The demand for cheap manufactured goods for mass consumption was initially far greater in Europe than in the warmer parts of the globe. The short days in the long and harsh winters created a much more compelling need for breakthrough inventions like the light bulb or electric heater or piped hot water and indoor toilets. But need alone was an insufficient factor in securing technological breakthroughs.

Another important drawback of Indian society was that the priest class resisted numerous attempts at introducing anything resembling science and reason in the curriculum. In spite of repeated attempts by Akbar to introduce a secular curriculum in the nation's Madrasahs, the conservative clergy successfully resisted all attempts at change. Similar processes were at work in many of the Buddhist monasteries and the Hindu Gurukuls who had succumbed to the influence of orthodox Vedantism. In extreme versions of the Vedantic world-view the real world was more an illusion, and hence all efforts at changing it or transforming it were deemed unimportant.

Even in schools that escaped Vedantic influences, and where science and logic remained a part of the curriculum, religious instruction often took precedence. In addition, Brahminical notions of purity created a needless divide between the mental and physical creating obstacles to experimentation and transfer of theoretical knowledge to practical applications. The fixation on astrology rather than promoting

astronomy and other such superstitions also served to distract sections of the intelligentsia from more scientific pursuits.

So just as Europe was preparing itself to meet the challenges of the industrial revolution, significant sections of society in Africa and Asia were becoming more resistant to studying science. So great was this contradiction in some nations that science and technology almost came to be associated with treachery and religious obscurantism became synonymous with patriotism. As a result the masses were often denied the opportunity to deal with an industrializing Europe on anything even remotely resembling equality.

Like other colonized nations, India was dragged into the industrial era on terms that were not of its own choosing and many of the technological developments that have since taken place in India have been geared more towards the export market than bringing about all-round improvements in the quality of life for the Indian masses.

For that reason, it cannot yet be said that India has fully entered the modern industrial era. Only when India is able to harness the power of technology and modern industry towards improving the quality of life for the vast majority of its people will that be the case. That will require not only major advances in the Indian education system but radical social changes that have yet to take place in a systematic way. Above all, the forces of religious fundamentalism, religious obscurantism and social backwardness will have to be pushed back and defeated. That is the real lesson of the Industrial Revolution that has yet to sink in completely in typical Indian mind.

One of the aims of humanities studies has been to encourage developing a model of a society which will give maximum scope to individual freedom, individual growth and at the same time take care of smooth functioning of society without jeopardizing interests of any particular section of the society. It needs to be progress of all. That is where proper personality development is related to social development.

Summary

In this chapter we have tried to understand the following main points;

- 1] The general definition of humanities which clearly mentions that it is a group of disciplines which study certain subjects in a particular manner. Both the content of study and the method of study differentiates humanities from natural sciences and social sciences both.
- 2] A general list of subjects or disciplines which are included under the broad term 'humanities'. The methods applied in the studies of those subjects require intuitive insight rather than rational thinking, qualitative understanding rather than numerical proofs, analytical approach rather than probabilistic connections.
- 3] A list of topics which are studied by researcher in those subjects. It will be realized that all those topics are more connected with emotional and expressive aspects of personality, are concerned with living and sharing with others, are aiming at taking individual and society to a new height of cultural plane.
- 4] There are those topics which help and encourage human societies to develop into more free, democratic and open societies. Values like equality, fraternity are unique human values. Other animals can not even imagine of value based living and actions. Understanding and practicing of those values alone makes us members of human society.

5] The connection between personality development and social development is very close. Psychologists have brought out the connection between these two processes. Here Erickson's model of individual development has been presented which shows the relationship between these two factors.

6] We have tried to understand the meaning of 'social development' and its connection with humanities. Social development is aimed at general wellbeing of all the sections of society. A few examples of how humanities have contributed to development of even technology – which is usually thought to be away from humanities – and how cultural progress is connected with humanities have been presented. How support of rulers contributes to development of humanities is also brought out with apt illustrations.

Chapter IV

- (a) Relationship between individual and society : social institutions
- (b) Personality development approaches of Freud and others :
- (c) Interpretations of the concept 'social obligation': by individuals, corporate, NGOs, occupational sectors, professionals and governments:
- (d) Awards to industries : Malcolm Baldrige, Tata Business Excellence award, CII and
- (e) Individual response to fulfill social obligations:

(a) Relationship between individual and society :

Probably since the times when primitive societies started living as 'community' or 'society' as one unit, the relationship between an individual and the society of which he/she was a member, has been thought over by thinkers in every such community. The civilized society definitely gave a lot of thinking to this relationship. In the historical records of all ancient civilizations, this had been an important topic from various angles. The rulers, the priests and philosophers explored this relationship from their respective perspectives. We can not find one and the same interpretation of this relationship through all the ages and in all the civilizations. From time to time various dimensions were seen as more important than the rest while discussing this relationship. Just like the unending debate over 'the egg or the chicken first'; 'man or the society first' is a similarly interesting debate. So far on the earth, all individuals have been seen to be living a meaningful life only while in a society and at the same time, one can not imagine a society without individual members. This mutual dependence of individual and society however, is not simple.

Social institutions : definition

An easy, practicable solution every society found out sooner or later was to establish 'social institutions'. A social institution is 'a web – or a cluster – of social norms in connection with socially important event'. Thus, in order to canalize sex desire and activities of individuals, institution of marriage was established; in order to take care of new born generation, institution of family was created; in order to tackle the issue of production and distribution of rare commodities, institution of economy was established; in order to set the rules for power distribution, institution of politics was created. Methods for educating new generations were also innovated by every society. Every society, howsoever primitive it may be, has been observed to have these institutions. The actual ways of behavior may defer from society to society, but no human groups have been found without any of these institutions.

The social institutions create a set of rules by which relationships amongst individuals and small groups are controlled. Institutions bestow 'rights' to various social positions which the individuals enjoy when they occupy – act in – those positions. It is important to realize that 'rights of one position are the duties or obligations of the other related position'. For example, in a teacher-student relation, teacher's rights are such that the students have to fulfill them, and the students rights are such that the teachers have to fulfill them. The next step is guiding and controlling behavior of individuals so that no one encroaches rights of others beyond the limits set by the society. Social institutions set those limits or extents to which anybody can exercise his/her rights and make others behave in a particular manner. This is how individual and society are related to each other.

As the societies developed materially, in each society, non-material aspects of culture also developed. People were facing problems, were suffering from misery, had to live difficult times. Sometimes the unhappiness of people was due to certain forces beyond control of any individual or society, but sometimes it was realized that persons or social system was responsible for the sufferings of masses. High floods, earth quakes, extreme cold or heat, storms and rains, epidemics and accidents are all the factors beyond control of human beings but make human life difficult, painful and full of sorrow. In the present era, science and technology is supposed to be helping mankind to resolve issues by finding out means and ways to minimize the effects of such factors.

How a king treats his subjects, how a master treats his servants, how a father behaves with his children, how a husband treats his wife are the factors under human control. Religion and other social institutions provide guidelines for 'how to behave' but in real life people may or may not follow those guidelines thereby making life of others around them miserable and unhappy. Humanities are supposed to be helping mankind to resolve such issues by finding out means and measures to properly guide human behavior – that of an individual or that of a group – so that suffering is minimized. Morality and ethics are those sets of guidelines. They provide individuals with the 'how' to act, while Philosophy provides with the 'why' of actions which are prescribed. In doing so, it is but inevitable that the best method should take care of interest of the society without intimidating the interests of individuals. Thinkers of all the times have always spent years in finding out ways to fill the gap between 'reality and expectations'.

We have seen in the earlier part of the book that the system called as capitalism, which is the prevailing system in the world today, has created certain inequities in the world. While a few people enjoy comforts of life, many others may be forced to live in poverty and hardships. It is not individual fault as such but it is the system which gives rise to such distortions of social life. In the past, society and individual were directly, face to face confronted with each other; but as the society expands numerically, its complexity also increases and the direct contact of individual with others in the society is minimized, sometimes lost completely.

Individualism as a principle overshadows other principles of human relation. While the concept of individual freedom has been given top priority, social wellbeing is being overlooked, if not totally neglected. The state created a taxation system by which it tried to redistribute wealth; taking from the rich as taxes and giving to the poor as fair-price food-grains, cheaper education, housing, health care and travel etc. The tax payer believes that by paying taxes he has fulfilled his duty towards society and thinks that nothing more than that is essential or that as an individual he need not go any further. The 'welfare state' principle accepted by capitalist states failed in practice to fulfill the promises given to the needy and the poor sections of the society. This situation was created in the so called 'developed' societies of the West. No doubt, they are economically developed, but are they really developed socially? What are the indicators of social development? The indicators used by those countries are based upon material availability. So much of power consumption, so much of newspaper circulation, so much of road construction etc. No doubt, these are useful indicators of some progress made by a country but are not sufficient to make people happy. This realization led the thinkers in the West to promote the concept of 'social obligation' in its present form.

What individuals receive from society:- The basic idea is to realize what we as individuals receive from the society at a very broad level. To put in a nutshell, following gifts can be said, individuals receive from the society:

1] In the economic sphere, we receive access to resources, to infrastructure, to employment and business opportunities, protection to private property, permission to add to individual property and a right to exchange part of property in the way we choose to.

2] In the political sphere, we receive access to power, protection of our persons, our property, our rights as citizens and an assurance of security.

3] In the social sphere, we receive a status, recognition, code of conduct, assurance of wellbeing, affection and love as a member of a group.

4] In the cultural sphere, we inherit the motivation for life, guideline for living happily, means to make our life meaningful and a method to make others around us happy.

5] In the psychological sphere, we get scope for self expression, self development, a sense of peace and smooth life and above all, a personality, the uniqueness as an individual which is seldom realized as a gift from the society.

Of these, already we have studied economic, political, social and cultural aspects to some extent. Let us now try to understand the psychological aspect of the subject.

Keeping these factors in the mind, it is not difficult to realize that every individual, whether he or she understands or not, whether somebody is rich or poor, whether somebody is facing difficult times or not, does owe to society his / her whole living process, the life with all its ups and downs. It is not that people do not know this but in the present conditions of society, almost everybody thinks that 'let others do it, why me'? This thought in itself is superficial, learned rather than in born or inculcated in the process of development of personality. Let us study various theories regarding development of personality.

A systematic study of personality was probably started by Freud and then other researchers developed and postulated their own views.

(B) In Search of Human Uniqueness : the personality of every individual.

Freud's Psychoanalytic Theory:

Sigmund Freud, an Austrian physician, originated psychoanalytic theory in the early 1900s. Freud believed that much of our behavior is motivated by the unconscious part of the personality of which a person is not aware and the conscious experience was just the tip of our psychological makeup and experience. Like the unseen mass of a floating iceberg, the material in the unconscious far surpasses in quantity the information we are aware of. Freud argued that to understand personality, it is necessary to expose what is in the unconscious. But because the unconscious disguises the meaning of the material it holds, the content of the unconscious cannot be observed directly. In fact, he thought that The hidden drives shaped by childhood experiences, play an important role in energizing and directing our everyday behavior.

It is therefore necessary to interpret clues to the unconscious — slips of the tongue, fantasies, and dreams — in order to understand the unconscious processes that direct behavior.

Structuring Personality: **Id, Ego, and Superego**

To describe the structure of personality, Freud developed a comprehensive theory, which held that personality consists of three separate but interacting components: the id, the ego, and the superego. They represent abstract conceptions of a general model of personality that describes the interaction of forces that motivate behavior.

If personality consisted only of primitive, instinctual cravings and longings, it would have just one component: the id. The id is the raw, unorganized, inborn part of personality. From the time of birth, the id attempts to reduce tension created by primitive drives related to hunger, sex, aggression, and irrational impulses. The id operates according to the pleasure principle, in which the goal is the immediate reduction of tension and the maximization of satisfaction.

However, reality prevents the fulfillment of the demands of the pleasure principle in most cases; for example, We cannot always eat when we are hungry. To account for this fact of life, Freud suggested a second component of personality, which he called the ego.

The ego strives to balance the desires of the id and the realities of the objective, outside world. In contrast to the pleasure-seeking nature of the id, the ego operates according to the reality principle, in which instinctual energy is restrained in order to maintain the safety of the individual and help integrate the person into society. In a sense, then, the ego is the “executive of personality: It makes decisions, controls actions, and allows thinking and problem solving of a higher order than the id’s capabilities permit.

The superego, the final personality structure to develop, represents social right and wrong as taught and modeled by a person’s parents, teachers and other significant individuals. The superego has two components, the conscience and the ego-ideal. The conscience prevents us from behaving in a morally improper way by making us feel guilty if we do wrong, and the ego-ideal, which represents the ‘perfect person’ that we wish we were, motivates us to do what is morally right. The superego helps us control impulses coming from the id, making our behavior less selfish and more virtuous. The superego and id share an important feature: Both are unrealistic, in that they do not consider the practical realities imposed by society. The superego, if left to operate without restraint, would create perfectionists, unable to make the compromises that life requires. Similarly, an unrestrained id would create a primitive, pleasure-seeking, thoughtless individual, seeking to fulfill every desire without delay. As a result, the ego must compromise between the demands of the superego and the demands of the id.

Other Major Approaches to Personality:

Trait Approaches: Placing Labels on Personality

If someone were to ask you to characterize another person, you would come up with a list of that individual’s personal qualities, as you see them. Much of our own, personal understanding of the reasons behind others’ behavior is based on the premise that people possess certain traits that are consistent across different situations. Traits are enduring dimensions of personality characteristics along which people differ: Trait theorists do not assume that some people have a trait and others do not; rather, they propose that all people possess certain traits, but that each person possesses a given trait to a given degree that can be quantified, and that people can differ in the degree to which they have a trait.

The major challenge for trait theorists taking this approach has been to identify the specific primary traits necessary to describe personality. As we shall see, different theorists have come up with surprisingly different sets of traits.

