
FROM ARTHASHASTRA TO ATMANIRBHAR AND VIKSIT BHARAT: A CONTINUUM OF INDIAN ECONOMIC THOUGHT TOWARDS ACHIEVING THE SUSTAINABLE DEVELOPMENT GOALS

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The Arthashastra, authored by profound strategist, economist and philosopher Kautilya (popularly known as Chanakya), is one of the most significant and noteworthy text that the Indian history and tradition has ever witnessed. It is one of the most prominent vintage text that concerns with the fields of politics, administration, economics and philosophy. The insights from the Arthashastra effortlessly withstands the test of time and haven't lost their relevance till day, with its lesson being implemented, still forges excellence. Modern economies from across the world faces several bottlenecks in their policies and it is a prominent challenge to cut-off the perfect balance of achieving fast-paced development but simultaneously accompanied by sustainability. The study converges upon the prominent lessons drawn explicitly from the Arthashastra itself, specifically focusing upon the economic aspects, from which inspiration can be drawn to craft contemporary and modern economic policy frameworks so as to facilitate the achievement of the global sustainable development goals in the domestic level. The chief area of focus lies upon the aspects concerning efficient financial decentralization, efficient market control, ideal interest framework, advocacy of an ethical and virtuous financial system and efficient revenue mobilization. These principles incorporated in the Arthashastra provides a vivid blueprint of ideal economic policy frameworks, which if implemented has immense potential to facilitate and fuel the progression towards the attainment of Sustainable development Goals (SDGs) and crave a smooth pathway to simultaneously achieve the Indian dream of Viksit Bharat fuelled by Self-reliance (Atmanirbharta). Thus, this study makes an attempt to evaluate the lessons from the Arthashastra and their suitability of being implemented in a modern economic framework to facilitate the achievement of Atmanirbhar Bharat and SDGs.

Keywords: Arthashastra, Economics, sustainability, Sustainable development Goals, Atmanirbhar Bharat

1. INTRODUCTION

The Arthashastra, authored by profound strategist, economist and philosopher Kautilya (popularly known as Chanakya), is one of the most significant and noteworthy text that the Indian history and tradition has ever witnessed. It is one of the most prominent vintage text that concerns with the fields of politics, administration, economics and philosophy. The insights from the Arthashastra effortlessly withstands the test of time and haven't lost their relevance till day, with its lesson being implemented, still forges excellence. The Arthashastra may potentially be the answer to most if not all, questions and challenges that are faced by the modern economies from all around the world. The economy of any country stands as its primary backbone supporting the undertakings of its vital operations and facilitates its development. However, economies from time immemorial, faces numerous bottlenecks that hinders the achievement of equilibrium and stability. Although the dynamic nature of modern economies leading to the arousal of the necessity of perpetual adjustments cannot be ignored, the necessity of ideal economic policies that shall compose and sustain a near to ideal status is inevitable. The various branches of economics majorly discuss upon this subject-matter, attempting to formulate policies and frameworks that shall facilitate the maintenance of stable and sustainable operation and development of the economy. Furthermore, the concept of sustainable development has gained immense pace in the concurrent times, owed to the realisation of its importance to foster sustained growth. Significant emphasis is being laid upon the achievement of the Sustainable development goals (SDGs) on a global scale, and the formulation of every policy and scheme of every sector of a country is aimed to be undertaken whilst keeping these Goals in mind. Furthermore, the Indian goal of Viksit Bharat @2047, fuelled by the policy of "Atmanirbhar Bharat", withholds major importance in the light of this subject-matter. India commits upon building a progressive, empowered, and self-reliant nation under its Viksit Bharat doctrine, nurtured by the policy of self-reliance or Atmanirbharta. Notably, the achievement of this goal is subjected to appropriate and strong economic policy backing, lacking which, it shall remain as a distant dream.

