

Socialism and Capitalism in India

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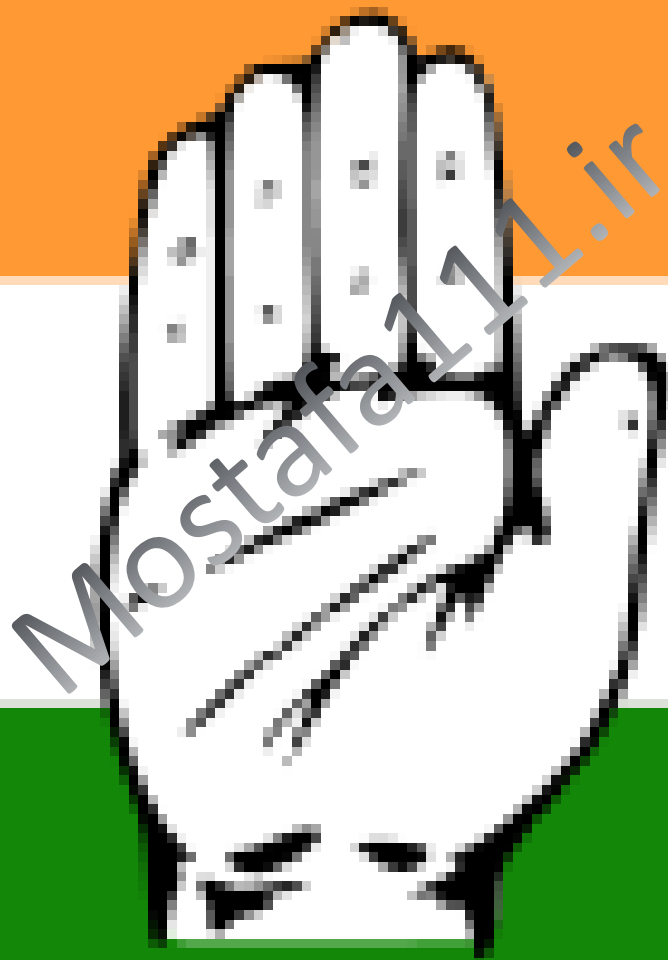
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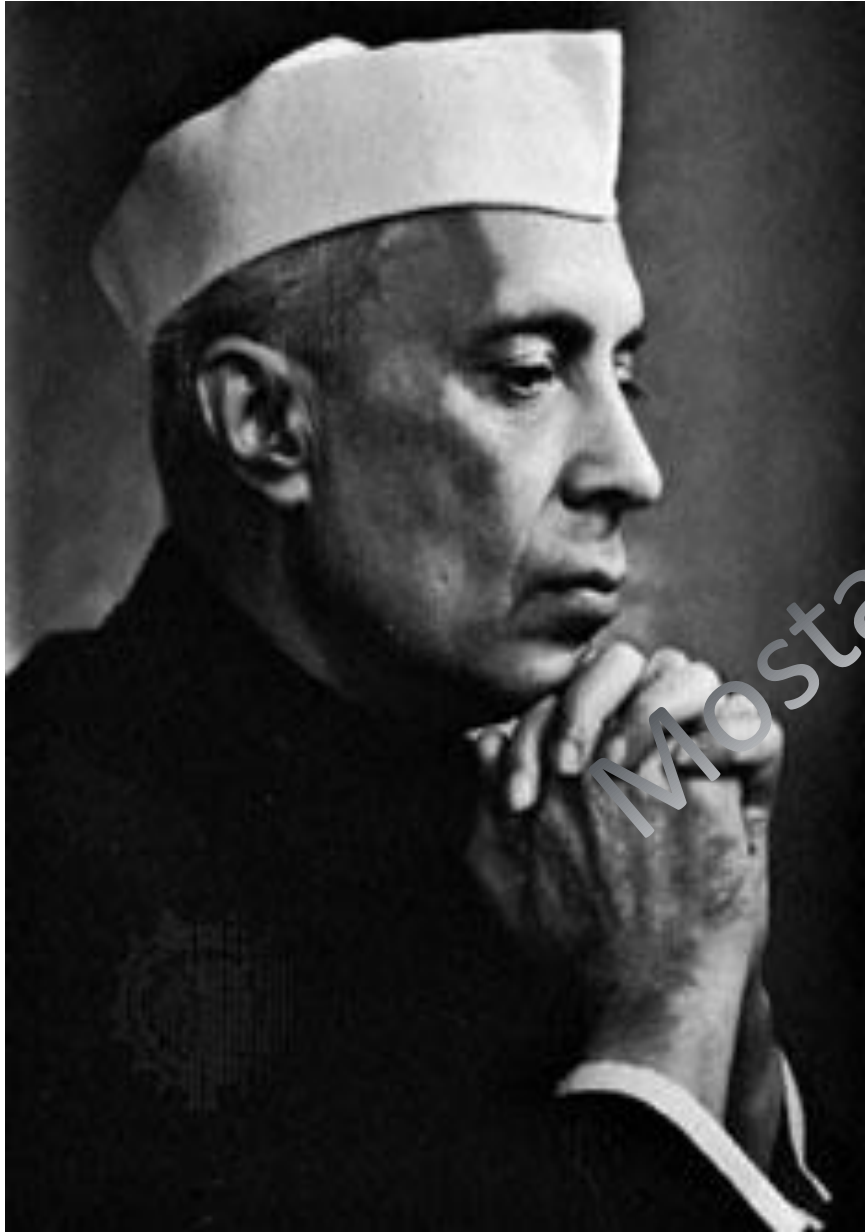
Congress as pro-socialism system