Allport's Trait Theory: Identifying the Basics

Allport suggested that there are three basic categories of traits: cardinal, central, and secondary. A cardinal trait is a single characteristic that directs most of a person's activities. For example, a totally selfless woman might direct all her energy toward humanitarian activities. Most people, however, do not develop a single, comprehensive cardinal trait. Instead, they possess a handful of central traits that make up the core of personality. Central traits, such as honesty and sociability, are the major characteristics of an individual; most people have five to ten central traits. Finally, secondary traits are characteristics that affect an individual's behavior in fewer situations and are less influential than central or cardinal traits. For instance, a reluctance to eat meat or a love of modern art would be considered secondary traits.

Cattell, Eysenck, and the Big Five: Factoring Out Personality

More recent attempts to identify primary traits have centered on a statistical technique known as factor analysis. Factor analysis is a method of summarizing the relationships among a large number of variables into fewer, more general patterns.

Using factor analysis, personality psychologist Raymond Cattell (1965) suggested that sixteen pairs of source traits represent the basic dimensions of personality. Using these source traits, he developed the Sixteen Personality Factor Questionnaire, or 16 PF, a measure that provides scores for each of the source traits.

Another trait theorist, psychologist Hans Eysenck (1975, 1994; Eysenck et al., 1992), also used factor analysis to identify patterns of traits, but he came to a very different conclusion about the nature of personality. He found that personality could best be described in terms of just three major dimensions: extraversion, neuroticism, and psychoticism. The extraversion dimension relates to the degree of sociability; the neurotic dimension encompasses emotional stability; psychoticism refers to the degree to which reality is distorted. By evaluating people along these three dimensions, Eysenck has been able to predict behavior accurately in a variety of types of situations.

The most influential trait approach today contends that five broad trait factors—called the “Big Five”—lie at the core of personality. The five factors are openness to experience, conscientiousness, extraversion, agreeableness, and neuroticism (emotional stability). (you can remember them using the mnemonic OCEAN, representing the first letter of each trait). In short, a growing consensus exists that the “Big Five” represent the best description of personality.

Learning Approaches: We Are What We've Learned

The psychoanalytic and trait approaches we've discussed concentrate on the ‘inner’ person — the stormy fury of an unobservable but powerful id or a hypothetical but critical set of traits. In contrast, learning approaches to personality focus on the ‘outer’ person. To a strict learning theorist, personality is simply the sum of learned responses to the external environment — internal events such as thoughts, feelings, and motivations are irrelevant. Although they don't deny the existence of personality, learning theorists say that it is best understood by looking at features of a person's environment.

According to the most influential of the learning theorists, B. F. Skinner, personality is a collection of learned behavior patterns (Skinner, 1975). — Similarities in responses across different situations are caused by similar patterns of reinforcement that have been received in such situations in the past. Strict learning theorists such as Skinner are less interested in the consistencies in behavior across situations, than in ways of modifying behavior. Their view is that humans are infinitely changeable through the process of learning new behavior patterns. If one is able to control and modify the patterns of reinforcers in a situation, behavior that other theorists would view as stable and unyielding can be changed and ultimately improved. Learning theorists are optimistic in their attitudes about the potential for resolving personal and societal problems through treatment strategies based on learning theory.

Social Cognitive Approaches to Personality

Not all learning theories of personality take such a strict view in rejecting the importance of what is ‘inside’ the person by focusing solely on the ‘outside’. Unlike other learning approaches to personality, social cognitive approaches emphasize the influence of a person’s cognitions — thoughts, feelings, expectations, and values — in determining personality. According to Albert Bandura, one of the main proponents of this point of view, people are able to foresee the possible outcomes of certain behaviors in a given setting without actually having to carry them out. This takes place mainly through the mechanism of observational learning— viewing the actions of others and observing the consequences.

Bandura places particular emphasis on the role played by self efficacy, belief in one’s own personal capabilities. Self-efficacy underlies people’s faith in their ability to carry out a particular behavior or produce a desired outcome. People with high self-efficacy have higher aspirations and greater persistence in working to attain goals, and ultimately achieve greater success, than those with lower self-efficacy also play a role in developing self-efficacy. How do we develop self-efficacy? One way is by paying close attention to our prior successes and failures. Direct reinforcement and encouragement from others also play a role in developing self-efficacy.

Compared to other learning theories of personality, social cognitive approaches are distinctive in their emphasis on the reciprocity between individuals and their environment. These approaches assume not only that the environment affects personality, but also that people’s behavior and personalities give ‘feedback’ to and modify the environment (Bandura, 1999, 2000).

Biological and Evolutionary Approaches: Are We Born with Personality?

Do we inherit our personality?

That’s the question raised by biological and evolutionary approaches to personality, which suggest that important components of personality are inherited. Building on the work of behavioral geneticists, researchers using biological and evolutionary approaches argue that personality is determined at least in part by particular combinations of genes, in much the same way that our height is largely a result of genetic contributions, from our ancestors.

The importance of genetic factors in personality has been illustrated by studies of twins. For instance, personality psychologists Auke Tellegen and colleagues at the University of Minnesota examined the personality traits of pairs of twins who were genetically identical but raised apart from each other. In the study, each of the twins was given a battery of personality tests, including one that measured eleven key

personality traits. The results of the personality tests indicated that in major respects the twins were quite similar in personality, despite having been raised separately from an early age. Furthermore, it is increasingly clear that the roots of adult personality emerge at the earliest periods of life. Infants are born with a particular temperament, a basic, innate disposition. Temperament encompasses several dimensions, including general activity level and mood. For instance, some individuals are quite active, while others are relatively calm; some are relatively easygoing, while others are irritable, easily upset, and difficult to soothe. Temperament is quite consistent, with significant stability from infancy well into adolescence.

Some researchers believe that specific genes are related to personality. Does the identification of specific genes linked to personality, coupled with the discovery that aspects of our temperaments are established before birth, mean that we are destined to have certain types of personalities? Hardly. First, it is unlikely that any single gene is linked to a specific trait. More importantly, genes and the environment never work in isolation. It is impossible to completely divorce genetic factors from environmental factors. Although studies of identical twins raised in different environments are helpful, they are not definitive, because it is impossible to fully assess and control environmental factors. Furthermore, estimates of the influence of genetics apply to groups, not individuals.

Finally, even if more genes are found to be linked to specific personality characteristics, genes still cannot be viewed as the sole cause of personality. For one thing, genetically determined characteristics might not be expressed if they are not 'turned on' by particular environmental experiences. Furthermore, the appearance of behaviors produced by genes in some ways might create a particular environment. For instance, a cheerful, smiley baby might lead her parents to smile more and act more responsive, thereby creating an environment that is supportive and pleasant. On the other hand, the parents of a cranky, fussy baby might be less inclined to smile at the child, leading to an environment that is less supportive or pleasant. In a sense, then, genes not only influence a person's behavior—they also help produce the environment in which the person is raised. Still, it is clear that certain personality traits have substantial genetic components and that heredity and environment interact to determine personality.

Humanistic Approaches: The Uniqueness of You

According to humanistic theorists, all of the approaches to personality that we have discussed share a fundamental misperception in their views of human nature. Instead of seeing people as controlled by unconscious, unseen forces (as do psychoanalytic approaches), a set of stable traits (trait approaches), situational reinforcements and punishments (learning theory), or inherited factors (biological and evolutionary approaches), humanistic approaches argue that people are basically good and tend to grow to higher levels of functioning — and that this conscious, self-motivated ability to change and improve, along with people's unique creative impulses, makes up the core of personality.

The major proponent of the humanistic point of view is Carl Rogers (1971). Rogers suggests that people have a need for positive regard that reflects a universal requirement to be loved and respected. Because others provide this positive regard, we grow dependent on them. We begin to see and judge ourselves through the eyes of other people, relying on their values. To Rogers and other humanistic personality theorists such as Abraham Maslow the ultimate goal of personality growth is self-

actualization. According to Rogers, a state of self-fulfillment in which people realize their highest potential is called self – actualization. To reach this state, people's everyday experience and their self-concept must closely match. People who are self-actualized accept themselves as they are in reality, which enables them to achieve happiness and fulfillment. They are open to new experiences, accepting of others, anti independent.

According to Rogers, one outgrowth of placing importance on the opinions of others is that there can be a conflict between people's actual experiences and their self-concepts, or self-impressions. Rogers suggests that one way of overcoming the discrepancy between experience and self-concept is through receiving unconditional positive regard from another person — such as a friend, spouse, or therapist. Unconditional positive regard is an attitude of acceptance and respect on the part of an observer, no matter what the other person says or does. This acceptance, says Rogers, allows people the opportunity to evolve and grow both cognitively and emotionally and to develop more realistic self-concepts. On the other hand, if you receive conditional positive regard, others' view of you is dependent on your behavior. Others will withdraw their love and acceptance if you do something they don't approve of. The result is a discrepancy between your true self and what others wish you would be, leading you to feel anxiety and frustration

Comparing Approaches to Personality

Given the multiple approaches we have discussed, you could be wondering which of the theories provides the most accurate description of personality. This question cannot be answered precisely. Each theory is built on different assumptions and focuses on somewhat different aspects of personality. Given the complexity of every individual, it seems reasonable that personality can be viewed from a number of perspectives simultaneously. What is more important from the perspective of our studies here is the fact that except the 'traits theory of personality' all other theories have given importance to 'the interaction of individual with the society' in developing personality. Interaction with the society is not only one of the factors but the most primary or basic factor in making the personality. In other words, what all of us must realize, is that we are obliged by the society in such a way that without society's contribution, our personalities could not have shaped up at all. Is this not the biggest gift of the society to individuals?

Thus, from political, economic, socio-cultural and psychological perspectives, every one of us owes a lot to society and the sense of social obligation is not something taught to us or forced upon us but it is in the very inner core, part and parcel of our personalities. The present day capitalist system, the daily routine struggle for survival, the remoteness in which individual is connected to society and the extreme individualistic approach of modernity has sort of blindfolded us from this reality.

We have already studied the definitions of 'social obligation' as a concept in the first chapter. To fulfill our social obligations is our collective as well as individual responsibility. The thought is not new, nor is it being presented first time in the world, only thing is that it is being introduced through academic syllabus for the first time at college level.

Let us now try to understand how various individuals and organizations have interpreted the term 'social obligation', and have tried to administrate, implement or put into practice what they feel is their method of repaying those obligations.

(C) Various interpretations of ‘social obligation’:

Definition: An **obligation** is a requirement to take some course of action, whether legal or moral. There are also obligations in other normative contexts, such as obligations of etiquette, social obligations, and possibly in terms of politics, where obligations are requirements which must be fulfilled. These are generally legal obligations, which can incur a penalty for unfulfilment, although certain people are obliged to carry out certain actions for other reasons as well, whether as a tradition or for social reasons. Obligations vary from person to person: for example, a person holding a political office will generally have far more obligations than an average adult citizen, who themselves will have more obligations than a child. Obligations are generally granted in return for an increase in an individual’s rights or power.

1] The dictionary meanings :

- (i) something by which a person is bound or obliged to do certain things, and which arises out of a sense of duty or results from custom, law, etc.
- (ii) something that is done or is to be done for such reasons: *to fulfill one's obligations*.
- (iii) a binding promise, contract, sense of duty, etc.
- (iv) the act of binding or obliging oneself by a promise, contract, etc.
- (v) *Law*.
 - A] an agreement enforceable by law, originally applied to promises under seal.
 - B] a document containing such an agreement.
 - C] a bond containing a penalty, with a condition annexed for payment of money, performance of covenants, etc.
- (vi) any bond, note, bill, certificate, or the like, as of a government or a corporation, serving as evidence of indebtedness.
- (vii) an indebtedness or amount of indebtedness.
- (viii) a favor, service, or benefit for which gratitude is due.
- (ix) a debt of gratitude
- (x) the state of being under a debt, as of gratitude, for a favor, service, or benefit.

2] **Another dictionary** has the following meanings to offer:

- 1. The act of binding oneself by a social, legal, or moral tie.
- 2.
 - a. A social, legal, or moral requirement, such as a duty, contract, or promise that compels one to follow or avoid a particular course of action.
 - b. A course of action imposed by society, law, or conscience by which one is bound or restricted.
 - c. A legal agreement stipulating a specified payment or action, especially if the agreement also specifies a penalty for failure to comply.
 - d. The document containing the terms of such an agreement.
 - e. Something owed as payment or in return for a special service or favor.
 - f. The service or favor for which one is indebted to another.
- 3. The constraining power of a promise, contract, law, or sense of duty.
- 4. *Law*
 - a. A legal agreement stipulating a specified payment or action, especially if the agreement also specifies a penalty for failure to comply.
 - b. The document containing the terms of such an agreement.

- c. Something owed as payment or in return for a special service or favor.
- d. The service or favor for which one is indebted to another.
- 5.
 - a. Something owed as payment or in return for a special service or favor.
 - b. The service or favor for which one is indebted to another.
- 6. The state, fact, or feeling of being indebted to another for a special service or favor received.

3] Another set of meanings:

- a] the social force that binds you to the courses of action demanded by that force
- b] the state of being obligated to do or pay something
- c] a personal relation in which one is indebted for a service or favor
- d] a written promise to repay a debt
- e] a legal agreement specifying a payment or action and the penalty for failure to comply

4] When one goes in deep and tries to visualize different situations at practical level, one comes out with the following various possibilities of shades of meanings :

a] conditional obligation

: an obligation that is dependent on an uncertain event

b] conventional obligation

: an obligation taking the form of a contract

c] heritable obligation

: an obligation that may be enforced by the successor of the obligee or against the successor of the obligor

d] joint obligation

1 : an obligation binding different obligors to a performance for one obligee

2 : an obligation binding one obligor to a performance for different obligees

NOTE: In civil law, one of two or more obligors in a joint obligation is only liable for his or her portion of the performance.

e] natural obligation

: an obligation arising from moral duty that is implied but not enforceable by the law

f] several obligation

1 : any of the obligations binding different obligors to separate performances for one obligee

2 : any of the obligations binding an obligor to separate performances for different obligees

g] solidary obligation

: an obligation under which any of two or more obligors can be held liable for the entire performance (as payment of a debt)

NOTE: Solidary obligation is similar to joint and several liability in common law.

