



MIMP QUESTION AND ANSWERS [2026]

SUBJECT: GANDHIAN ECONOMICS AND RURAL DEVELOPMENT

UNIT 1:

Q.1 Concept of Self-Reliance and Challenges/Issues faced by India to make self-reliant economy

Q.2 Concept of Swadeshi and various dimensions of Swadeshi.

Q.3 Theory of trusteeship of Gandhian economics.

UNIT: 2

Q.4 Meaning of Decentralization and advantages of Decentralization:

Q.5 Economic Equality: Concept and Components

Q.6 Advantages of Gandhian thoughts of economy / Employment meaning and components

Unit:3

"Quality Without Compromise"

Q.7 Rural Economics: Meaning and Objectives

Q.8 Importance of Animal Husbandry System

Q.9 Dairy System in Agriculture: Meaning and Characteristics

Q.10 Importance of Fisheries

UNIT:4

Q.11 Rural Social Infrastructure: Meaning and Types

Q.12 components of educational infrastructure



Q.13 significance of health infrastructure in India.



JAIN INSTITUTE OF COMMERCE
"Quality Without Compromise"



Notes

UNIT 1

Q.1 . Challenges / Issues Faced by India to Make a Self-Reliant Economy

Introduction

- Self-reliance in economics focuses on **import substitution, domestic manufacturing, and reduced dependence on foreign goods.**
- However, complete self-reliance is difficult in a **globalized and interdependent world.**
- India must balance **self-reliance with international trade**, ensuring **sustainable development, equitable growth, and global cooperation.**

Major Challenges / Issues [LEARN ANY 10 POINTS]

1. Limited Resources and Capacity

- India's **large and diverse population** puts heavy pressure on natural and economic resources.
- Meeting demand for goods and services strains **infrastructure and production capacity.**

2. Dependency on Imports

- India depends heavily on imports of **crude oil, machinery, electronics, and pharmaceuticals.**
- Achieving self-reliance requires **huge investment in domestic manufacturing.**

3. Technological Gap

- India lacks advanced technology in **high-end manufacturing, electronics, and cutting-edge industries.**
- Bridging this gap is essential but difficult.

4. Competition and Global Integration

- Excessive protectionism can isolate India from the global economy.
- Trade barriers may lead to **retaliation** and affect export-oriented sectors.

5. Quality and Efficiency Concerns

- Domestic production must meet **international quality standards.**
- Poor quality can reduce global competitiveness.

6. Sustainable Development



- Over-exploitation of resources and polluting industries harm the environment.
 - Self-reliance must align with **environmental sustainability and climate goals**.
- 7. Small and Medium Enterprises (SMEs)**
- SMEs are crucial for self-reliance.
 - Challenges include **lack of finance, weak infrastructure, limited technology, and skill shortages**.
- 8. Global Value Chains**
- Many industries operate within global production networks.
 - Disrupting these chains may affect **cost efficiency and competitiveness**.
- 9. Infrastructure and Technology**
- Poor infrastructure and technological gaps reduce competitiveness of Indian goods.
- 10. Agricultural Sector**
- Agriculture faces issues of **low productivity, lack of modernization, and water management**.
 - Reforms are necessary for food security and reduced imports.
- 11. Manufacturing Competitiveness**
- High production costs, complex regulations, and shortage of skilled labor reduce efficiency.
- 12. Trade Balance**
- India has a **persistent trade deficit**.
 - Self-reliance requires boosting exports and reducing non-essential imports.
- 13. Energy Security**
- Heavy dependence on imported oil threatens energy security.
 - Renewable energy and domestic resource exploration are essential.
- 14. Access to Capital**
- Affordable credit is necessary for industrial growth.
 - Bureaucratic hurdles limit investment.
- 15. Quality and Standards**
- Domestic goods must comply with **global quality and safety standards**.
- 16. Innovation and Research**
- Strong **R&D and indigenous technology development** are vital.
- 17. Global Economic Integration**
- India must remain open to trade and cooperation while pursuing self-reliance.



18. Sustainable Development (Reiterated)

- Self-reliance should promote social equity, environmental protection, and long-term growth.

Q.2. Concept of Swadeshi and Various Dimensions of Swadeshi

Introduction

- Swadeshi means "of one's own country".
- It emphasizes promotion of domestic industries and products.
- Originated during India's freedom struggle as a response to British colonial exploitation.

Definitions of Swadeshi

- **M.K. Gandhi:**
Swadeshi is the spirit of using goods and services from one's immediate surroundings and rejecting distant alternatives.

Concept of Swadeshi

- Advocates use of locally produced goods and services.
- Encourages boycott of foreign goods.
- Promotes development based on indigenous resources, skills, and traditions.
- Aims at revival of rural industries, empowerment of artisans, and decentralized economy.
- Enhances self-respect, dignity, and national pride.
- Goes beyond economics to include social, cultural, and political aspects.