Socialist or Capitalist India

- India's Long high economic rate and its share in the world economy and the future that is predictable for it, and also big capacity that it has, put India in the high agenda of so many research institutes.
- this paper we will have a look to the post-independent era when the colonizers were imposed to left India after about three centuries domination over Indian.
- The priority of this article is to show how India started with socialism and now is shifting to capitalism.

Nehru and Congress as pro-socialism



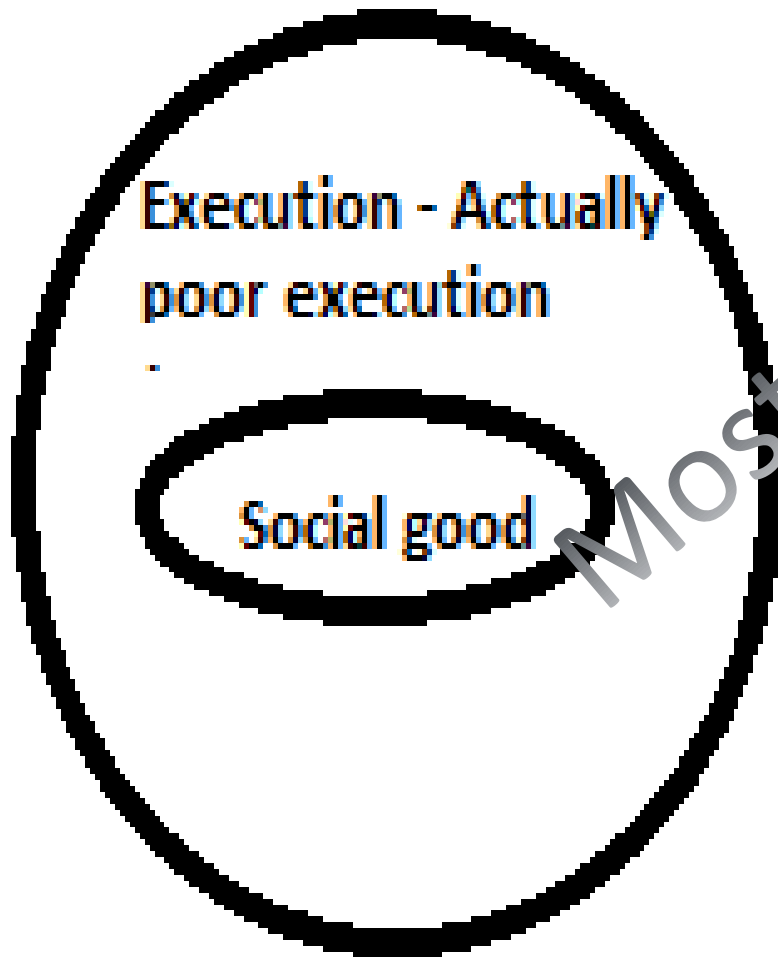
- Jawaharlal Nehru as architect of Indian system, who ruled this country from 1947 till 1964 at his Presidential address to the AICC meeting in Lahore (now in Pakistan) in 1929 said [2]:

"Our basic aim is to create an ideal 'welfare state' on a socialistic pattern, a classless society in which none is exploited, where there is no class conflict, regional rivalry or groupism. Our object is to promote individual initiative and social and moral orientation of people. In short, we are to evolve an entirely new pattern of our social, cultural, ethical and economic outlook of our entire nation."

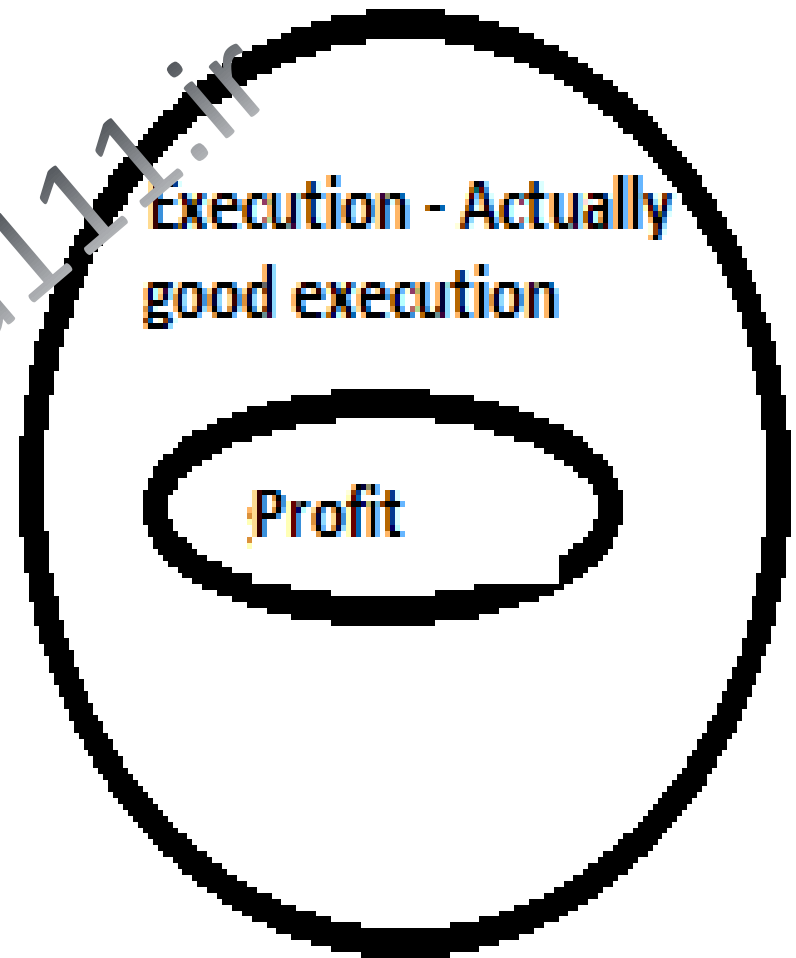
What is Socialism and Capitalism

- India with leaders who believe on socialism, came to independent era in 1947
- Cold war with its main character; rivalry among socialism and capitalism.
- Socialism as an Ideology, in economic aspects is speaking of social and public ownership, social management of product, enterprise... and it situate against Individualism that is lay on capitalism and liberalism.
- Socialist wing believe that community's best serve will achieve by the policies that focusing on "the basic needs of the entire and whole society", rather than serving the needs of individual as an individual.
- Socialism is prefers equality (socialism) instead of liberty (liberalism), and it is carless about Individuals and in fact knows every Individual just the member of a society that their interest should be achieve during society interest that will reach as whole.