5] One more set of meanings with some different shades :

1. The act of obligating.
2. That which obligates or constrains; the binding power of a promise, contract, oath, or vow, or of law; that which constitutes legal or moral duty.
3. Any act by which a person becomes bound to do something to or for another, or to forbear something; external duties imposed by law, promise, or contract, by the relations of society, or by courtesy, kindness, etc.

4. The state of being obligated or bound; the state of being indebted for an act of favor or kindness; as, to place others under obligations to one.

5. (Law) A bond with a condition annexed, and a penalty for nonfulfillment. In a larger sense, it is an acknowledgment of a duty to pay a certain sum or do a certain things.

6] A definition in the financial world:

“In the financial world, obligation refers to an outstanding debt that a party must still repay - and if they do not pay, they default on the debt. For example, when the U.S. government issues Treasury bonds it has the obligation to pay back the principal to the debt holders.”

7] A Literary figure has this to say :

In the late 19th century, **Jane Addams** wrote In 1893: “the good we secure for ourselves is precarious and uncertain...until it is secured for all of us and incorporated into our common life.” She saw America of her time as plainly carved into two halves. On the one hand were ‘the favored, who express[ed] their sense of the social obligation by gifts of money,’ and on the other, ‘the unfavored who express[ed] it by clamoring for a “share” – both of them actuated by a vague sense of justice.’ this division of society rebelled against her very sense of American democracy. Addams wrestled publicly with the relationship between our individual and collective moral action and its reflection on the state of our democracy. It means acting in the space between the world as it should be and the world as it is.

8] A few other thinkers put it this way :

a) A tender conscience is a stronger obligation than a proson. – **Fuller** .

b) Every man has obligations which belong to his station. Duties extend beyond obligation, and direct the affections, desires, and intentions, as well as the actions. – **Whewell**.

9) The Liberty Group is fully appreciative of the fact that its reputation originates not only from quality products and technological innovations but also from the manner of its dealings with customers, suppliers, government officials and all those who are outside the Liberty Group. Utmost importance is also given to ensure a safe, healthy and non-discriminatory work environment for all Liberty employees where they are free from harassment of any form by supervisors, seniors, co-workers, customers and suppliers. Ethical standards and practices are strictly followed.

10) In 1979, A.T.E. Group set up the Associated Industries Rural Development Trust to help in the upliftment of rural poor. Today the Trust is, in a small way, successfully engaged in a variety of social causes by providing financial help and education, especially for the children and promoting general health awareness and hygiene. **Commitment to social obligation** - The Gandhian principle of trusteeship is well emulated by the Trust in the sense that the trustees have diverted a part of their profits to developmental activities in villages.

Self Reliance - While translating this sense of social obligation into specific tangible processes, the Trust is committed to initiate activities with the involvement and participation of the local population and ensure an inbuilt system of self-sustenance.

In terms of perspective and approach, the Trust has perceived a need for initiating developmental processes with an interface which integrates human resources, local markets and infrastructural facilities available at village level.

Focus areas of Trust are as follows:

- ☐ agricultural development
- ☐ animal husbandry
- ☐ health and hygiene
- ☐ community development

11) The TTD had taken upon itself with renewed vigour the ‘social obligation’ bring back the people who had converted to other religions back into Hindu society.

TTD Executive Officer K.V. Ramanachary congratulated the AP Fishermen Welfare Association chief Koduru Jayaram for his initiative in making the programme a reality. SVETA director Bhuman said that the course module had been designed to make the fishermen not only priests, but also ‘vibrant and socially responsive citizens’.

12) As an energy corporate, BPCL feel that we may have a larger say in the course of many events in the coming decades. BPCL’s corporate philosophy towards environment is also directed towards life and mankind. It would try and ensure that at least in its conscious actions, BPCL would not become party to any decisions which will have damaging consequences to this earth & the life on it. BPCL, on the other hand would give its best in educating mankind, on the necessity of understanding the dynamics of the fragile eco-diversity and hope to seek contributions from each individual in maintaining the balance.

g) Recently the premier industry body, Confederation of Indian Industry (CII), organised a three-day event, 5th Social Summit: 2002, focussing on the role of corporate social responsibility (CSR), in Hyderabad.

Speaking on the occasion Dr Jamshed J Irani, chairman, CII Social Development Council, said the profit shall not have any link with the social obligation but it should be considered “essential expenditure”. The first lady of Infosys, Sudha Murthy, added that the profits must be delinked from social obligation.

In the opinion of Andhra Pradesh chief minister N. Chandrababu Naidu, the corporates can volunteer time and skills to help new community development projects, provide market linkages, outsource rural services, enabling access to IT and help in bank and insurance linkages. Mr Naidu added that unless companies make complementary investments, the common people cannot derive the benefits of newer technologies. The chief minister suggested that the corporates must take up primary health, sanitation, drinking water supply, environment, AIDS prevention programmes, etc, as part of their social obligation.

Ms Murthy felt that charity means not just donating money but also getting involved in the activity personally and trying to help the people in need. "It is one's essential duty to help the needy," she said. Almost all the participants.....have opined that social responsibility is not the exclusive domain of the government and the corporates have the moral responsibility to take it on. Further, it identifies the need to train the future managers keeping CSR in mind.

13) Social obligations of IT as a sector of economic activity : Excerpts from Professor Amartya Sen's Keynote Address at the NASSCOM 2007 India Leadership Forum in Mumbai on February 7:

The country has made huge contributions, even though they are not often clearly recognised, to help the development and flowering of the IT industry in India, and it is not silly to ask what in return the sector might do for India. Perhaps most immediately, the IT sector has benefited from the visionary move, originally championed by Jawaharlal Nehru, to develop centres of excellent technical education in India, such as the IITs, to be followed by the Institutes of Management and other initiatives, aimed at enhancing the quality and reach of Indian professional and specialised education. And from this the IT sector has benefited a lot, since the entire industry is so dependent on the availability, quality, and reach of technical education. The nature of Indian society and traditions has tended to support the pursuit of specialised excellence in general and the development of IT in particular. There has been a historical respect for distinctive skills, seeing it even as a social contribution in itself. Going well beyond respect for specialised skill, there is a general attitude of openness in India to influences from far and near — of admiring excellence no matter where it is produced. The experiences of Silicon Valley, in particular, were very important for the yearning of skilled and discerning Indians to learn from others — and then to make good use of it. I want to point to one further connection between the development and achievements of Indian IT and the Indian intellectual traditions on which Indian IT draws. Aside from being fascinated by maths, Indian intellectuals have also typically been very excited about arguments in general. Indian IT has depended on what we can call TI, that is, "talkative Indians." There is, of course, the elementary issue of the obligation of those who "make it" vis-à-vis those who do not manage quite so well, which is a very basic ethical demand that, it can be argued, society places upon us. This raises the question what any prosperous group may owe to others not so well placed. There is, in fact, a foundational connection between information and social obligation, since the moral — and of course the political — need to pay attention to others depends greatly on our knowledge and information about them.

14) *Social obligation of doctors as professionals:*

Here we put forward the view that besides the moral and legal aspects, ethics has a strong social facet. In other words ethics is not only a moral and legal obligation but is, in a sense, a social responsibility. Given the right emphasis, this impetus to ethical behaviour could be a very potent force both individually and for the ethics movement as a whole. Overall, the generation of doctors in India before and soon after independence held ethical values of high standard. Honesty, sincerity, academic excellence and service to the poor were of paramount importance. In part, this was a

result of the general political and social ethos of the times. The common thread in many of these ventures was an effort to practise a 'pro- people' type of medicine.

A doctor's responsibility to society :

Why is it binding on a young physician to discharge his duties ethically? Apart from the moral and legal reasons for doing so, ethical practice is essential because society has contributed greatly to the education of each doctor in many ways and it is binding upon him to repay this debt. Given the poverty in our country, high fees charged by doctors are also reprehensible as they are a form of social exploitation.

j) The term *social responsibility* means different things to different people. Generally, corporate social responsibility is the obligation to take action that protects and improves the welfare of society as a whole as well as organizational interests. According to the concept of corporate social responsibility, a manager must strive to achieve both organizational and societal goals.

A model of corporate social responsibility that was developed by Keith Davis provides five propositions that describe why and how businesses should adhere to the obligation to take action that protects and improves the welfare of society and the organization:

- Proposition 1: Social responsibility arises from social power.
- Proposition 2: Business shall operate as an open system, with open receipt of inputs from society and open disclosure of its operation to the public.
- Proposition 3: The social costs and benefits of an activity, product, or service shall be thoroughly calculated and considered in deciding whether to proceed with it.
- Proposition 4: Social costs related to each activity, product, or service shall be passed on to the consumer.
- Proposition 5: Business institutions, as citizens, have the responsibility to become involved in certain social problems that are outside their normal areas of operation.

The best-known argument supporting such activities by business is that because business is a subset of and exerts a significant impact on society, it has the responsibility to help improve society. Since society asks no more and no less of any of its members, why should business be exempt from such responsibility? Managers generally should make a concerted effort to perform all legally required socially responsible activities, consider voluntarily performing socially responsible activities beyond those legally required, and inform all relevant individuals of the extent to which their organization will become involved in performing social responsibility activities. Only those activities that contribute to the business's success while contributing to the welfare of society should be undertaken.

Social Responsiveness. Social responsiveness is the degree of effectiveness and efficiency an organization displays in pursuing its social responsibilities without wasting organizational resources in the process. In addition to decision making, various approaches to meeting social obligations are another determinant of an

organization's level of social responsiveness. A desirable and socially responsive approach to meeting social obligations involves the following:

- Incorporating social goals into the annual planning process
- Seeking comparative industry norms for social programs
- Presenting reports to organization members, the board of directors, and stockholders on progress in social responsibility
- Experimenting with different approaches for measuring social performance
- Attempting to measure the cost of social programs as well as the return on social program investments

15) *The Social Venture Network (SVN) Standards of Corporate Social Responsibility* was published in 1999. It was created through the collaborative work of several SVN members in response to the growing consensus that companies and organizations have a social obligation to operate in ethically, socially, and environmentally responsible ways. SVN members, many of whom were and continue to be the pioneers in the movement to do well while doing good, have built successful, socially responsive businesses and thought it worthwhile to share those experiences with others. Indeed, these SVN pioneers, along with business leaders everywhere, are seeking tools to improve both the social and financial performance of their organizations. SVN promotes new models and leadership for socially and environmentally sustainable business in the 21st century, through initiatives, information services and forums that strengthen its community and empower its members to work together on behalf of their shared vision.

16) Elements of Social Service Obligation by the Indian railways :

Indian Railways (IR), in the larger social and national interest, has been undertaking certain uneconomic operations in transportation with a view to provide affordable transport facilities to poorer sections of society and to facilitate the movement of essential commodities meant for mass consumption. Losses incurred on this account are termed as social service obligation.

Net social service obligation borne by IR in 2005-06 is assessed at Rs. 4107.61 crores, excluding staff welfare cost (Rs. 1541.69 crores) and law and order cost (Rs. 958.91 crores). These huge costs impinge upon the ability of Indian Railways to remain self reliant and constrain its capacity to finance expansion and growth. Railways have been meeting the cost of social service obligation through cross subsidisation. The main elements of social service obligation as identified by IR are losses relating to:

- (i) essential commodities carried below cost;
- (ii) passenger and other coaching services;
- (iii) operation of uneconomic branch lines;
- (iv) new lines opened for traffic during the last 15 years.

These were a few interpretations of 'social obligation' as a concept, as a guideline for policy and as a suitable program for action for various entities from their own respective perspectives.

(D) Performance awards to industries :

Many bodies have come forward to encourage corporate sector to take action to fulfill their 'social obligation' and to show people how the contributions of

corporate sector can be appreciated. In this section we are presenting important features of a few awards for industries for their contribution to society. A very famous and coveted award of the USA is 'Malcolm Baldrige National Quality Award' instituted by National Institution of Standards and Technology, Department of Commerce, USA; The 'Deming Prize' instituted by Japanese Union of Scientists and Engineers, Japan; The 'CII Excellence Award' by Confederation of Indian Industries, India and 'TBEM' Award by Tata group of India; are being presented here.

1] Malcolm Baldrige National Quality Award, USA:

The Baldrige Award was established in 1987 to promote quality awareness, understand the requirements for quality excellence, and share information about successful quality strategies and benefits. There are three eligibility categories: manufacturing, services, and small firms. According to its principles, the role of quality data collection and analysis as the basis for managerial decisions is paramount. Furthermore, quality efforts should not concentrate only on the elimination of defects but also encompass creative activities that will influence customer satisfaction.

- Malcolm Baldrige award was instituted to promote Quality awareness, recognize Quality and business achievements of US organizations, and publicize these organizations' successful performance strategies
- Baldrige award, USA's highest honor for performance excellence is given in manufacturing, service, small business, education, health care and non-profit organization sectors

Eight Critical Factors

- A plan to keep improving all operations continuously
- A system for measuring these improvements accurately
- A strategic plan based on benchmarks that compare the company's performance with the world's best
- A close partnership with suppliers and customers that feeds improvements back into operations
- A deep understanding of the customers so that their wants can be translated into products
- A long-lasting relationship with customers, going beyond the delivery of the product to include sales, service, and ease of maintenance
- A focus on preventing mistakes rather than merely correcting them
- A commitment to improving quality that runs from the top of the organization to the bottom

2] Deming Prize, Japan : created in 1951 by Japanese Union of Scientists and Engineers, Japan. The Deming Prize is the world's oldest and most prestigious of such awards. Its principles are a national competition to seek out and commend those organizations making the greatest strides each year in quality, or more specifically, TQC. Also, all applicants that satisfy a given level of performance receive the quality prize.