Thus, the alignment of economic policies with these goals is of utmost importance for any country, as without economic endorsement and assist, the idea of achievement of these goals becomes absurd. In this case, the Arthashastra shall be predominantly resourceful if resorted to, in search of these idealistic policy formulation frameworks and blueprints. The Arthashastra inculcates various principles of ancient administration of economy that may potentially provide valuable insights into subjects like financial decentralization, efficient market control, ideal interest framework, efficient revenue mobilization, advocacy of a non-corrupt financial system etc. These insights, if blended and integrated into modern economic frameworks following requisite modifications ensuring its adherence to suitability criteria, shall potentially provide resolutions to most challenges that pose as severe bottlenecks for modern economic planners to execute an ideal economic arrangement fostering sustainable development. However, necessary precautions have to be undertaken to judge and substantiate their suitability so as to realise the potential of these principles at their best.

2. LITERATURE REVIEW

The notion of evaluating the potentiality of insights from Arthashastra to design sustainable and ideal modern economic policy frameworks is not a contemporary one. Numerous attempts have been made to recognize the ideal principles inculcated in the Arthashastra and their suitability in resolving modern challenges and bottlenecks faced by economic policy planners. For Instance:

Study by **(Bhat, 2023)** attempts to explore the Arthashastra with special allusion to economic governance and public finance. Amongst the diverse range of topics concentrated upon, notably, the identification of seven sources of revenue for the state by the Arthashastra, viz. Income from crown property, Income from state controlled activities, Taxes in cash and in kind, Trade, Fees and service charges, Fines and Miscellaneous is discussed and applauded. Furthermore, the principles of Arthashastra concerned with the efficient management of public finance is laid emphasis upon. Additionally, insights reflecting Kautilya's emphasis upon social welfare and economic development and financial management is addressed and explored. In condensation, it is concluded that the Arthashastra emphasizes the critical role of treasury management, financial transparency, and accountability in governance. Its principles of revenue generation, fraud prevention, and balancing state management with citizen welfare remain relevant. These insights align with and address challenges in modern public finance.

(Chakraborty & Dutta, 2021) studies the integration of modern economics and Arthashastra, wherein, they primarily discuss some of the crucial challenges and hinderances faced by the various sectors of the Indian economy and simultaneously, the initiatives undertaken by the government to curb them. Subsequently, they evaluate the Arthashastra's take on these issues, citing that it is quite surprising to witness the way Kautilya addressed the various areas of the economy and the extent of its relevance with the present world economy. Furthermore, they thoroughly discuss the insights from Arthashastra pertaining to the issues concerned with a diverse range of sectors of the economy. In conclusion, they mention that his ways are fruitful even today if followed properly and numerous problems like poor corporate culture, corruption, troublesome taxation policy, deficit budgeting, regional and communal discrimination can be overcome successfully and that the application of his thoughts will surely open the path for 'era of prosperity' to our beloved nation.

(Muthukumar, 2024) studies the Relevance of insights from the Arthashastra in Contemporary Governance and Trade Policies. The study highlights Kautilya's economic thoughts, citing that, The Arthashastra emphasizes ideologies concerning equitable taxation, strategic investments in infrastructure, and policies fostering sustainable growth. Furthermore, it is mentioned that it underscores the importance of ethical conduct, transparency in trade, and state regulation to ensure fairness and stability. Additionally, infrastructure development and long-term planning are highlighted as vital for economic prosperity and societal welfare. With special allusion to trade and commerce, it is cited that the Arthashastra advocates for both domestic and international trade. Fair taxation, standardized currency, and trade policies that ensure stability and transparency have been emphasized upon. Ethical business practices, free competition, and trust in market dynamics are central to his vision of economic prosperity. They mention that, The Arthashastra offers timeless insights into economic governance, emphasizing state regulation, equitable taxation, and infrastructure development to foster growth and stability. The focus on ethical conduct and fairness in business aligns with modern values of corporate responsibility and sustainable practices. In condensation, these principles provide guidance for creating inclusive and prosperous societies.