Socialism



Capitalism



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Socialism and Communism

victory of “Bolshevism” in USSR in 1917 is a historical point for socialism movement, from 1920 social front divided in two main wing “socialism” and “communism”;

Western socialism is the rival of communism and “Social Democrat” and “Reformist”, took distance from some aspect of socialism in the theory of Marx, like “Revolutionary” and “Scientific” socialism and shifted to “Moral Socialism” and some other western traditions.

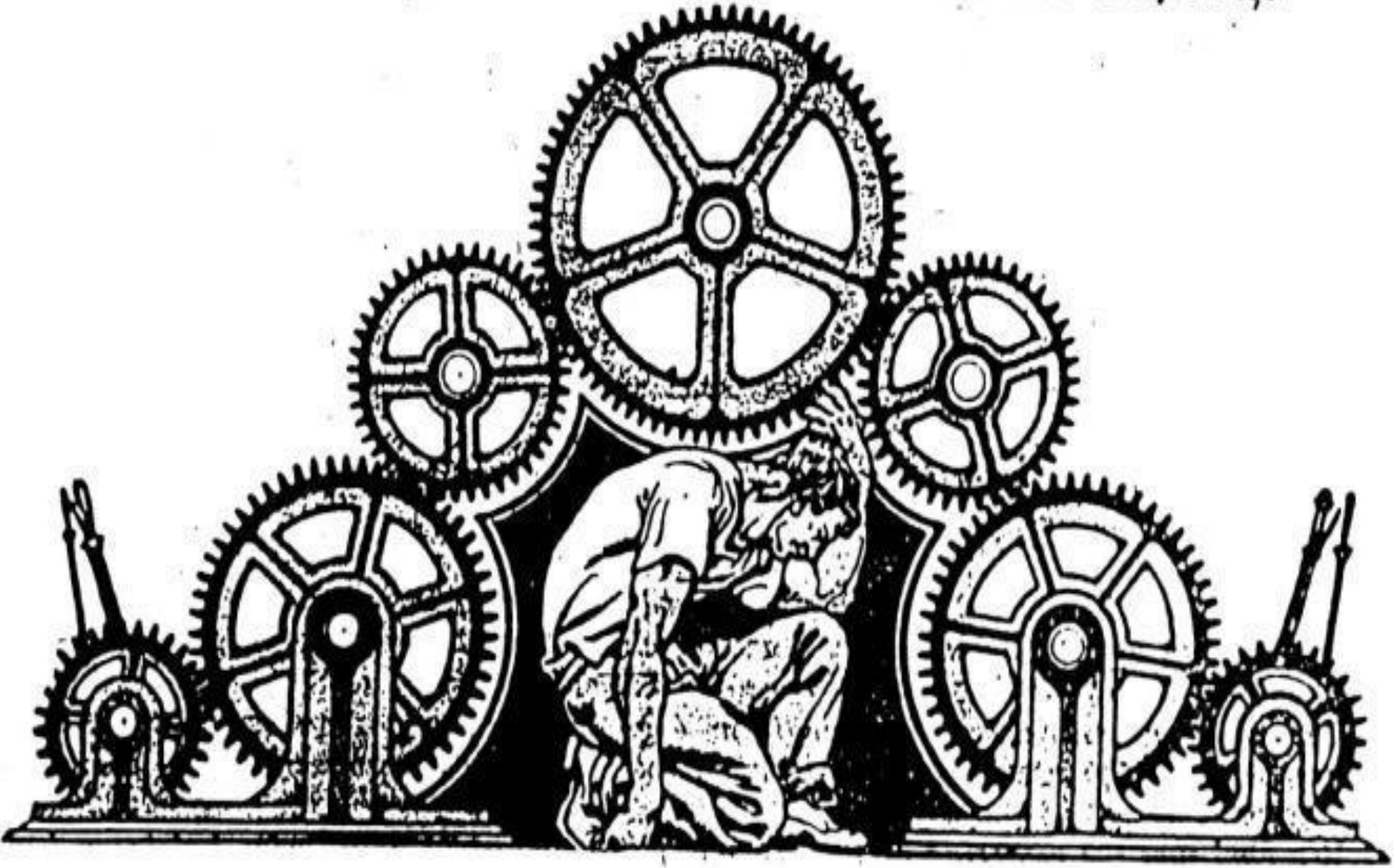


S O C I A L I S M

Indian Socialism

- Indian socialism in political aspects is more close to the Western concept
- internationally and bilaterally and economic during the cold War was close to Communism bloc.
- Indian socialism at the same time that strongly believes in democracy as the only way to come to power they have some social economic rules that governmental interference in economy is strongly have been followed for long time even now and also privet sector also at the same time is going on and India laws also respect to privet ownership as well as governmental ownership.
- Indian society had been suffered for a long history of inequality in social and economic so they adopt this approach to achieve equality. Immoral classification among the Hindu society also search it's solve in socialism; especially the cruelty of the Cast System and Division of rich and poor classes, the subject that capitalism is fundamentally unjust in this regards; and Indian leaders was is this thought to make a bridge over wide gap between poor and rich.