Purpose of award : to recognize 'effective planning and implementing of a firm's organization and operations.

Concentrates on :

- Planning for future
- Education and training
- Quality assurance
- Quality effects
- Standardization
- Control

Who qualifies ?

Deming Prize for Individuals available every year.

Award available to individuals and organizations.

How to Win

1. Based on clear management leadership, management principles, type and scope of industry, and business environment, applicant has established business objectives that are challenging and customer oriented
2. TQM must be implemented properly in the viewpoint 1 mentioned previously, while achieving company goals and strategies.
3. Outstanding results obtained for business objectives and strategies as an outcome of viewpoint 2, in the manner stated in viewpoint 1.

Comparison of the Deming Prize and Baldrige Award

Topic	Baldrige Award
Definition of Quality	"customer-driven quality" it views quality as defined by the customer
Primary Focus	customer satisfaction and quality
Overall Approach	quality of management
Purpose	promote competitiveness through total quality management
Types of Organization	manufacturing, service and small business
Orientation	60% result, 40% process
Scoring Weight	different weight for each criteria
Consideration	less concern
Information Management	heavily concern
Continuous of the award	N/A
Winners	Maximum of two per category
Scope	U.S. firms only
Applications	\$2500 and 75 pages packet
Grading time	six months
First Award	1987
Sponsor	National Institutes Standards and Technology

Topic	Deming Prize
Definition of	"conformance to specifications" it views quality as

Topic	Deming Prize
Quality	defined by the producers
Primary Focus	statistical quality control
Overall Approach	management of quality
Purpose	promote quality assurance through statistical techniques
Types of Organization	essentially private or public manufacturing
Orientation	60% process, 40% results
Scoring Weight	equal weight in 10 criteria
Consideration	concern in productivity, delivery, safety, and environment
Information Management	less concern
Continuous of the award	Japan Quality Control Medal
Winners	All firms meeting standard
Scope	Firms for any country
Applications	1000 pages and one year working with consultant from the union of Japanese Scientist & Engineers
Grading time	one year
First Award	1951
Sponsor	Union of Japanese Scientists and Engineers

When the awards were established and started evaluating companies on the bases of the set criteria, a curiosity would naturally arise to find out what was the impact of such awards. Whether such awards really reflected company's commitment to social cause, how companies attempted to improve their respective performances on the guideline provided by these awarding bodies etc. was also studied at a later date. The following table presents results of one such survey.

Table 1

Impact of Quality Improvement on Business Performance

Performance Indicators	No. of Responding companies	Direction of Indicator			Average annual positive performance improvement
		positive (favorable)	negative (unfavorable)	no change	
a. Operating Measures	12	12	0	0	11.3
Reliability	9	8	1	0	4.7
Timeliness of delivery	6	6	0	0	12.0
Order processing time	8	7	0	1	10.3
	7	6	0	1	5.8
	9	6	1	2	7.2
Errors or defects	5	5	0	0	9.0
Product lead time					
Inventory turnover					
Costs of quality					

b. Employee-related measures					
Employee satisfaction	9	8	1	0	1.4
Attendance	11	8	0	3	0.1
Turnover	11	7	3	1	6.0
Safety/health	14	11	3	0	1.8
Suggestions received	7	5	2	0	16.6
c. Customer Satisfaction					
Overall customer satisfaction	14	12	0	2	2.5
Customer complaints	6	5	1	0	11.6
Customer retention	10	4	2	4	1.0
d. Financial Performance					
Market share	11	9	2	0	13.7
Sales per employee	12	12	0	0	8.6
Return on assets	9	7	2	0	1.3
Return on sales	8	6	2	0	0.4

Source: Adapted from U.S. General Accounting Office, *Management Practices: U.S.*

Companies Improve Performance Through Quality Efforts, Washington, 1991, pp. 18-28. SPRING 1993

In a nutshell it can be stated that the following results have been definitely observed:

Results

1. Increased Customer Satisfaction
2. Lower Costs
3. Reduced Product Development Time
4. Increased Employee Satisfaction
5. Higher Quality Products
6. Innovation
7. Increased Productivity

It will be clear from the comparison made above that while the Deming prize gives more importance to internal processes and quality of product keeping customer satisfaction as the highest aim, the Baldrige award gives more stress upon customer response along with maintaining internal quality.

Let us now see what India has been doing on this front.

3] CII Excellence Award, India:

The Excellence Model

The Excellence Model is a non-prescriptive framework based on nine criteria. Five of these are 'Enablers' and four are 'Results'. The 'Enabler' criteria cover what an organisation does. The 'Results' criteria cover what an organisation achieves. 'Enablers' cause 'Results'.

The Model which recognises that there are many approaches to achieving sustainable excellence in all aspects of performance, is based on the premise that:

Excellent results with respect to Performance, Customers, People and Society are achieved through Leadership driving Policy & Strategy, People, Partnerships & Resources, and Processes.

Model Contents and Structure

The Model's nine boxes, shown above, represent the criteria against which to assess an organisation's progress towards excellence. Each of the nine criteria has a definition, which explains the high level meaning of that criterion. To develop the high level meaning further each criterion is supported by a number of sub-criteria. Sub-criteria pose a number of questions that should be considered in the course of an assessment. Finally, below each sub-criterion are lists of guidance points. Use of these guidance points is not mandatory nor is they exhaustive lists but is intended to further exemplify the meaning of the sub-criteria.

The RADAR Logic

At the heart of the model lies the logic known as **RADAR**

**Results,
Approach,
Deployment,
Assessment &
Review.**

This logic states that an organisation needs to:

- Determine the **Results** it is aiming for as part of its policy and strategy making process. These results cover the performance of the organisation, both financially and operationally, and the perceptions of its stakeholders.
- Plan and develop an integrated set of sound **Approaches** to deliver the required results both now and in the future.
- **Deploy** the approaches in a systematic way to ensure full implementation.
- **Assess &**
- **Review** the approaches followed based on monitoring and analysis of the results achieved and ongoing learning activities. Finally identify, prioritise, plan and implement improvements where needed.

When using the model within an organisation, for example for the purposes of Self-Assessment, the Approach, Deployment, Assessment & Review elements of the RADAR logic should be addressed for each Enabler sub-criterion and the Results element should be addressed for each Results sub-criterion.

Applying RADAR Logic

The RADAR logic can be used under a number of different circumstances. The most commonly known is assessment or Self-Assessment using the RADAR scoring matrix.

4] TBEM Award, Tata group, India:

GROUP PURPOSE STATEMENT

- Our Purpose in Tata is to improve the communities we serve. We do this through Leadership in sectors of National Economic Significance to which we bring a unique set of capabilities. This requires us to grow aggressively in focused areas of business.
- Our heritage of returning to society what we earn evokes Trust among consumers, employees, shareholders and the community. This heritage will be continuously enriched by formalizing the high standards of behaviour expected from employees and companies.

- The TATA name is an unique asset representing Leadership with Trust. Leveraging this asset to enhance group synergy and becoming globally competitive is the route to sustained growth and long term success.

“The Tata Business Excellence Model (TBEM), which began in 1995 as the JRD QV Award has steadily matured into a key change driver for the companies in the Tata Group. The widening adoption of the TBEM by Group companies has not only institutionalized much needed changes in their processes and systems, but, more importantly, begun to change their mind-set. This initiative has provided a template for companies to follow for measurement of their own performance, enabling the Group to establish standards which others may like to emulate as we seek to build an international presence with world class processes and systems, globally competitive, even as we uphold high levels of values and business ethics.” Claims Mr. Ratan Tata.

According to Tatas, the **Foundation of Business Excellence** [Core Values] are :

- World class organizations have common characteristics which they live in their our unique ways
- The TBEM philosophy is built around these world class attributes grouped into 11 core values
- A company aspiring to become world class would do well to imbibe these core values

The Core Values recognized by the company are:

- Visionary Leadership
- Customer-driven Excellence
- Organizational and Personal Learning
- Valuing Employees and Partners
- Agility
- Focus on the Future
- Managing for Innovation
- Management by Fact
- Social Responsibility
- Focus on Results and Creating Value
- Systems Perspective

Criteria & Points Distribution

	Criteria	Max Mark s	Marks obtained	% marks obtained
	Leadership	120	52	43
	Strategic Planning	85	34	40
	Customer & Market Focus	85	36	42
	Information, Analysis & KM	90	27	30
	Human Resource Focus	85	33	39
	Process Management	85	34	40
	Business Results	450	137	30

TOTAL	1000	352	35
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19 items & 33 areas to address

Quality Policy

- We shall strive to **exceed customer expectations** with Products and Services that in **Quality, Cost and Delivery** shall be the best in the Global Composite Industry through **continuous improvements**.
- We commit ourselves to **excellence in technology and engineering** and shall inculcate the **core values of simplicity, frugality, integrity, respect and harmony**.
- We shall endeavor to provide individual dignity and motivate all our employees to excel through **teamwork and transparency to deliver shareholder value**.

Support to Key Communities

- School Benches for Students
- Providing Computers & training for Students
- Employee Health Checkup
- Support Health initiatives taken by local Govt.
- Recruitment from Local Area
- Ancillary/ Supplier from Local Area
- Use of Services from Local Area
- Blood Donation Camps

Customer & Market Focus

- How does the organisation determine requirements, expectations and preferences of customers & markets to ensure the continuing relevance of products / services and to develop new opportunities
 - How does the organization build relationships to acquire, satisfy and retain customers; to increase Customer loyalty; and to develop new opportunities.
 - How does the Organization determine Customer Satisfaction
- Customer & Market Knowledge 40 Customer Relationships & Satisfaction 45

Approaches to Customer Relationship Building

- Fast response to customer inquiries
- Immediate acknowledgement & resolution of Customer Complaints within 48 hrs
- Regular visits to Customers
- Fast implementation of engineering changes
- Immediate attendance by ACSI representatives, stationed at Customer premises, to customer requirements
- Entry at the early stage for new customer programs
- Customer satisfaction surveys
- Organizing technology exhibitions and inviting customers
- Improving Customer access mechanisms
-

Human Resource Focus

- How does the organization's work and jobs, enable employees and the organization to achieve high performance.
- How do compensation, career progression and related workforce practices enable employees & the organization to achieve high performance.
- How does the organization's employee education, training & career development support the achievement of overall objectives and contribute to high performance.
- How does the Organization's education, training and career development build employee knowledge, skills and capabilities
- How does the organisation maintain a work environment and an employee support climate that contributes to the well-being, satisfaction and motivation of all employees

Work Systems 35

Employee Learning & Motivation 25 Employee Well-being & satisfaction 25

Business Results

1. Key product / service performance results, segmented by product & service types & groups, customer groups & market segments
2. Key customer-focused results, including customer satisfaction & customer perceived value [customer loyalty, positive referral etc.] (segmented by product & service types & groups, customer groups & market segments)
3. Financial and Market Results (measures of financial return & economic value and marketplace performance, market share, business growth, new markets entered etc.)
4. Human Resource Results related to work system performance & effectiveness, employee learning & development and employee well-being, satisfaction and dissatisfaction
5. Organisational Effectiveness Results, including productivity, cycle time, supplier & partner performance etc.
6. Leadership & Social Responsibility Results related to accomplishment of organizational strategy, ethical behavior, fiscal accountability, regulatory compliance and organizational citizenship

When a corporate house undergoes its own assessment, it comes out with some points earned as per the marking scheme. Depending upon the points earned, a company can be classified falling into one of the following categories which spells out the need for improvement in certain specific areas of operation.

Score Bands

Score Band	Band descriptors
451 - 550	The organization demonstrates effective, systematic approaches to the overall requirements of the items , but deployment may vary in some areas or work units. Fact-based evaluation & improvement address the efficient and effectiveness of key processes. Results address key customer / stakeholder, market, and process requirements and they demonstrate some areas of strength and / or good performance

351 – 450	The organization demonstrates effective, systematic approaches responsive to the basic requirements of most items but deployment in some key areas or work units is still too early to demonstrate results. Early improvement trends & comparative data in areas of importance to key organizational requirement are evident
251 – 350	The organization demonstrates the beginning of a systematic approach responsive to the basic requirements of items, but major gaps exist in approaches & deployment in some categories. The organization is in early stages of obtaining results stemming from approaches, with some improvements and good performance observed

It will be realized that Indian business awards are giving more weightage to aspects like ‘customer reactions’ and ‘employee reactions’. It was the tradition of Indian industries since times unknown that response of customers was of supreme importance to the industrialists. A detailed study of more information on these awards will throw more light on the various aspects of such awards. From the perspective of this course what is important is that business excellence cannot be measured only in terms of production quality or quantity supplied. How a business house fulfills its ‘social obligation’ has been considered as an important criterion of a successful business.

(E) Personal responsibilities towards society :

It needs to be understood that ‘social obligation’ is not responsibility of business houses alone or the government. Individuals also have to fulfill their respective share of ‘social obligation’. We have already seen how every individual is obliged by the society in more than one ways. Right from birth till death, every minute each member of the society receives direct or indirect help from the society, without which it is difficult to lead a normal, smooth life for years together. By paying taxes, one part of the social responsibility is fulfilled by those sections of society which earn above a certain level. But it does not mean that others or non tax payers have no responsibility towards social well being. As a responsible citizen, every individual can do the following acts as minimum contribution towards the wellbeing of the society:

- Disciplined behavior at public places such as forming proper queue at booking windows, following traffic rules, keeping low volume of speech at public places, not crowding at hospitals, at least listening to opinions of others involved in a situation etc.
- Protection of environment, protection of natural resources, infrastructure facilities, protection of public property, protection of children and women in the adverse situations, protection of pets and other dependent harmless animals, protection of helpless victims of accidents on roads or other places.
- Following law and order, social norms, respecting values of others including strangers also.
- Standing for basic human rights and high human values of truth, non-violence and equality.