Dimensions of Swadeshi [LEARN ANY 7 POINTS]

1. **Economic Dimension**
 - Promotes self-sufficiency and domestic industry growth.
 - Reduces dependence on imports.
2. **Cultural Dimension**
 - Preserves indigenous culture, traditions, arts, and crafts.
3. **Environmental Dimension**
 - Encourages eco-friendly practices.
 - Reduces carbon footprint by using local resources.
4. **Social Dimension**



- Supports ethical practices, fair trade, and workers' welfare.
- 5. **Political Dimension**
 - Strengthens national sovereignty and political autonomy.
- 6. **Technological Dimension**
 - Promotes indigenous technology and innovation.
 - Reduces foreign technological dependence.
- 7. **Educational Dimension**
 - Encourages indigenous education systems, languages, and knowledge.
- 8. **Health and Well-being Dimension**
 - Promotes traditional medicine like **Ayurveda** and local healthcare practices.
- 9. **Rural Development Dimension**
 - Generates rural employment and balances urban-rural development.
- 10. **Global Cooperation Dimension**
 - Supports fair global cooperation while safeguarding national interests.

Q.3. Theory of Trusteeship of Gandhian Economics

Introduction

- Introduced by **Mahatma Gandhi**.
- Based on **social justice, self-sufficiency, non-violence, and equality**.
- Wealth should serve **society as a whole**, not just individuals.

Definitions of Trusteeship

- **Mahatma Gandhi:**
Trusteeship advocates **voluntary redistribution of wealth** for uplifting the poor.

Principles of Trusteeship

1. **Non-violence and Equality**
 - Every individual has equal dignity and worth.
2. **Wealth as Trust**
 - Wealth is not personal property but a **social trust**.
3. **Voluntary Sharing**
 - The rich should willingly share wealth for social welfare.
4. **Social Welfare**
 - Primary goal is reducing inequality and improving living standards.



5. **Humanitarian Approach**
 - Encourages compassion, empathy, and philanthropy.
6. **Non-exploitative Relationships**
 - Economic relations should be cooperative, not exploitative.
7. **Balance Between Individual and Social Good**
 - Private ownership is allowed but must serve society.
8. **Sustainable Development**
 - Resources should be used responsibly for future generations.
9. **Democratic Participation**
 - Emphasizes collective decision-making in economic matters.



JAIN INSTITUTE OF COMMERCE
"Quality Without Compromise"



Unit-2

Q.4. Decentralisation: Meaning and Elements

Introduction

- The structure of an economy depends on how **production and distribution** are organized.
- Production can be:
 - **Centralised** (large-scale industries, corporations, MNCs), or
 - **Decentralised** (small, scattered production units owned by the masses).
- Production structure influences **distribution of income and economic power**.
- For an **egalitarian socio-economic system**, decentralisation is essential.

Meaning of Decentralisation

- Decentralisation is a system where **economic and political activities are carried out at different levels**, giving adequate scope for participation.
- It involves **systematic distribution of powers and functions** among various political and economic agents.
- It includes both **political decentralisation** and **economic decentralisation**.

3. Advantages of Decentralisation [LEARN ANY 8 POINTS ONLY]

1. Promotes **small-scale and cottage industries** using local raw materials and simple tools.
2. Ensures **equitable distribution of wealth** through widespread ownership of means of production.
3. Cottage industries generate employment near workers' residences, preserving rural life.
4. Preserves **rural values**, village culture, and reduces domination of machines.
5. Encourages **creativity, skill, and self-reliance** among people.
6. Promotes **industrial decentralisation** based on cottage industries.
7. Leads to **fair distribution of income**; e.g., khadi mills distribute wages more equitably.
8. Labour-intensive industries promote **full employment and sustainable livelihoods**.
9. Democracy and political decentralisation are meaningless without **economic decentralisation**.



10. Reduces production costs and transportation expenses.
11. Reduces risks of **strikes and lock-outs**, ensuring production stability.
12. Promotes **balanced regional development**.
13. Helps in **poverty reduction** through trickle-down effects.
14. Leads to decentralisation of **economic and political power**.
15. Encourages **eco-friendly, non-exploitative, and human-centered development**.
16. Gandhian decentralisation aims at **uplifting villages**, not reviving the past romantically.

Q.5. Economic Equality: Concept and Components

Introduction

- Gandhi's concept of economic equality is rooted in **truth, non-violence, and self-reliance**.
- Economic equality goes beyond wealth redistribution and includes **transformation of socio-economic relationships**.