From the analysis of the various literatures, it could be observed that the idea of resorting to the principles of Arthashastra to resolve and tackle modern economic challenges has been discussed widely and various sectors

and aspects of an economy has been deliberated upon. However, a peculiarity can be observed from the evaluation of the studies, wherein, majority of them evaluates upon the principles with an aggregate viewpoint, lacking sheer specificity. Moreover, most of the studies conducted upon this theme neglects and overlooks the sustainability angle of this theme. Furthermore, approaches blending principles of Arthashastra into modern economics that withholds potentiality towards the ideology of sustainability is too predominantly bypassed and overlooked, giving rise to a potential research gap. Thus, this study aims at fulfilling this gap, wherein the blend of Arthashastra principles into modern economic frameworks is analysed in the light of the idea of sustainable development and SDGs.

3. OBJECTIVE

- A. To evaluate the principles of Arthashastra facilitating the formulation of Modern Economic policy frameworks.
- B. To analyse the potentiality of the policy frameworks in fostering the achievement of Sustainable development and sustainable development goals (SDGs)

4. METHODOLOGY

The Research focuses on grilling the diverse principles of the Arthashastra and subsequently integrating them into modern economic policy framework while simultaneously fostering sustainable development. For the purpose of study, majorly a qualitative approach was resorted to and the information for the same were sourced solely from secondary sources of trusted origins like Journals, research papers, government and press releases. Furthermore, they were analysed through theoretical methods and appropriate conclusions were drawn.

5. FINDINGS AND ANALYSIS

The Arthashastra inculcates numerous principles which convey insightful blueprints and lessons to formulate economic polices fostering sustainability. In the subsequent analysis, each suitable portion/principle shall be specifically observed and evaluated, so as to derive the Framework of the preposition, Key takeaway from the principle the implication in concurrent times for each principle and their alignment with sustainable development Goals (SDGs). The quotations that shall be utilised are exclusively sourced from (Shamasastri, 1951).

I. FINANCIAL MANAGEMENT

The Arthashastra's Book II, Chapter XXXV mentions:

“HAVING divided the kingdom (janapada) into four districts... along with their colleagues and followers attend to their duties likewise.”

a) *Framework of preposition:*

The framework conveys the division of kingdom into four districts and village is divided into three categories, viz. first, middle and lowest rank, which shall be bought under one or another of the four divisions: Parihāraka (Tax-exempt villages); āyudhiya (Soldier-supplying villages); Grain, cattle, gold (hiranya), or material-paying villages (kupyā) and Vishti and dairy-providing villages. There is the presence of a Village Accountant (Gopa) whose responsibility is to keep track of the accounts of five or ten villages, including registering land, crops, animals, taxes (e.g., numbering the houses as taxpaying or non-taxpaying), and the number of people in the village, along with their occupations and income. Then there is a district officer (Sthānika), who is responsible for the accounts of a quarter of the kingdom. The supervision function is undertaken by commissioners (prodeshtārah) who inspect the work of village and district officers, including collection of a special religious tax called bali. These officers also ensure that the records of taxes, land ownership, and population are accurate. The next important element of the preposition are the spies who disguise themselves as householders, merchants, ascetics, or even thieves to gather information; viz., the accuracy of village and district records, the movement of people, goods, and merchandise, the arrival and departure of foreign traders or spies and the actions of government officials, farmers, merchants, and others.

b) *Key takeaways:*

The framework advocates the idea of division of the taxable territory on various basis, be it ranks or on the basis of type of tax to be levied (If any). This facilitates ease in administration and determining suitable tax thresholds. Furthermore, the structure propagates the concept of multifarious taxation, ensuring diversity in the nature of tax to be collected to fulfil all-round requirements. Moreover, the obligation of collecting tax is

not attributed to one person but is distributed amongst more than one individual including an officer responsible for supervision for the ease of administration. Furthermore, disguised spies are recruited as a tactical measure to ensure proper taxation, law enforcement, and economic management.

c) Recommended policy implications based on the observed framework

The framework inspires to design a taxation system inculcating the cannon of diversity, which is indeed a requisite characteristic of a good tax system, which cites that the state should not depend upon a concentrated range of taxes but upon a much broader spectrum, to target and touch every section of the population, in equal terms, so as to boost revenue and foster equity. Moreover, the structure should feature a multi-tiered system of collection, wherein the tax is collected on various levels.

d) Alignment with SDGs

This structural configuration shall facilitate to achieve SDG 1 (No Poverty), 8 (Decent Work and Economic Growth) and 10 (Reduced Inequality), as such a tax system shall assist in eradication of poverty and inequality and foster economic growth.