- Philanthropy towards orphans, destitute and deprived individuals and sections of society. Practicing values like sharing, caring and consensus with others around. Selfless behavior for individuals around.
- Showing recognition of efforts of others, felicitate achievers and if possible give awards to performers in various fields – even other than your own.
- Participate in public activities which support public interest rather than interests of a limited section of society.
- Maintaining own health so that one can help others in their need.

Every individual can keep these hints in the mind. After all life is a gift of nature and a happy life is the gift of society. By doing something for the society we are nothing but partly repaying what society has done for each one of us.

Is social obligation binding for the wealthy and rich only ?

Most of the discussion in the earlier parts has been aimed at wealthy and well to do sections of society. It is inevitable, because they enjoy many facilities and privileges which most of the others are not able to even think of. ‘Those who are poor, helpless and in problematic situations themselves, how can they help others ?’ is a logical thought. But that is not necessarily true. For example, the middle class members who demand pay rise for themselves and subsequently receive a real raise in the pay, do they pass on that benefit to the maid working at their home without her asking for a rise? Generally not! If some member of high earning class raises salary of his personal workers without their asking for rise, then we can say that he is fulfilling his social obligation. Helping victims of a road accident, trying to sooth a crying child are all the acts of fulfilling social obligation. If one understands this properly, then it will be clear that even the poor or apparently needy can do something for others.

In reality, many examples are reported in the newspapers of such acts being performed by individuals who themselves may be facing some difficulty in life. Many school teachers in villages are teaching the poor and needy students without charging extra fees is another illustration of how even the lower income groups members can do a lot for others around them. At pilgrim places like Banaras, Haridwar, Amritsar and Ajmer Darga or a church or even at a village fair, many ordinary level individuals offer their services to unknown groups and strangers. In big cities groups are formed to help cancer patients in terminal conditions, roadside newspaper stands and drinking water facility in summer are all examples of fulfilling social obligations by otherwise ordinary people.

In the days of annual pilgrims like ‘Pandharpur vari’ or ‘Kavad’ carrying in Uttar Pradesh, who supports the passing devotees in each village are not rich and high earning members of the society but they are villagers of ordinary earning capacity. Especially in India this was and still is a practice in most parts of the country. It is in big cities and well educated sections of society that a reminder is needed to tell that they owe a lot to society and the ways to repay the debt of society, they have to come forward and do something.

SUMMARY

In this chapter we have tried to understand the following important points:

1] How societies have developed social institutions to guide and control relations between individual members and the society. Social institutions covered most of the important spheres of social life. All social actions of individuals remained within the frame set by those institutions.

2] Personality, the unique identity of every member of society, is a reciprocal relationship with the society. Out of the six major approaches to understand personality development, except one approach, all the other approaches bring out very clearly that making of personality is closely related to social existence and participation of individual in social interaction with others around him / her.

3] We have studied various interpretations of the term 'social obligation' made by individuals, profit making entrepreneurs, public sector units and NGOs. Some of them indicate direct measures to be taken while some of them prefer indirect actions.

4] We have also studied that the concept of 'social obligation' can be judged by the actions of corporate houses in a certain format. Initially in USA and then in other countries some bodies started awards for evaluating performance of industries and other non profit making bodies. No doubt, criteria for such awards are basically related to industrial efficiency and effectivity, quality of production etc but one important criterion has been included which is 'how a company fulfills its social obligation?' Some credit points are given for efforts on that front. In India, Tata group has introduced such an award and the CII has also been distributing awards of similar nature.

5] So far, talk about social responsibility was aimed at big manufacturers and well to do sections of society, as if other sections or individuals have nothing to do regarding that. To the question, 'how can poor or needy sections contribute towards social obligation?' some answers are in practice since long in the society. Modern ways in which every individual in spite of his / her social position, education, earning capacity, gender identity can make contributions towards social wellbeing has been suggested at the end.

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Chapter II

The Theoretical background of modern industrialisation

- (a) Capitalist model of production and markets
- (b) Marxist view on production and distribution of commodities.
- (c) Planning policy and Welfarist model of Indian economy.
- (d) Globalization, Privatization and Liberalization of national economies.

Introduction :

Twentieth century is seen as the century of industrialization all over the world. After approximately 1850 A.D., when European countries started colonizing other parts of the world outside Europe, thinkers and philosophers in Europe proposed philosophical basis for advancing industrialization process. Mostly they were economists but thinkers with wider perspective also joined them and offered certain theories to support efforts of industrialists in European countries.

There are two main alternative philosophies on which industrialization is based especially in the advanced countries. One of them is called as 'capitalist principles' and the other is 'communist principles' also known as 'Marxist principles' after the propounder of that theory. Both the set of principles have certain benefits over the other and a few disadvantages also. The main tenets have been explained here for the students to compare them and understand in order to be able to analyze reality.

The capitalist theory [in brief]:

The capitalist philosophy firmly believes in freedom of human beings in a particular way. According to the principles of capitalism property should be allowed to be owned privately. There should not be any limit on how much an owner can possess. Production and services should be provided by individuals and government need not involve itself in such matters. Every individual has to take his own care and make own provisions for survival and progress. The market should not have any government control. Prices will be controlled by competition between manufacturers and demand for particular commodity. Producers and consumers have to find their own level of settlement of prices.

In such situation, every individual tries to get maximum profit from his activities, tries to capitalize whatever he can and has to face competition from others in the market. This arrangement is called as 'free market'. The government's role should be restricted to collecting taxes and utilizing them to maintain law and order situation within the country and to protect country from invaders. Government is not supposed to involve in production or distribution of commodities.

These principles are attractive on the paper if one gives freedom highest value in thinking. In reality, however, it has been observed that any capitalist society is usually divided into rich and poor sections. The two sections not only are unequal but try to perpetuate that inequality in all possible ways for generations. Market dominates the prices, quality and consumption of commodities rather than consumers and to a great extent manufacturers also.

In extreme cases, manufacturers go to such an extent to maximize profit that they forget they are themselves human beings and they are producing goods for the

utilization of human beings. The greed for profit takes them to inhuman means and ways of doing business. Greed makes them least worried regarding problems of others in the society. Cheating and deceptive practices dominate the market. There are laws and rules to help the individuals in such situation but the process of justice itself becomes commodity in the market and ordinary man finds it difficult to get his share of justice in time and in proper way. Human relations are 'priced' and are 'used' to make profits.

By commercializing anything and everything, growth of human pursuits is hampered because artistic and literary expressions do not remain products of individual will but they are tailor-made to suit the needs of the market. The human freedom which was the starting point of capitalism is lost ultimately at the hands of what is called as 'market forces'. Free individuals are either losers themselves or are enslaved at the hands of market forces.

Take an example of 'Varli painting' in Maharashtra. Varli is a tribe mostly residing in Thane district. They have a peculiar way of painting which has cultural significance. The materials to be used, place of a painting on the walls of a house, the occasion on which to paint and content, that means, what to paint and what not to paint; all such points have a symbolic cultural meaning attached to it. But what has happened to that art now? Anybody who may not be knowing anything about Varli tribe and culture just picks up the style, not necessarily in its original form but somewhat distorted version of it and starts painting anywhere – on bed sheets, on table cloths, on carpets, on wall hangings or on greeting cards. What do those paintings mean to the user? Nothing except a thrill in possessing that piece of art. But since that is selling in the market, anybody is jumping into that art work especially because it is much easier to draw and paint compared with other forms of painting. This is how the impact of capitalism commercializes anything.

There are certain means and ways in which a few evils of capitalism can be reduced or controlled if not totally averted. There are 'monopoly restriction Acts' passed by all the governments. There are laws to prevent contamination in food items; there are laws to disclose ingredients of packed food items and so on. But for every law, the capitalist tries to find out a loophole, by utilizing which, he hopes to maximize his profits in competition with others in the market.

The Communist / Socialist / Marxist philosophy :

Marxism is a philosophy for the thinkers, is an ideology for political parties all over the world, is a tool to interpret reality for social researchers, is a promise of hope for the working classes of the world and is a way economies can be analyzed, all at the same time. In the present context, it can be seen as a system of production and distribution of commodities in a society. According to Karl Marx, a German thinker, the basis of capitalist system was private ownership of property. His research has brought out that human societies in ancient times, when they were living in primitive conditions, did not probably have the system of private property. Whatever form of property such primitive societies possessed was owned by the community as a whole. It may be in the form of cattle and fish, in the form of cultivable land or even a source of fresh water in desert, it was owned by the community. There was no single owner of any part of that property because the system was not invented in those times.

It was at a later stage in the history of mankind that the system of private ownership of property somehow came into existence. Gradually it led to capitalist ways of production and distribution. Marx further shows how capitalism led to

shaping up of other social systems such as marriage and family, the political system, education system and the social stratification system in every society which we label as 'a developed society'.

Here, at present, we need not go into details of capitalist system, its advantages and disadvantages etc. but what is sufficient to understand here is that, a sort of individualistic approach to property and other commodities developed when the principle of private ownership was established in the society. This is an important step in understanding the capitalist system. The individual starts assuming that what is owned by him is something over which the society has no right. The present day situation in most of the societies accepts this as a reality but the basic question to be asked is, "who created that commodity? Individual or society?" One has to realize that without existence of a society to support, existence of individual is not possible.

What today seems as some commodity (may be in the form of land, cattle, weapons, gadgets, vehicles, food or even a handkerchief) owned by a person, is intact and safe because other members of society have not taken it away from him. Other members of society honor his possession over that particular commodity and allow him to enjoy that commodity. It looks crude, but that is the basis of ownership in the private form. Every one in the society has to honor the rights of the other persons only then each of them can enjoy his/her ownership.

The corollary of this argument is that, "can everybody not try to increase his list of owned commodities?" society allows that under a set of conditions. We differentiate between lawfully acquired and illegally acquired properties. If an individual follows the framework set by the society and makes more possessions, we accept that as lawful otherwise we do not accept that as a lawful possession. This permission to add to individual possessions has led to unequal distribution of available material and resources according to Marxian thinking, (to which all thinkers agree). What is then way out of this situation?

The solution Marx offers is simple looking. He says, do away with capitalism. Change the ownership system. No private property, only public property. People should contribute to common property according to their respective capacities and the society should provide each individual necessary commodities for survival as well as for comforts. This arrangement should lead to minimum inequality; if fact, in ideal situation, there should not be any inequality. If production is owned by all members of the society, then distribution of commodities should also be equal for all. That is communist economy in short.

In such situation, everybody is expected to feel a bond towards society, towards other members of the society. 'Why should individuals work?' To this question, Marx has an answer that because people realize their dependence on the society, they will work for the society. Every individual will realize that his survival and happiness is tied up with survival and happiness of other members of society, close and remote sections of the society. If ideals are brought into practice every individual shall get an opportunity for his/her personal development and thus, society will benefit.

The society will be a truly human society. No bosses and therefore no slaves, no laborers. The only employer will be government and all the citizens will be employees of government. All production will be owned by government and its distribution shall be executed by government. All will be equal, will have opportunity according to everyone's respective capacities and enjoy the benefits equally. That is the ideal of communist society. Marx uses the term "worker's rule" for communism because in his times, workers were facing the most difficult life. The essence of his

philosophy is that every individual should participate in the social production and other activities as a sort of duty towards the society rather than for some selfish intention like to run a family, to enjoy some comforts etc. The slogan which became popular in USSR was, “from everybody as per his capacity, to everybody as per his needs”, which explains the communist way of looking towards relation between individual and society in a communist society.

This sketchy outline of two competing theories regarding human activity of production and distribution of commodities explains the difference between them which are presented in short in the following table.

Capitalism	Socialism / Communism
1] Private ownership of property is the basis of ownership.	1] No private property ownership is the basis. Either communist party or the state own property.
2] Accumulation of property unlimited	2] Question of accumulation by a person does not arise.
3] Inheritance of property goes to progeny	3] Question of inheritance does not arise.
4] Market to govern prices of commodities.	4] Government to control prices
5] Distribution left to market	5] Government responsible for distribution

It will be clear from this comparison that the communist philosophy assumes that individuals will recognize humanities and social obligations as part of their life. Promoting art, literature and other aspects of human expression has been the highest endeavor since ancient times in all societies. A system which does not permit individuals for want of time or resources to pursue their humanistic interests, a system which aims activities not in the interests of human beings as such but interests of only a few individuals are safeguarded by that system is the capitalist system. The communist system, though forcefully, makes individuals understand that private ownership is a false belief. Social ownership is the reality. Every member has to contribute to the society by way of each one's respective capacity. On that account, the communist system is definitely better.

What happened in reality in USSR when communist party assumed power in 1918 ? In the name of party interest, the persons in power used that power to safeguard their respective personal interests just as anybody in a capitalist system. The equality in wages never materialized because those in power always wanted larger share of comforts and enjoyment in different forms. They enjoyed comfortable houses, cars, luxurious interior, servants for personal work and similar privileges just as any capitalist would dream of. Common man was not able to enjoy the benefits promised by the communist philosophy. Many restrictions were imposed on individual freedom in the name of party interests and artistic performances were forced to be propaganda of the party rather than free expressions of the individuals. Was it due to human nature or shortcomings of the system? It is not important here to find out final answer but suffice it here to say that only one country practicing communism among the remaining so many countries practicing capitalism did not hold for long and in 1991 the USSR collapsed. At present there are only two nations claiming to be communist – China and Cuba. But looking at their practices in the field of production and distribution, it is difficult to believe that they are perfect communists.