- Democracy, socialism, secularism together used by Nehru to gear up its society that suffered from colonialism for centuries and he want to mobilize Indian society toward prosperity and development on back of socialism' values like "Equality" and "Morality" as two core goals of socialism.

The Cog In The Machine On Which All Depends



Starting Capitalizing economy

- India during the cold war was closed to communist bloc, as US chose Pakistan as partner;
- India use USSR to make a counterweigh toward Pakistan movement in international activity that had the Western back at that time.
- India till 1990s start to capitalize its economy; A new approach to new world politic-economic regulation. From this time world capital flooded to India and till now, this process change India to a one of the most hosted of world FDI destination. So India's Foreign Direct Investment (FDI) rate for 2008 was \$43,406,277,076, the rate that in 2009 became \$35,581,372,930, in 2010 it was \$26,502,000,000 and in 2011 rose to \$32,190,000,000 [3]. India Foreign Direct Investment Flows as a percentage of its GDP in 2008 was 3.4%, for 2009 was 2.6%, for 2010 was 1.7%, for 2011 was 2.0%, and fro 2012 was 1.3% [4].



GDP India is moving ahead

- **Open-India door to foreign capital put them among high rate economic development countries and so it is among top ten world economy now; India's Gross Domestic Product (GDP) in 2012 was \$1.8 trillion and it forecast to reach \$2.0 trillion in 2013 and \$2.1 in 2014, \$2.3 in 2015, \$2.5 in 2016, \$2.7 in 2017, \$3.0 in 2018... [5]. India has the world's tenth-largest by nominal GDP and third-largest by purchasing power parity (PPP).**