II. EFFICIENT MARKET CONTROL

The Arthashastra's Book II, Chapter XVI mentions:

“THE Superintendent of Commerce shall ascertain demand or absence of demand for... he shall transport his merchandise to profitable markets and avoid unprofitable ones”

a) Framework of preposition:

The framework mentions the responsibilities of the Superintendent of Commerce, who is a high-ranking official responsible for managing trade and commerce. He bears a number of responsibilities including Managing Supply and Demand, Centralization of Goods, Price Control and Fair Trade, Supporting Foreign Trade, Sale of the King's Merchandise etc. It is elaborated that; the Superintendent must carefully track the demand for locally produced and imported goods so as to estimate and evaluate current market trends. He facilitates the Centralization of Goods, wherein, if certain goods are available in many markets, the Superintendent should centralize these goods by collecting them in one location, which can then be used to increase their price. The Superintendent also aims to avoid allowing goods to be sold at excessively high prices. For goods that are frequently needed by people, there should be no restrictions on when they can be sold, and these goods should not be subject to the negative effects of centralization. The Superintendent should support foreign merchants who bring goods into the kingdom by exempting them from certain trade taxes.

b) Key takeaways:

The framework mentions the functions of the government concerning the market, which shall be carried out by a recruited official known as the Superintendent of commerce. Via this official, the government aims at evaluating the market dynamics and making informed decisions regarding the transaction of goods, viz. buying, selling, or distributing goods. The government also decides upon the optimal timing of its undertakings, so as to simultaneously maximize profits for the kingdom and meet the needs of the population. The government advocates the centralization of goods with the motive of increasing their price so as to make the goods more valuable. The government asserts on price control so as to safeguard the population from exploitation and cutting a balance between reasonable profits for merchants and welfare of the people. Foreign trade is significantly encouraged by the government.

c) Recommended policy implications based on the observed framework:

The government should assert necessary control over the market by keeping a part of the vital sectors of the economy under the public sector, viz; Education, health, banking etc, so as ensure welfare in the economy and eradicate poverty and inequality. The government should implement necessary policies to achieve the various ideal objectives including, efficient price control of necessary commodities via subsidies and tax impositions, ideal foreign trade policies to build trade relations leading to flourishing imports and exports etc. These shall facilitate the seamless operation of markets, delivering optimistic outcomes of development whilst eliminating the curses of poverty and inequality.

d) Alignment with SDGs

This structural configuration shall facilitate to achieve SDG 1 (No Poverty), SDG 2 (Zero Hunger), SDG 8 (Decent Work and Economic Growth), SDG 10 (Reduced Inequalities) and SDG 12 (Responsible Consumption and Production).

III. PROFICIENT FISCAL MOBILIZATION

The Arthashastra's Book II, Chapter VI mentions:

“THE Collector-General shall attend to (the collection of revenue from) forts (durga), country-parts (ráshtira), minesThus a wise collector-general shall conduct the work of revenue-collection, increasing the income and decreasing the expenditure.”