In short, it can be seen that whether in capitalist system or communist system, common man's experience was not much different at practical level. Malpractices in manufacturing, corruption in distribution and partiality in treatment given to individuals and sections of society were common problems for both the systems.

It was at such a juncture that the thinkers world over drew attention towards the unexpected and unwanted outcomes of both the systems. Individual freedom was lost; expression of pure inner self was not possible, common man's life became equally torturous in both the systems. An alternative was needed to be visualized which would combine benefits of both the systems and minimize the ill effects of both the systems. A system which would encourage individual freedom and initiative but at the same time would not neglect welfare of masses in a society. India especially when became independent in 1947, had to face this dilemma and had to find out a solution. Such a solution needed theoretical basis as also practicability to a high degree without which it would have followed the path of already existing philosophies. Pundit Jawaharlal Nehru suggested such a solution, which we shall study now.

(c) Welfarist model and Planning policy of Indian economy :

The theoretical basis of socialism was provided by Karl Marx and Frederick Engels who believed that to end exploitation from the world, it was necessary to abolish private ownership of the means of production. Following the ideas of Marx and Engels economic planning based on total nationalization was adopted as the means to foster economic growth in Soviet Russia. For the first time in the history of mankind, the Soviet Government made a concerted effort to end poverty, hunger and unemployment according to a carefully prepared economic plan. The success of the plans in the initial years and the rate at which Soviet Russia industrialized itself rapidly since 1928 was a great inspiration to many underdeveloped countries. But the high rate of growth in Soviet Russia was accompanied by enormous human sacrifice in the form of liquidation of countless millions of people – branded as “enemies of socialism” and brutal suppression of individual freedom.

The tremendous progress achieved by the Soviet Union had an impact on the capitalist countries of the world also. The Great Depression of 1929-33 destroyed people's faith in the operation of price-mechanism as an automatic self-adjusting mechanism. Public works program adopted by the USA in 1934 made a tremendous and epoch-making influence in abandoning non-interventionism policy of the capitalist theory and setting in an era of positive role of the state in the economic and social life of the people. Although the capitalist governments did not lose faith in private property and individual freedom, yet they were convinced that the government could play an effective role in reducing and eventually removing poverty, misery, unemployment and ignorance.

When India became independent, the Indian people were steeped in mass poverty, unemployment and underemployment. India had an illiterate and untrained labor force, static agriculture with semi-feudal relations and a comparatively less developed industrial sector, and woefully inadequate infrastructure in the form of poor transportation and communication, energy and power, banking and finance, etc. Thus, India's problems required a big national effort and therefore India adopted “planning as a lever of social and economic change.” Jawaharlal Nehru, the architect of Indian planning, greatly admired the achievements of Soviet planning and so followed the concept of socialism from the Russians but, he also regarded the democratic values of

the capitalist society as indispensable for the full growth of a just society. Thus, in his endeavor to take advantage of the view of the two extreme societies which were themselves also undergoing a transformation, Nehru's vision of the new India was described as 'democratic socialism'.

Socialism and democracy are the means for the creation of a society in India in which all have equal opportunities to education, health care, employment. To foster free and fuller growth of human personality is the supreme goal of democratic socialism. If poverty, inequalities of income and wealth conceived of as obstacles to the realization of supreme goal, then it is equally true that the absence of democracy is also an impediment to the realization of this supreme goal. It is, therefore, of vital significance to reconcile the ideas of socialism and democracy so as to evolve a new pattern of society in which man can realize his self or his innate nature in a fuller manner, as also attain a higher standard of material comfort.

The disintegration of Soviet Russia and political and economic upheavals in other East European Socialist countries after 1990, resulting in the introduction of market-based economies have proved that the vision of Nehru was conceived of a holistic approach to development, rather than having a bias only in favor of economic forces, neglecting the urge for freedom and democracy as a part of the development process. India too has been liberalizing its economy, reducing government controls and regulations, but, at the same time, not throwing overboard the Nehruvian ideology of democratic process of dialogue and consensus.

Features of Democratic Socialism :

The philosophy of democratic socialism is based on a thought that material prosperity alone cannot make human life rich and meaningful. Along with the provision of a higher standard of material comfort and well-being, it is essential that all citizens should have equal opportunities so that the individual and the communal life can be developed. What India needed was "establishing a progressive and rapidly growing economy based on high levels of productivity, the application of science and technology and the use of manpower resources, and a truly democratic and socialist society in which the burdens and the benefits are widely and justly shared." Thus, along with proposals for maximizing production, a program of action towards reducing economic and social disparities, ensuring a national minimum to the people is an integral part of this philosophy. The principal features of democratic socialism are as follows :

- (i) The concept of democratic socialism as conceived in India believes in democratic values for the enrichment of the individual and communal life. The adjective 'democratic' before socialism sharply distinguishes it from the socialism practiced in totalitarian economies.
- (ii) A socialist society aims at the removal of poverty and the provision of a national minimum in respect of food, clothing, shelter, medical aid and education to all the citizens.
- (iii) Another aim of socialist economy is the reduction of inequalities of income and wealth. Socialism is a movement for redistribution of income in favor of the laboring classes of the society. Consequently, in a planned economy it is essential to lay down a policy to bring about reduction of inequalities of income and wealth. It must raise incomes at the lowest level and it must simultaneously reduce incomes at the top. The

former is, basically, the more important aspect, but early and purposeful action in regard to the second aspect is also called for.

(iv) Provision of equal opportunities to all: One of the basic conditions for equality of opportunity and for achieving a national minimum is the provision of gainful employment for every able-bodied citizen. The problem of unemployment in India is on account of failure to raise investment to a level adequate for full employment. In addition, due to excessive pressure of population on land, the unemployed rural labor moves continuously to urban areas creating heavy congestion, squalor and misery. To deal with this situation, a large scale program of rural works in densely populated areas and for periods of under-employment during slack seasons is of vital significance to provide continuous work to the rural labor force and expansion of industries is essential to increase the absorptive capacity of the economy.

The traditional Indian society generated a less privileged class, which had none of the advantages other sections of society could enjoy. Unless there is a provision of free and universal education at the primary stage, extension of opportunities for technical and higher education, the liberal grant of scholarships to the weaker sections and other forms of aid it is not possible to remove the disadvantages caused by birth; so that equality of opportunity can materialize.

(v) Concept of a mixed economy: Total abolition of private property is neither desirable nor necessary for democratic socialism. It is acceptable except when private ownership comes into serious conflict with commons welfare. In that case, it can be replaced by either public ownership or by a suitable form of co-operative ownership. The relative roles of the public and private sectors can be seen as complimentary to each other. There is enough of scope for both the public and the private sectors to expand simultaneously in an increasingly diversified economy.

(vi) A Socialist economy restricts monopoly: The concentration of economic power in the hands of a few individuals is nothing but a serious violation of the principles of socialism. It is, therefore, controlled by different ways and means such as the following : (a) effective exercise of Government powers to control and regulate industrial growth and to make use of appropriate fiscal measures, (b) widening of opportunities for new entrants (c) extension of the public sector into fields requiring the establishment of large-scale units and heavy investments and (d) setting up of medium and small-sized units as well as industries in a better organized co-operative sector.

(vii) Social gain as the basis of socialist economy: The basic criterion of economic decisions is not private profit but it is, 'what does society ultimately gain?' Decisions regarding investment, production, distribution and consumption – and in fact all significant socio economic relationships – must be made in a manner such that they result in appreciable increase in national income and employment at the same time leading to greater equality in incomes and wealth of individuals. In order to achieve a balance between private and public sector investment in industries, government can keep overall regulation of economic activity, through fiscal and monetary policy, at the same time implementing measures like export and import controls, licensing of industries or trades, price controls and allocations etc.

This is necessary because the two sectors operate on different bases. While in the private sector the decisions about investment are made by considerations of costs and returns, the criteria of public investment take a more comprehensive view of the

requirements of the economy. The question remains then as, “how to develop economic policies so that investments in the private sector, too, broadly conform to the social pattern conceived in the democratic socialism?”

From the description above, it is quite clear that the process of economic development while preserving the institutions of democracy and private enterprise is a complex and difficult one. It is a big challenge to create conditions suitable for rapid economic growth and at the same time retain the institutions of a vibrant democracy. The contradictions inherent in the mixed capitalist enterprise system hinder the achievement of the goals of economic development. The process of economic development can move smoothly if the roles of the private, public and co operative sectors, are clearly defined and also if efforts are made to implement certain programs effectively.

India, as a Mixed Economy :

India is regarded as a good example of a mixed economy. Under the Directive Principles of the Indian Constitution, it has been laid down that the State should strive “to promote the welfare of the people by securing and protecting as effectively as it may, a social order in which justice – social, economic and political, shall inform all the institutions of national life.” In order to achieve these aims and objectives, the government of India under able leadership of Pundit Jawaharlal Nehru adopted certain measures – labeled as mixed economy – which can be summarized as given below:

(1) The role of the State: the State is to direct its economic policy to secure a better distribution of ownership and control of the material resources and to prevent concentration of wealth in the hands of a few. To make it possible for the State to attain these ends implied in the directive principles the State itself enters the fields of production and distribution. To protect the weaker sections, the State is also expected to control the distribution of essential commodities. The state adopted for this purpose, a policy of expansion of the public sector to promote rapid industrialisation and self- reliance. Accordingly, the State has promoted infrastructural facilities like hydro-electric projects, irrigation, road construction and railway transport. Similarly, by controlling the financial system, namely, insurance (LIC) and banking (nationalization of major commercial banks in 1969) the State has attempted to direct investment in socially desirable channels. This was an important reason for the creation and dominance of the public sector in India in the first three decades.

(2) Co-existence of public and private sectors: The Planning Commission stated this objective clearly: “In a planned economy, the distinction between the public and the private sector is one of relative emphasis. The two sectors are and must function as parts of a single organism.” Accordingly, the Industrial Policy Resolution of 1956 demarcated the areas for the promotion of industries in the public and the private sectors. In the first category were included such industries whose development would be the exclusive responsibility of the State – mainly defense and heavy industries. In addition, infrastructural industries to provide water, energy and transport so that private investment in agriculture and industry could be encouraged. In the second category were included such industries which would be progressively state-owned, but the private sector may be permitted to supplement the efforts of the state. The public sector was conceived of as a senior partner in the process of economic development in India and the private sector as a junior partner to supplement the efforts of the public sector.

(3) Combined features of capitalism and socialism: the salient features of capitalism and of socialism are incorporated in the industrial policy of India. It is not free or laissez faire capitalism but is controlled capitalism in the interest of society. Individual initiative is given full scope, system of private property is respected, and individual freedom and competition are allowed to exist. At the same time, the public sector industries are managed and operated on the basis of greater welfare of the whole nation seen as a community. The mixed economy, therefore, is the result of India's commitment to democracy and also to socialism.

To bring these objectives in practice, India has adopted the 'planning approach' for development. A planning commission is appointed for this purpose. The commission collects information from all the sectors of economy. It takes into cognizance possible needs in the near future as also in the distant future of the country based upon information regarding population increase and changing trends in population characteristics, availability of resources and possibility of capital raising. The commission then plans for five years at a time certain projects of development so that step by step goals of development over a long period can be achieved.

Models of planned growth :

It is one thing to declare any policy but what is important is to keep certain model to bring that policy in practice. India had a few alternative models for development in view, which we shall discuss in short here.

Mahalanobis model of growth

Prof. P.C. Mahalanobis who was the real architect of five year Plans, was responsible for introducing a clear strategy of development based on the Russian experience. He clearly visualized that, 'the growth of the national economy would depend on the increasing production of coal, electricity, iron and steel, heavy machinery, heavy chemicals and heavy industries generally'. Pundit Jawaharlal Nehru, the first Prime Minister of India, also was of the opinion that the development of heavy industry was synonymous with industrialisation. He stated: "If we are to industrialize, it is of primary importance that we must have the heavy industries which build machines. There are some who argue that we must not go in for heavy industry but for lighter ones. Of course, we have to have light industries also but it is not possible to industrialize the nation rapidly without concentrating on the basic industries which produce industrial machines which are utilized in industrial development." Thus the core of the strategy adopted by Indian planners for the Second Plan and with minor modification for the subsequent three Plans (i.e. up to the Fifth Plan) was rapid industrialisation through lumpy investment on heavy, basic and machine-building industries.

Strong and long debates have taken place over comparative importance of heavy industries based development or light industries based development in which at the present we need not go. What is important here to take into consideration is that social obligation was an important aspect of the policy making right from the beginning and the debate was the way in which it can be best achieved. Propagators of both the policies had the same ultimate aim in their minds but experiences of other countries in the west impressed a few while success of Soviet Russia impressed the other thinkers.

The Gandhian Model of Growth:

Mahatma Gandhi advocated certain policies with regard to the development of Indian economy which is generally labeled as 'Gandhian planning' or 'Gandhian model of growth.' It aims primarily at improving the economic conditions of the 5.5 lakh villages of India. The following aspects of the model are of importance here.

(a) Agriculture

The Gandhian model aims at the national self-sufficiency in foodstuffs and maximum regional self-sufficiency in food. This has to be achieved through land reforms--change in the system of tenure, abolition of the proprietary rights on land, consolidation of holdings, organization of co-operative farms, etc. with special emphasis on dairy farming as an occupation and as an auxiliary to agriculture.

(b) Cottage and Village Industries

The primary aim of the Gandhian economic planning is the attainment of maximum self-sufficiency in village communities apart from food sufficiency. Mahatma Gandhi's promotion of khadi that means 'handmade clothing from cotton' had this basic idea of making every household self sufficient. At the same time, the Gandhian plan wants the State to consider the revival and expansion of rural cottage industries as the main plank of its industrial planning through rehabilitation, development and expansion of cottage industries. The background of this insistence can be understood in the following statistics : in 1910, village industries constituted 40 per cent of the labor force. By 1946, this had decreased to 10 per cent and in 1985 they remain at two per cent. Earlier we have seen how the British policy of colonization destroyed traditional Indian village and cottage industries. If that was bad, why Indian government should allow the same process to take place after independence is the main question behind Gandhian demand for supporting local small industries.