Key Components of Economic Equality

1. **Sarvodaya and Antyodaya**
 - Welfare of all (Sarvodaya) with priority to the weakest (Antyodaya).
 - Redistribution of resources to uplift disadvantaged groups.
2. **Decentralized Economy**
 - Criticized excessive industrialization and urban concentration.
 - Supported local communities, rural industries, and self-reliance.
3. **Abolition of Untouchability**
 - Economic and social equality for Dalits.
 - Provided education, employment, and dignity.
4. **Equitable Distribution of Land**
 - Advocated fair land ownership and redistribution.
 - Ensured livelihood opportunities for all.
5. **Nonviolent Economy**
 - Economy should be free from exploitation and injustice.
 - Promotes cooperation, ethical trade, and fairness.
6. **Voluntary Simplicity**
 - Encouraged simple living and reduced materialism.
 - Helps reduce inequality and overconsumption.
7. **Wealth Redistribution**



- Limiting excessive wealth accumulation.
- Progressive taxation and welfare spending.

Q.6. Advantages of Gandhian Thoughts of Economy

1. **Sustainable Development**
 - Promotes local production, minimum resource use, and environmental protection.
2. **Self-Reliance**
 - Encourages domestic production and reduces dependence on imports.
3. **Employment Generation**
 - Decentralized industries and agriculture create large-scale rural employment.
4. **Skill Development**
 - Preserves traditional skills through cottage industries and handicrafts.
5. **Reduced Income Disparities**
 - Ensures equitable distribution of income and resources.
6. **Reduction of Exploitation**
 - Minimizes exploitation by external forces and large corporations.
7. **Cultural Conservation**
 - Protects traditions, crafts, and cultural heritage.

Q.7. Employment: Meaning and Components

Introduction

- Gandhian economics is a **socio-economic framework** focused on human welfare.
- Employment is not just income generation but **self-realization and dignity**.
- Emphasized **decentralized, village-based economy**.

Concept of Employment in Gandhian Economics

- Primary goal of the economy is **meaningful employment for all**.
- Favoured **labour-intensive industries** to absorb workforce.
- Employment promotes **self-sufficiency, community development, and social welfare**.



Components of Gandhian Economic Thought on Employment [LEARN ANY 6 POINTS]

- 1. Decentralization and Village Industries**
 - Village industries reduce dependence on urban centers.
 - Promote self-reliance and rural employment.
- 2. Swadeshi and Self-Sufficiency**
 - Use of locally produced goods creates local employment.
- 3. Cottage Industries and Handicrafts**
 - Industries like khadi, handicrafts provide mass employment.
- 4. Dignity of Labour**
 - All forms of work are respectable.
 - Encourages productive engagement.
- 5. Voluntary Simplicity**
 - Reduces consumerism and promotes equitable employment.
- 6. Agriculture and Rural Development**
 - Sustainable agriculture supports rural livelihoods and reduces migration.
- 7. Education and Skill Development**
 - Education linked with vocational training.
- 8. Human-Centred Development**
 - Focus on well-being of masses rather than machines.
- 9. Cooperative Movement**
 - Promotes collective effort, fair distribution, and employment.
- 10. Labour-Intensive Techniques**
 - Preference for labour-intensive over capital-intensive technology to reduce unemployment.

Unit-3



Q.8. Rural Economics: Meaning and Objectives

Introduction

- Rural economics is the study of **economic activities and conditions in rural areas**.
- Rural areas are characterized by:
 - Predominantly **agricultural and resource-based economy**
 - **Low population density**
- It analyses factors affecting:
 - Economic development
 - Structure of rural economy
 - Well-being of rural communities

Definitions of Rural Economics

- **Arthur Lewis**
Rural economics is the study of **production, distribution, and consumption of agricultural goods and services**.
- **Arthur C. Pigou**
Defined it as the study of **economic activities in the countryside**, highlighting agriculture and rural industries.

3. Objectives of Rural Economics [LEARN ANY 7 POINTS]

1. **Economic Development**
 - Promote income growth, employment, and improved living standards.
2. **Poverty Alleviation**
 - Reduce rural poverty through income-generating activities, education, healthcare, and welfare programs.
3. **Agricultural Development**
 - Increase productivity, modernize farming, promote sustainable practices.
 - Provide access to credit, technology, and markets.
4. **Infrastructure Development**
 - Develop transport, communication, irrigation, power, healthcare, and education facilities.
5. **Income Diversification**
 - Reduce dependence on agriculture by promoting:
 - Small-scale industries



- Agro-processing
 - Tourism
 - Rural services
6. **Human Capital Development**
 - Improve education, healthcare, and skill development.
 7. **Natural Resource Management**
 - Sustainable use of land, water, forests, and other resources.
 8. **Entrepreneurship and Rural Enterprise Development**
 - Encourage SMEs through training, finance, and supportive policies.
 9. **Sustainable Development**
 - Balance economic growth with environmental conservation, social equity, and cultural preservation.
 10. **Access to Finance and Credit**
 - Improve access to banking, credit, insurance, and savings.
 11. **Institutional Development**
 - Strengthen cooperatives, SHGs, local institutions, governance, and decentralization.
 12. **Regional Development**
 - Reduce regional imbalances through targeted policies and investment.

