

MAHADEO GOVIND RANADE
(1842-1901)



- ✘ Ranade was born at Nasik on January 18, 1842.
- ✘ After taking his M.A degree in 1865 from the University of Bombay , he qualified for the degree of law.
- ✘ In 1893, he was appointed as the judge of the Bombay High Court.
- ✘ Since then, Ranade was popularly known as Justice Ranade.
- ✘ Ranade has been called as the FATHER OF RENAISSANCE in western India.

- ✘ In 1878, he started the publication of the *Quarterly Journal*
- ✘ In 1884, Deccan Educational Society was founded under his leadership.
- ✘ The aim of the society was to provide Western education to the rising generation 'without exposing it to the anti-national bias of English educators'.
- ✘ While recognizing the merits of Western education, Ranade wanted to adopt it without losing the spirit of nationalism.
- ✘ Although he praised the English administrative system, the educational institutions and the liberal way of life, he advocated a separate trade and fiscal policy for India.
- ✘ His most important works are : *Essays on Indian Political Economy(1898)* and *The Rise of Maratha Power(1900)*

HIS ECONOMIC IDEAS

(1) METHODS AND SCOPE OF POLITICAL ECONOMY

- ✘ He studied carefully the economic systems of various European countries, and arrived at the conclusion that inductive or historical method was the best.
- ✘ In his words: “the method to be followed is not deductive but the historical method which takes into account the past in its forecast on the future”
- ✘ Ranade considered economic laws were only relative .
- ✘ He believed in the doctrine of relativity
- ✘ He suggested that the theory and practice should go along side by side.

(2) ROLE OF THE STATE

- ✘ Ranade conceived of a planned economy for India with the object of establishing a welfare state.
- ✘ He tried to impress upon the people the urgency of a plan for the economic development of the national economy in which state was to play an important role.
- ✘ While emphasising the importance of the individual in the economic machinery of the nation, he never undermined the importance of the state.
- ✘ He criticised the policy of free trade adopted by the British. He was fully alive to the destructive results of such a policy.
- ✘ He declared that the policy of laissez-faire was to the detriment of India's economic development.
- ✘ Acc.to him the economic theory that was developed in England could not be suitable for India.
- ✘ Acc.to him the economic development of India depended upon the economic, social and political institutions.
- ✘ It was the duty of the state to direct and channelize the activities of individuals and institutions towards a well determined goal.
- ✘ In India, since the private initiative was shy, the state should undertake measures for the industrial development of the country, through subsidies and bounties.
- ✘ He recognized state as the national organ for taking care of national needs in all matters in which individual and cooperative efforts are most likely to be so effective and economical as national effort.

(3)INDIA'S POVERTY

- ✘ Naoroji believed that poverty of India was the result of British rule but Ranade believed that mass poverty had been there in India even before British rule
- ✘ Acc.to him the chief causes of India's poverty were the predominance of agriculture, backward industries, lack of credit facilities, and defective land policy.
- ✘ He did not accept the view of Naoroji that India's poverty was due to the drain on her resources.
- ✘ He believed that the chief cause responsible for poverty in India was the agricultural economy of the country.
- ✘ Predominance of agriculture was due to the economic policy of government , which encouraged the production of raw materials to be transported to England
- ✘ Secondly, industries were in backward state due to their inability to face severe competition
- ✘ Thirdly credit system was highly disorganised and banking facilities were inadequate
- ✘ Lastly, land policy was also defective because the assessment of revenue was highly arbitrary

REMEDIES

- ✘ He wanted a balanced and well planned development of agriculture, industry and commerce.
- ✘ He opposed the laissez faire policy
- ✘ He suggested the establishment of agro-based industries by the state.
- ✘ He was convinced that the industrialisation was the only way out for India.
- ✘ The situation can be improved if Indian industries were protected, and the entrepreneurs were encouraged to start new enterprises.
- ✘ He was against the import of foreign sugar and he suggested that import duties may impose on these imports.
- ✘ He urged upon the government to pursue a positive policy for the industrial development of India by protecting the home industries.
- ✘ He recommended immigration of population from thickly and over populated regions of the country to thinly populated areas.
- ✘ He also suggested that the land policy should be framed in such a way as to serve the interests of the cultivators in land and also to fix the shares of the farmers.
- ✘ He advocated ryotwari land settlement atleast for 20-30 yrs.
- ✘ He suggested that the state should make necessary arrangements for financing the agriculture
- ✘ He advocated the creation of agencies to transact banking business on the security of land.
- ✘ He emphasised on the fact that the policy of state in India has been detrimental both to the agriculture and industry, hence the state should come forward with such measures as may prove helpful in the development of the economy of the country to the maximum advantage of the people.
- ✘ He suggested the utilisation of the indigeneous resources in the production of commodities required for stores departments in the factories run by the state

CONCLUSION

- ✘ The level of discussion on the problems of Indian economy had largely been raised by Ranade.
- ✘ He was responsible for giving wide popularity to the concepts of welfare state
- ✘ The last and the most enduring aspect of the new reformation in India, says Mr. Andrews “is linked most closely with the name of Justice Ranade”
- ✘ Ranade was a great man, a fervent patriot, a religious reformer, a leader of thought, a guide of men, an able historian and an eminent economist. (D.G. Karve, prophet of liberal India)