Another angle to development of rural areas is brought out by Annasaheb Sahasrabudhe (a Gandhian worker) who wrote: "The rural areas were encouraged to start such industries which provide urban population with things like milk, vegetables, oil seeds, cotton and food grains and purchase from the urban areas items such as cloth, oil and other manufactures' The villagers have thus been turned into second class citizens to supply cheap raw materials and semi finished products to the urban organized sector, in the present model of development." Definitely Gandhi did not approve of such a policy. One more advantage of Gandhian model is that rural migration to urban areas could have been checked to a large extent and the problems of urbanization which the country is facing today could have been controlled if not avoided.

Basic industries

There is a general misconception about Gandhi being against the development of large-scale industries. Actually, the Gandhian Plan recognizes the need for and the importance of certain selected basic and key industries in India, especially defense industries, hydro-electric and thermal power generation, mining and metallurgy, machinery and machine tools, heavy engineering, and heavy chemicals. The Gandhian Plan would like the development of basic industries not to interfere with or to hinder the growth of cottage industries. The most dynamic scientific aspect of the Gandhian model is that the basic and key industries will be owned and managed by the State – they will be in the public sector. On this point there is no difference between Nehruvian and Gandhian models of growth.

Generally, people assume that Gandhi's emphasis on cottage industries and handicrafts is a clear indication of his opposition to modern machinery. This is wrong. He welcomes machinery and modern amenities wherever they lighten the burden of the villagers without displacing human labor. Machinery is good when it operates in the interests of all; it is evil when it serves the interests of the few. If we carefully analyze the Gandhian model, we will find that the handicrafts and cottage industries are emphasized from the point of view of production as well as that of employment.

In a nutshell, Gandhian model of growth calls for the following changes in the present system of planning :

- (a) Preference to employment-oriented planning over production-oriented planning.
- (b) Agriculture and employment potential. Agriculture offers great scope for enlarging employment in : (i) agriculture including animal husbandry, compost-making, sanitation and gobar gas; (ii) rural works such as irrigation projects, soil conservation, land reclamation, afforestation etc. and (iii) rural or cottage industries.
- (c) Restriction over medium or large-scale industries in favor of cottage or small-scale enterprises.
- (d) Equitable distribution. Accumulation of wealth and the concentration of economic power are directly due to centralization of the means of production and centralized large-scale production.

In the Gandhian model, the problem of distribution is tackled at the production end and not at the consumption end.

The Gandhian model of growth hopes to achieve a national minimum level of living within the shortest possible time and aims at removal of concentration of income and wealth and growth with stability. Though this Gandhian model of development was not adopted by Nehru completely, the key aspects were given place in the industrial policy right from the beginning. The weakness of the Indian planners was not in the formulation of Nehru Mahalanobis investment strategy but in the poor implementation of the same, viz., implementing the heavy industry base to a large extent but failing to implement successfully the agricultural content of the plans and those relating to small-scale and cottage sector.

Outside India it is believed that the success of China is due basically to combining admirably the Soviet model with the Gandhian model. China did not neglect the importance of heavy industry particularly for defense and infrastructural base even when she gave first priority to agriculture. China has become a first rate military power capable of challenging the mightiest powers of the world and at the same time has fed and clothed her people better than India has done.

On this background of industrial policy of 1951, India made strides of development in certain sectors but could not maintain pace with increasing demand for employment because of rapidly increasing population. In 1991, due to fiscal problems and financial adversity, India had to take loans from the WB and the IMF. That loan was approved on the condition that India had to join WTO and connect her economy to global economic order by reducing many of the protective measures she had implemented till then. What are those concepts and what are the effects we shall study in the next section.

(d) Globalization, Privatization and Liberalization of national economies :

Globalization is the process of integrating various economies of the world without creating any hindrances in the free flow of goods and services, technology, capital and even labor or human capital. The term 'globalization' has, therefore, four parameters:

- (i) Reduction of trade barriers to permit free flow of goods and services among nation-states;
- (ii) Creation of environment in which free flow of capital can take place among nation-states;
- (iii) Creation of environment, permitting free flow of technology; and
- (iv) Last, but not the least, from the point of view of developing countries, creation of environment in which free movement of labor can take place in different countries of the world.

Globalization in the era since World War II was first the result of planning by economists, business interests, and politicians who recognized the costs associated with protectionism and declining international economic integration. Their work led to the Bretton Woods conference and the founding of several international institutions intended to oversee the renewed processes of globalization, promoting growth and managing adverse consequences. These were the International Bank for Reconstruction and Development (the World Bank) and the International Monetary Fund. It has been facilitated by advances in technology which have reduced the costs of trade, and trade negotiation rounds, originally under the auspices of GATT, which led to a series of agreements to remove restrictions on free trade. The Uruguay round (1984 to 1995) led to a treaty to create the World Trade Organization (WTO), to mediate trade disputes and set up a uniform platform of trading. Other bi- and multilateral trade agreements, including sections of Europe's Maastricht Treaty and the North American Free Trade Agreement (NAFTA) have also been signed in pursuit of the goal of reducing tariffs and barriers to trade. In effect, these agreements have flooded foreign markets with subsidized goods from the United States.

The advocates of globalization, more especially from developed countries, limit the definition of globalization to only three components, unhindered trade flows, capital flows and technology flows. They insist on developing countries to accept their definition of globalization and conduct the debate on globalization within the parameters set by them. However, several economists in the developing world believe that this definition is incomplete and in case the ultimate aim of globalization is to look upon the world as a 'global' village, then the fourth component, unrestricted movement of labor cannot be left out. But the entire issue whether debated at the World Bank, IMF or World Trade Organization (WTO) blacks out 'labor flows' as an essential component of globalization.

Thus, basically globalization signifies a process of internationalization plus liberalization. According to Stiglitz, "Globalization is the closer integration of the countries and peoples of the world which has been brought about by the enormous reduction of costs of transportation and communications, and the breaking down of artificial barriers to the flow of goods and services, capital, knowledge, and (to a lesser extent) people across borders."

Jagdish Bhagwati defines globalization in the following words: "Economic globalization constitutes integration of national economies into the international

economy through trade, direct foreign investment (by corporations and multinationals), short-term capital flows, international flows of workers and humanity generally, and flows of technology”

Advocacy of Globalization

Globalization which is a more romantic word indicating the desire to integrate nation-states within the overall framework of WTO, is nothing but a modern version of the ‘Theory of Comparative Costs Advantage’ which was propagated by classical economists to provide the theoretical foundations of unrestricted flow of goods from Great Britain to other less developed countries — at that time colonies. It was argued that international specialization benefits both the countries which enter into trade relations. The same argument has been brought forth by the advocates of globalization now. They want an export-led-pattern of growth to replace import substitution policies followed earlier. The imperialist nations during the 18th, 19th and 20 century also emphasized ‘capital and technology flows’ into the colonial countries. But they could force their will at that time because they were the rulers. Historical evidence reveals that all these trade, capital and technology flows helped the imperialist nations to drain out resources from the poor colonial nations. Thus, the imperialist nations thrived at the cost of colonial countries that remained in stagnation and poverty.

Advocates of globalization support their defense of globalization on the following arguments:

- (i) Globalization will promote direct foreign investment and, thus, it enables developing countries to raise capital without recourse to international indebtedness.
- (ii) Globalization enables developing countries to make use of technology developed by advanced countries without investments in Research and Development.
- (iii) Globalization widens the access of developing countries to export their produce in the developed countries. Simultaneously, it enables the consumers of developing countries to obtain quality consumer goods, especially consumer durables, at relatively much lower prices.
- (v) Globalization introduces faster diffusion of knowledge and thus enables developing countries to raise their level of production and productivity. It, therefore, generates the momentum to reach international standards of productivity.
- (vi) Globalization reduces costs of transport and communication. It also reduces tariffs and thus enlarges the share of foreign trade as a percentage of GDP.

In a nutshell, globalization is considered as the engine of growth, technical advancement, raising productivity, enlarging employment and bringing about poverty reduction along with modernization of underdeveloped economies.

Globalization advocates such as Jeffrey Sachs point to the above average drop in poverty rates in countries, such as China, where globalization has taken a strong foothold, compared to areas less affected by globalization, such as Sub-Saharan Africa, where poverty rates have remained stagnant. Supporters of free trade claim that it increases economic prosperity as well as opportunity, especially among developing nations, enhances civil liberties and leads to a more efficient allocation of resources. Economic theories of comparative advantage suggest that free trade leads to a more efficient allocation of resources, with all countries involved in the trade benefiting. In general, this leads to lower prices, more employment, higher output and a higher standard of living for those in developing countries. Libertarians and other

proponents of laissez-faire capitalism say that higher degrees of political and economic freedom in the form of democracy and capitalism in the developed world are ends in themselves and also produce higher levels of material wealth. They see globalization as the beneficial spread of liberty and capitalism.

Income inequality for the world as a whole is diminishing; arguably absolute poverty is more important than relative inequality. If everyone lived in abject absolute poverty, then relative income inequality would be very low. Life expectancy has almost doubled in the developing world since World War II and is starting to close the gap between itself and the developed world where the improvement has been smaller. Infant mortality has decreased in every developing region of the world. Democracy has increased dramatically from there being almost no nations with universal suffrage in 1900 to 62.5% of all nations having it in 2000. Feminism has made advances in areas such as Bangladesh through providing women with jobs and economic safety. The proportion of the world's population living in countries where per-capita food supplies are less than 2,200 calories per day decreased from 56% in the mid-1960s to below 10% by the 1990s. Between 1950 and 1999, global literacy increased from 52% to 81% of the world. Women made up much of the gap: female literacy as a percentage of male literacy has increased from 59% in 1970 to 80% in 2000. The percentage of children in the labor force has fallen from 24% in 1960 to 10% in 2000. There are similar increasing trends toward electric power, cars, radios, and telephones per capita, as well as a growing proportion of the population with access to clean water. The book “The Improving State of the World” also finds evidence for that these, and other, measures of human well-being has improved and that globalization is part of the explanation.

Criticism of Globalization :

The claims of the protagonists of globalization have been examined by various researchers in different countries. A very powerful critique of globalization has been made by Stiglitz, Nobel Prize winner for Economics (2001) and Chief Economist of the World Bank. The World Commission on the Social Dimension of Globalization (WCSDG) set up by ILO has also considered the experience of globalization the world over and made certain very revealing observations.

The World Commission states: “The current path of globalization must change. Too few share in its benefits. Too many have no voice in its design and no influence on its course”.

Double Standards of Developed Countries

Developed countries demand so many concessions and reduction of tariffs from developing countries, but are they encouraging free flow of trade, capital and technology across states; or are they using globalization to their advantage?

Stiglitz exposes the hypocrisy of Western countries: “The Western countries have pushed poor countries to eliminate trade barriers, but kept up their own barriers, preventing developing countries from exporting their agricultural products and so depriving them of desperately needed export income..... It was not just that the more advanced industrial countries declined to open up their markets to the goods of developing countries — it was not just that the more advanced industrial countries continued to subsidize agriculture, making it difficult for the developing countries to compete, while insisting that developing countries eliminate their subsidies on industrial goods. Looking at the “terms of trade”—the prices which developed and

less developed countries get for the products they produce — after the last trade agreement in 1995, the net effect was to lower the prices of some of the poorest countries in the world received relative to what they paid for their imports. The result was that some of the poorest countries in the world were actually made worse off. The large number of suicides committed by farmers in India was the direct result of the double standards adopted by the developed countries to sell their agricultural products like cotton in world markets at relatively much lower prices, thereby eliminating Indian cotton growers from exporting.

Feminization of labor in low wage jobs

The forces of globalization have resulted in an increase of women's employment into low paid jobs, in manufacturing, particularly in Asia. Since majority of women are working in the informal sector, they are most affected by the forces of free trade and are driven into low-end jobs. Another category of degraded labor is the home-based labor with a rapidly growing share of females. By exploiting unorganized home-based workers, the employers are able to reduce their costs to the minimum. Feminization of workforce has enabled the capitalist class to increase its share in value-added, while paying workers below minimum wage.

Goal of full employment and decent work sidelined under Globalization:

ILO has been pleading for the “promotion of opportunities for men and women to obtain decent and productive work, in conditions of freedom, equality, security and human dignity.” The goal of decent work can be achieved by promoting growth along with the objective of full employment. The increasing casualization and feminization of labor under the slogan of globalization has led to indecent work and the process of proletarianization seems to be legitimized under globalization. ILO rejects the two step strategy of “first job creation and then to decent work.” It rejects on the basis of ethical principles the view that “Bad jobs and bad wages are better than no jobs.”

World Commission on Social Dimension of Globalization (2004) says in unambiguous terms: “The goal of full employment and achieving decent work for all receives low priority in current international policies.” At a time, when state intervention was needed to move towards the goal of full employment and decent work, the globalization wave has sidelined these goals to build a better and humane society.

Exploitation of foreign impoverished workers: The deterioration of protections for weaker nations by stronger industrialized powers has resulted in the exploitation of the people in those nations to become cheap labor. Due to the lack of protections, companies from powerful industrialized nations are able to force workers to endure extremely long hours, unsafe working conditions, and just enough salary to keep them working. The abundance of cheap labor is giving the countries in power incentive not to rectify the inequality between nations. If these nations developed into industrialized nations, the army of cheap labor would slowly disappear alongside development. With the world in this current state, it is impossible for the exploited workers to escape poverty. It is true that the workers are free to leave their jobs, but in many poorer countries, this would mean starvation for the worker, and possible even his/her family.

