

GANDHIAN ECONOMICS

An Opportunity for African Development

BY ANNA KEY

In reference to the AIDS epidemic in sub-Saharan Africa, Peter Piot, executive director of UNAIDS, said, "We all need to begin thinking out of the box," adding that, "stopping the AIDS epidemic is going to require more than just a medical approach." AIDS in Africa is affecting more than those who contract the disease, it is having a catastrophic effect on families, cultures, and economies in dozens of struggling countries. But beyond the ravages of AIDS, the development strategies being implemented in sub-Saharan Africa by larger international agencies fail to succeed in the face of this unique economic struggle. The "top down" economic policies that have been implemented in sub-Saharan Africa by the United Nations, The World Bank, and the International Monetary Fund are not the most effective policies that are available.

It is time for a different type of development strategy. While spending last summer in Malawi, I saw a nation plagued with an infectious disease, and an economy being destroyed in part because of it. Now, more than ever, Africa needs people who are willing to "think outside the box", and economic policies that will creatively address a unique and dangerous situation. I can think of no philosophy more capable of addressing this issue than that of Mahatma Gandhi.

Gandhi's struggle for freedom in India was based on the power of the individual, which he called, "person power" or *svasakti*. Using person power, he called on individuals to restructure their own lives and their understandings of themselves in order to create a collective sense of unity. He believed adamantly in the power of the individual. One of Gandhi's major resources for the revolutionary restructuring of power from the state to the individual came from within the villages. Because at the time India's demographics were localized in a vast village population, Gandhi realized that by transforming the nature of these villages and the economic and political structures

that governed them, Indians could, in fact, change the overall structure of their country.

Gandhi wanted to transform the dominant paradigm of large-scale industrialization to include an aspect of development that was highly localized in villages. Gandhi believed in the ability of reformation to take place in India from the bottom up. If the government in Malawi resisted the dominant paradigm of "top down" economics, and instead adopted a program similar to Gandhi's village economy practices, the situation in Malawi would drastically improve.

A very different type of development is being forced on Malawi than the example seen in Gandhi's struggle in India. Instead of a system of development that stresses the importance of village revival, of the power of the individual, and the importance of sustainability discovered from within a nation, Malawi is being coerced into a model of development that embraces the exact opposite ideology. The International Monetary Fund, World Bank, and World Trade Organization, collectively known as the Bretton Woods institutions, are part of an international monetary system that manages commercial and financial relationships between countries in order to stabilize the global financial system. These institutions, along with the United Nations, have developed a plan for global development that is failing over and over again. In country after country, these institutions have

offered economic solutions that fail to address the real requirements of development. The IMF and World Bank attach contingencies to their loans that require market liberalization and other reforms that are not proven to reduce poverty nor help growth, especially in developing countries. Malawi is a case study of this type of ineffective development scheme.

Gandhi believed in a completely different strategy of economics that worked from the bottom up, developing capital and creating self-sustainability within the community, instead of injecting large amounts of aid through the government. With this type of economic development struc-



Map of the African continent with Malawi indicated



Gandhi modeled self-sufficiency and bottom-up development in his Ashrams, spiritual communities where the residents lived the philosophy of Gandhian economics.

Additionally, if a stronger relationship could be established between urban residents and villagers, the country could unite in a powerful way. The Malawian government, while practicing a loose version of democracy, is completely divorced from the general population. The primary obstacle in this marriage is in the disappointing literacy rates in small villages in Africa. Malawi has a 62% adult literacy rate, which makes it impossible for four out of ten people to even read a ballot. A village literacy program could send educated Africans to villages to teach villagers how to read. Such a program could later be expanded to include other useful skills.

This mobilization effort must be Malawian-led. The United Nations can encourage the direction of African intellectuals and politicians by providing funding that is specifically

ture, the people can create their own income, and are in charge of development that caters to the unique needs of their communities.

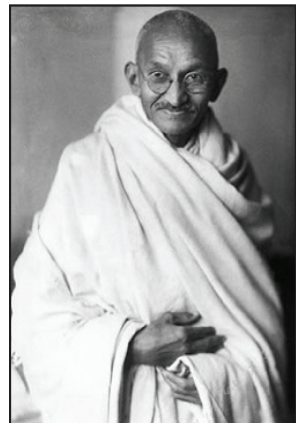
The effect that AIDS is having on Malawi's economy is a relatively new struggle among resource-limited economies. It makes no sense that a country in sub-Saharan Africa dealing with this type of adversity would be forced into a development program that is being used simultaneously in Ecuador, Haiti, or India. These countries are affected by unique regional situations and require development strategies based on their particular situations and needs. Each situation needs to be addressed differently, and the Bretton Woods institutions are not sufficient for single-handedly dealing with Third World development. A certain degree of the development activity must take place from individuals within the communities who understand each situation, and who are capable of turning it around from the inside out. It is not an issue of lack of funding, it is an issue of lack of direction.

A Gandhian structure of village economy could drastically improve the standard of living for the massive village populations in Malawi. One of Gandhi's ideas for developing village sustainability came from the Khadi campaign, a project that would enable villagers to spin their own cotton and produce their own clothing. This campaign created small-scale businesses for village communities, national unity among everyone who practiced it, and helped Indians resist foreign imports that took financial activity away from India.

A similar campaign could be developed which would facilitate economic activity that would develop into small businesses in the local markets. With this structure in place, villages could become more self-sustainable and government handouts and "Band Aid" development would be unnecessary. It would create both employment opportunities within the villages as well as a consistent means of production and trade. It is a process that requires patience, but it is highly achievable.

for programs of village sustainability and village literacy, but the revolution cannot be led from the outside. The leaders must be developed from within. The power of the Indian freedom struggle was insurmountable because of the autonomous nature of the movement. To raise oneself out of strife creates the confidence that is necessary to the establishment of a successful state.

Gandhi explained how to create positive development within a country. In recent decades, there have been very few attempts to model a national development strategy in such a manner. The top down economic development strategies have continually failed in sub-Saharan Africa. Ideologies should not trump the lives and livelihoods of people, and with thousands of Africans dying each day, this is a perfect opportunity to revive development strategies that have been overlooked in favor of the neoliberal model.



Mahatma Gandhi, 1931

Resources:

- Further Reading:
[Essays on Gandhian Economics](#) (Romesh Diwan and Mark Lutz, editors)
[Alternatives to Economic Globalization](#) (John Cavanagh and Jerry Mander, editors), published by the International Forum on Globalization:
<http://www.ifg.org/programs/alternatives.htm>