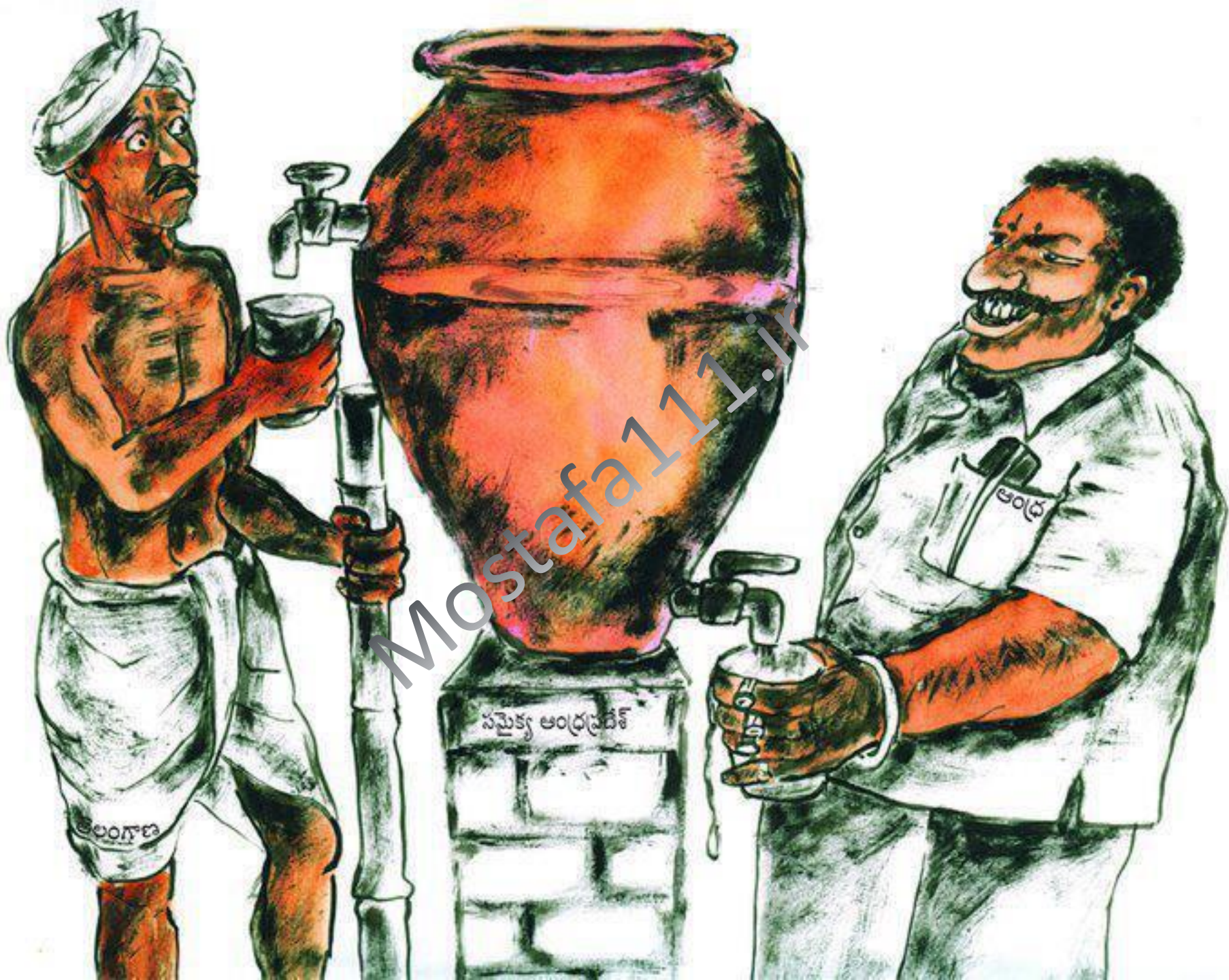
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Privet sector improving

- Its privet sector is vesting as capitalism is going to take root in socialism-Indian economy deeper and deeper by the time. The Private Sector in India as of the last decade showed the growth. “The share of the private sector in the net sales of manufacturing and services industry augmented from 48.83% in 2001-01 to 68.55% in 2009-10. Subsequently the share of the public sector reached to 31.45% from a higher percentage of 51.17%.The shares of private sector in the net profit in the non-agricultural economy rose to 63.86% from 39.17%. The share of the public sector subsequently declined to 36.14% from 60.83%”[8].”



Big Indian companies raised

- Indian big companies start to grow up in all of filled now from fundamental subjects like military to strategic energy fields to health and other valuable field like air aviations so privatization in India as flag holder of capitalization side by side of foreign investment is taking India forward to capitalization. But even now India is lay down on its traditional socialism base and although it open his door to capitalism but the governmental role is high and it is not a socialistic as well as capitalistic countries. India has long time forward to decide to stay in traditional own way or attending to social or capital worlds.