Shift from manufacturing to service work: The low cost of off-shore workers have enticed corporations to move production to foreign countries. The laid off unskilled workers are forced move into the service sector where wages and benefits are low, but turnover is high. This has contributed to the widening economic gap between skilled and unskilled workers. The loss of these jobs has also contributed greatly to the slow decline of the middle class which is a major factor in the increasing economic inequality in the United States. Families that were once part of the middle class are forced into lower positions by massive layoffs and outsourcing to another country. This also means that people in the lower class have a much harder time climbing out of poverty because of the absence of the middle class as a stepping stone.

The rise of contingent work: As Globalization causes more and more jobs to be shipped overseas, and the middle class declines, there is less need for corporations to hire full time employees. Companies are less inclined to offer benefits, or reduce benefits, to part time workers. Most companies don't offer any benefits at all. Such benefits include health insurance, bonuses, vacation time, shares in the company, and pensions. Even though most of the middle class workers still have their jobs, the reality is that their buying power has decreased due to decreased benefits. Job security is also a major issue with contingent work.

Political - political globalization is the creation of a world government which regulates the relationships among nations and guarantees the rights arising from social and economic globalization. [54] Politically, the United States has enjoyed a position of power among the world powers; in part because of its strong and wealthy economy. With the influence of Globalization and with the help of The United States' own economy, China has experience some tremendous growth within the past decade. If China continues to grow at the rate projected by the trends, then it is very likely that in the next twenty years, there will be a major reallocation of power among the world leaders. China will have enough wealth, industry, and technology to rival the United States for the position of leading world power.

Informational - increase in information flows between geographically remote locations

Cultural - growth of cross-cultural contacts; advent of new categories of consciousness and identities such as Globalism - which embodies cultural diffusion, the desire to consume and enjoy foreign products and ideas, adopt new technology and practices, and participate in a "world culture"

Ecological- the advent of global environmental challenges that can not be solved without international cooperation, such as climate change, cross-boundary water and air pollution, over-fishing of the ocean, and the spread of invasive species. Many factories are built in developing countries where they can pollute freely.

Transportation - fewer and fewer European cars on European roads each year (the same can also be said about American cars on American roads) and the eath of distance through the incorporation of technology to decrease travel time.[clarify]

Trade barriers – Since World War II, barriers to international trade have been considerably lowered through international agreements - General Agreement on Tariffs and Trade (GATT). Particular initiatives carried out as a result of GATT and the World Trade Organisation (WTO), for which GATT is the foundation, have included: Promotion of free trade: - Reduction or elimination of tariffs; construction of free trade zones with small or no tariffs Reduced transportation costs, especially from development of containerization for ocean shipping. Reduction or elimination

of capital controls Reduction, elimination, or harmonization of subsidies for local businesses

Globalization is also defined as the internationalization of everything related to different countries; Internationalization however, is a contrasted phenomenon to globalization.

Though many researchers and world organizations promoting globalization come forward with showing the advantages of globalization in different parts of the world, there is almost equally strong and widespread opinion opposing globalization process, at least in its present form. That wide range of arguments against globalization is known as 'anti-globalization'.

Anti-globalization is a term used to describe the political stance of people and groups who oppose neoliberal policies of unfettered globalization. anti-globalism can denote either a single social movement or an umbrella term that encompasses a number of separate social movements. In either case, participants stand in opposition to the unregulated political power of large, multi-national corporations, as the corporations exercise power through leveraging trade agreements which damage in some instances the democracy rights of citizens, the environment particularly air quality index and rain forests, as well as national governments sovereignty to determine labor rights including the right to unionize for better pay, and better working conditions, or laws as they may otherwise infringe on cultural practices and traditions of developing countries. Critiques of the current wave of economic globalization typically look at both the damage to the planet, in terms of the perceived unsustainable harm done to the biosphere, as well as the perceived human costs, such as increased poverty, inequality, miscegenation, injustice and the erosion of traditional culture which, the critics contend, all occur as a result of the economic transformations related to globalization. They point to a "multitude of interconnected fatal consequences--social disintegration, a breakdown of democracy, more rapid and extensive deterioration of the environment, the spread of new diseases, increasing poverty and alienation which they claim are the unintended but very real consequences of globalization. The critics of globalization typically emphasize that globalization is a process that is mediated according to corporate interests, and typically raise the possibility of alternative global institutions and policies, which they believe address the moral claims of poor and working classes throughout the globe, as well as environmental concerns in a more equitable way.

Whatever may be the side effects and unintended effects of globalization certain steps were needed to be taken under the agreement to which India was a signatory.

Especially from economic point of view, an important step was suggested by WB in order to relieve the state from the burden of supporting industries financially when those industries were not necessarily being organized in economical manner. The structural change in that direction is the 'disinvestment policy' also called as 'privatization of PSUs'.

RATIONALE OF DISINVESTMENT

The term 'disinvestment' is used to indicate the process of privatization. Disinvestment is the process through which privatization could take place. Since quite a large number of public enterprises incurred losses year after year, it was argued that the State should not be called upon to meet the losses of these enterprises out of tax payers' money. This argument was not paid attention to before 1990 under

impression that by supporting PSUs, government was fulfilling its 'social obligation' of creating employment opportunities. What was not realized that the losses incurred in that process was an act against the principle of social justice. The tax payer's money in huge amounts was used to support a few individuals who did not show commitment and sincerity towards their work. They did not bother to run those industries in profit, thus showing disrespect towards the faith public and government had shown in them.

Giving the rationale for disinvestment, the Ministry of Disinvestment has outlined the following as the primary objectives:

1. Releasing the large amount of public resources locked up in non-strategic PSEs, for redeployment in areas that are much higher on the social priority, such as basic health, family welfare, primary education and social and economic infrastructure.
2. Stemming further outflow of these scarce public resources for sustaining the unviable non-strategic PSEs;
3. Reducing the public debt that is threatening to assume unmanageable proportions;
4. Transferring the commercial risk to the private sector wherever the private sector is willing and able to step in; and
5. Releasing other tangible and intangible resources, such as, large manpower currently locked up in managing PSEs, and their time and energy, for redeployment in high priority social sectors that are short of such resources.

EMERGENCE OF THE DISINVESTMENT POLICY

The policy of the Government of India on disinvestment has evolved over a period and it can be briefly stated in the form of policy statements made in the following chronological order.

(i) Industrial Policy Statement Of July 1991

(ii) Report of the Committee on the Disinvestment of Shares in PSEs (Rangarajan Committee) April 1993.

The Rangarajan Committee emphasized the need for substantial disinvestment. It stated that the percentage of equity to be divested could be up to 49% for industries explicitly reserved for the public sector, could take place to the extent of 74% in exceptional cases and 100% divestment of Government Stake in all other cases.

(iii) The Common Minimum Program of the United Front Government 1996

(iv) Disinvestment Commission Recommendations Feb 1997-Oct 1999

(v) Budget Speech : 1998-99

(vi) Strategic & Non-Strategic Classification

On 16 March 1999, the Government classified the Public Sector Enterprises into strategic and non strategic areas for the purpose of disinvestment. It was decided that the Strategic Public Sector Enterprises would be those in the areas of: Arms and ammunitions and the allied items of defense equipment, defense air-crafts and warships: Atomic energy (except in the areas related to the generation of nuclear power and applications of radiation and radio-isotopes to agriculture, medicine and non-strategic industries); the remaining areas were non strategic. The strategic PSEs could not be disinvested.

(vii) Budget speech 2000-2001

(viii) Budget for 2003-04

It will be observed that disinvestment once accepted in principle, was implemented as responses appropriate to the needs of a particular time and perception of the then ruling government regarding relative importance of sectors of activities. It should not be felt that the policy which was overtly and comprehensively against the accepted and established principle of socialism in Indian economy was welcomed by all sections of the society. The leftist parties like CPI and CPI(M), various trade unions and thinkers in academic and related fields opposed tooth and nail at every step taken by government for disinvestment of PSEs. The overall effect was that maximum transparency in the dealings was observed, shares were not sold at throw away prices, interests of workers were given sufficient attention and the bargain was really in the favor of government that means public at large.

What the opponents of the policy had to say is this:

CRITIQUE OF DISINVESTMENT

- (i) Is the Government classification of 1999 into strategic and non-strategic sectors correct?
- (ii) Is it desirable to disinvest profit-making public enterprises, while keeping the loss-making PSUs under state ownership?
- (iii) What should be the procedure for disinvestment—public offering through stock exchange or strategic sale to a private party?
- (iv) Should disinvestment create private monopoly in place of public monopoly?
- (v) What should be the method of valuation of a PSU before a bid for disinvestment is made?
- (vi) Should PSUs be allowed to participate in the bids for disinvestment of PSUs?
- (vii) How should the proceeds from disinvestment be utilized?
- (viii) How should the interests of workers and employees be safeguarded?

Thus, both the sides regarding disinvestment policy and procedure have been presented here. The question in the present context is, 'whether by ownership of industrial units with the government social responsibilities were fulfilled, though those units did not function in competitive manner, OR has the privatization process been more conducive to fulfilling social responsibilities on the part of government by making more and more money available for public expenses ?'

Along with the forces of globalization and privatization the process of liberalization of national economies has become an imperative. Any one of these three processes can not be implemented smoothly unless the other two join hands with the rest. In this context role of government in controlling and participating in economic activities needs to be discussed.

In any economic system, the state can play three kinds of roles:.

- (i) As a producer of goods and services,
- (ii) as a regulator of the system, and

(iii) as a supplier of 'public goods' or 'social goods' like education, health, drinking water, etc.

It can be realized that the government started PSUs in the capacity of the first role mentioned above. All the PSUs functioned as producers and suppliers of goods and services to public and industries of medium and small scale the raw materials. In the third capacity as supplier of 'public goods or social goods' the government has to be the biggest and perhaps only player because any private entrepreneur cannot be imagined to invest in activities that do not produce any direct and short term profits.

This role government of India has been performing since independence and still continues, though under a lot of pressure from WTO and other global bodies, it is required to cut some of expenses on those accounts.

Broadly speaking, there are two ways in which government is fulfilling its duties towards this end, namely, by spending to create infrastructure facilities for the benefit of public such as roads, generation of electricity, railways, communication facilities etc. while the other area is that of providing for education and health. These two areas require government intervention on many accounts. Firstly, majority sections of the society, including those marginally above poverty line, find it difficult to admit their children in educational institutions providing good education for want of funding. Health care prices also are not within the reach of common man. As welfare provider the state has to perform role of health care provider.

The recent developments due to participation in the globalization process have led the government to shrink its role as regulator of economic system of the country. Especially regarding restrictions on foreign inflow in different forms. It can be direct investment in the private enterprises, it can be investment in share markets, it can be in the form of bank deposits or as investment in government bonds. As there can be more open entry to foreign money, there should be no restrictions on Indian investment going out of country. Corporate houses and even PSUs can invest in companies outside countries. Restrictions on acquisitions and mergers of companies are also reduced a lot in order to facilitate those processes.

Most important of all, many licenses and permits which were required in the past to start and run a business were reduced and the process of starting a business has been made easier. Government interference in the activities of entrepreneurs has been reduced in economic and financial fields. Not only the private banks but government banks also have been given more freedom for allocation of their funds. In short, this process is described as 'rolling back of the state'. International and to some extent intra national business is also governed more by the regulations of WTO and GATS than the laws made by national governments in many countries.

Where are these changes in the economic field leading to? To what extent these changes are going to help various governments fulfill their duties? What is going to happen to humanities and social obligation on the part of government? These and all such questions are hovering over the minds of thinkers not only in India but all those who care for humanity as a whole. All those thinkers who want to see every member of society living in peace and getting full scope for his/her capacities to develop to their full potential.

SUMMARY

In this chapter we have tried to understand the main points regarding,

[1] Capitalist concepts regarding production, markets and distribution of commodities. Private ownership of property is the backbone of this way of thinking. Market has been given importance than the producer of goods or the consumer of the

products. Market needs total freedom of operations without any restrictions from the government in ideal condition for capitalism to flourish.

[2] Karl Marx's alternative to capitalism known as communist / socialist set up of production and distribution of commodities seems to be more people oriented and in which an assurance of welfare of common man has been given. Not only that this model of economic activities and control by government on economy seems to be more satisfactory for people, but it may also lead to people's understanding of their dependence on the society and thereby their realization that social obligation is a part and parcel of life. Communism as a philosophy is much better than any form of capitalist philosophy but what happened in practice has left much to be desired.

[3] We have also tried to understand on the background of these two dominating theories in the world economies what India selected after independence as her path towards development. Considering the needs of people with their traditional background, India attempted what is called as 'mixed economy', which was a combination of both the capitalist and the Marxist theories attempting to take the best from the both. Public and private industries were allowed on certain conditions to run their business. The formula adopted was Government ownership in certain sectors of production and private ownership in the restricted sectors of production keeping good scope for small scale and cottage industries which were backbone of the traditional rural economy. The policy worked for nearly 40 years and produced satisfactory results though not up to expectations.

[4] After limited success of mixed economy model of development, India was forced to sign WTO in 1991 under peculiar circumstances. That opened the new era of Globalization, Privatization and Liberalization of markets. The earlier path of economic activity had to be almost reversed. Presently India is trying to maintain a few of its promises given to people and at the same time co comply with the requirements of the world bodies. Globalization process required India and other underdeveloped countries to accept some conditions which did not fit into their scheme of economy. The processes of privatisation and liberalization are being implemented though reluctantly.

The main issue is whether the developments in the field of economy are helpful to development of Humanities and towards fulfillment of social obligations in general. The private entrepreneurs are more and more under pressure of competing on price front in the market, can they fulfill their corporate social responsibility ? if not, then what can be done to satisfy needs of crores of population below poverty line and marginally above poverty line ? What will happen to the government's promise of performing the role of 'welfare provider' to the public at large ? Can at least the big corporate houses come forward and take a few steps towards fulfilling their social obligations ?