a) *Framework of preposition*

The framework mentions numerous elements of an ideal fiscal policy. It states that, the revenue shall be collected by the Collector-General from several different areas; Forts (taxes from tolls, fines, weights and measures, the town-clerk etc), Country Parts (revenue from crown lands, religious taxes, taxes paid in money, etc), Mines (Revenue from minerals like gold, silver, diamonds, salt etc), Buildings and Gardens (flower gardens, wet fields, and crops grown from roots like sugarcane), Forests (Revenue from game-forests (for hunting), timber-forests (for wood), etc). These form the sources of government income, forming what Kautilya calls the "body of income" (áyasaríram). Moreover, the various forms of revenue of the government from which it receives income are laid emphasis upon, which includes, Capital (múla), Share (bhága), Premia (vyáji), Fixed Taxes (klrípta), Premia on Coins (rúpika) and Fixed Fines (atyaya), which are referred to as "mouths of income" (áyamukha). Furthermore, the expenditure aspect is highlighted upon, wherein it is categorised into Daily and Profitable Expenditure. Daily expenditure includes Regular costs, such as maintenance of the royal harem, kitchen, messenger service, warehouses, armoury etc, while profitable expenditure includes Costs associated with investments aimed at generating profit or other long-term benefits for the state. The goal of the government is to manage these two types of expenditure effectively so that they do not exceed the government's income. Kautilya also mentions the division of time and the requirement of the collector general to keep track of the work being done in the government. Furthermore, the receipts of the government are categorised into Current Receipts (Vartamána), Last Balance (Puryushita) and Accidental Receipts. The net balance is the amount remaining after all the revenue has been accounted for and after all expenditures have been deducted. This balance can either be positive (revenue exceeds expenses) or negative (expenses exceed revenue).

b) *Key takeaways:*

The framework lays an ideal blueprint for seamless fiscal operations in an economy. It asserts that the body / source of income for a government should be multi-faceted, aiming to extract revenue from a diverse range of sources. The nature of the revenue imposed (also known as body of income) is multidimensional, emphasizing upon a wide array of revenues to be collected. The expenditure to be incurred is categorised with regards to the nature of expenditure to facilitate efficient monitoring and management of expenses. The terminal objective of the government is to effectively balance the expenses with regards to the income so as to prevent the occurrences of deficits of the government budget.

c) *Recommended policy implications based on the observed framework*

The government should resort to a diverse and multidimensional nature of taxation so as to prevent the insertion of burden on any one sector or aspect of the economy. The expenditure should be incurred while keeping the income in mind, and attempts should be made to prevent deficits. Though this may seem to advocate the principle of sound finance, but it is an irrational and unrealistic notion for modern economies where a balanced budget majorly doesn't exist. However, the point to be noted is that, though it is not obligatory to maintain a balanced budget, a highly deficit budget for a prolonged period is detrimental for an economy. Thus, in modern economies, the budget should be effectively managed to prevent the detriments of the deficits from impacting the growth of the economy.

d) *Alignment with SDGs and Viksit Bharat doctrine*

This structural configuration shall facilitate to achieve SDG 17 (Partnerships for the Goals), SDG 8 (Decent Work and Economic Growth) and SDG 10 (Reduced Inequalities) and aligns with the Viksit Bharat's vision to build a progressive, empowered, and self-reliant India.

Thus, the various principles inculcated in the Arthashastra possess immense relevance and potential to shape modern economic policy frameworks that shall sustain and foster sustainable development.

6. CONCLUSION

The paper aimed at evaluating the lessons From Arthashastra with expected potentialities to shape Sustainable Economic Policy Frameworks. Specifically, the lessons laid emphasis upon the efficient financial management, efficient market control and a proficient fiscal policy framework. Upon analysis, it could be ascertained that the numerous principles of the Arthashastra indeed possess immense potential to inspire modern sustainable policy frameworks. The various structural compositions shall facilitate development upon numerous aspects of an economy and assist to eradicate the major challenges for an economy like poverty, inequality, question of welfare etc. Noteworthy, these challenges are itself the major hindrances towards the achievement of Sustainable development and the Indian dream of Viksit Bharat, and even the Sustainable development goals are themselves concerned with the elimination of these threats. Thus, if the policy frameworks potentially aid in tackling these complications, direct alignment can be drawn between these frameworks and the goals of Viksit Bharat and SDGs and the same is vividly undertaken in this study. Every composition laid a blueprint withholding potential to inspire policy frameworks that can facilitate the eradication of one hindrance or the other leading to eased achievement of specific sustainable development goals, which can be majorly boosted through an appropriate blend of self-reliance (Atmanirbharta), as fostered by the Arthashastra. However, the magnitude of the suitability and effectiveness of these frameworks are subjected to efficient redesigning and implementation as per requirements and the same shall be revealed by the veritable results of the test of time.

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