Q.9. Importance of Animal Husbandry System

1. **Food Production**
 - Provides milk, meat, eggs, and animal products.
 - Ensures nutrition and food security.
2. **Livelihoods and Economic Development**
 - Provides income and employment to farmers, herders, and rural communities.
 - Supports allied industries like dairy, meat processing, and leather.
3. **Poverty Alleviation**
 - Acts as a stable income source for small and marginal farmers.
4. **Sustainable Agriculture**
 - Provides manure and organic fertilizers.
 - Animal waste used for biogas and composting.
5. **Biodiversity Conservation**
 - Traditional livestock rearing supports ecosystems and habitat conservation.
6. **Cultural and Social Importance**
 - Integral to traditions, rituals, and rural social life.



7. Research and Innovation

- Advances in genetics, breeding, nutrition, and disease management improve productivity.

8. Environmental Sustainability

- Sustainable practices reduce ecological footprint and promote responsible resource use.

Q.10. Dairying System in Agriculture: Meaning and Characteristics

Introduction

- Dairying involves rearing dairy animals for milk production.
- It provides:
 - Year-round employment
 - Subsidiary income for small and marginal farmers
- Main dairy animals: cows, buffaloes, goats, sheep.

Meaning of Dairy Farming

- Practice of raising dairy animals and collecting milk.
- According to FAO:
 - Cattle: 81%
 - Buffalo: 15%
 - Goat: 2%
 - Sheep: 1%
 - Camel: 0.5%

Characteristics of Dairying Farming [LEARN ANY 8 POINTS]

- 1. Dairy Animals**
 - Selection based on milk-producing ability.
- 2. Housing and Infrastructure**
 - Proper sheds, ventilation, lighting, and space.
- 3. Feeding and Nutrition**
 - Balanced diet including roughages and concentrates.
- 4. Milking and Milk Handling**



- Hygienic milking and proper storage to maintain quality.
- 5. **Milk Storage and Cooling**
 - Refrigeration to prevent spoilage.
- 6. **Health Management**
 - Veterinary care, vaccination, disease prevention.
- 7. **Sustainability and Environmental Considerations**
 - Efficient resource use and waste management.
- 8. **Farm Management and Record-Keeping**
 - Monitoring production, health, finances, and breeding.
- 9. **Milk Processing and Products**
 - Production of butter, cheese, curd, ice cream, etc.
- 10. **Marketing and Distribution**
 - Sale through cooperatives, processors, retailers, or direct markets.
- 11. **Regulatory Compliance and Quality Control**
 - Adherence to food safety, animal welfare, and environmental standards.

Q.11. Importance of Fisheries [LEARN ANY 7 POINTS]

- 1. **Food Security**
 - Provides protein-rich, nutritious food.
- 2. **Employment and Income Generation**
 - Supports fishermen, processors, traders, and retailers.
- 3. **Economic Contribution**
 - Generates income through sales, exports, processing, and transport.
- 4. **Foreign Exchange Earnings**
 - Fish exports earn valuable foreign currency.
- 5. **Poverty Alleviation**
 - Provides livelihoods to vulnerable and marginalized communities.
- 6. **Rural Development**
 - Supports coastal and rural economies and reduces migration.
- 7. **Biodiversity and Ecosystem Balance**
 - Sustainable fishing preserves marine ecosystems.
- 8. **Cultural and Social Significance**
 - Deeply linked with traditions and community identity.
- 9. **Recreation and Tourism**
 - Supports sport fishing, marine tourism, and ecotourism



JAIN INSTITUTE OF COMMERCE

"Quality Without Compromise"

Unit-4

Q.12. Rural Infrastructure: Meaning and Types

Introduction



- Infrastructure is the **backbone of a country's economic growth**.
- Rural infrastructure plays a **vital role in rural development**, where the economy is mainly **agriculture and natural-resource based**.
- It covers sectors like **transport, communication, energy, water, sanitation, healthcare, education**, and other essential services.

2. Definitions of Rural Infrastructure

- **Amartya Sen**
 - Rural infrastructure enhances **capabilities and well-being**.
 - Includes transport, electricity, sanitation, healthcare, education, and market access.

3. Types of Rural Infrastructure [LEARN ANY 7 POINTS]

1. Road and Transportation Infrastructure

- Roads, bridges, highways, railways.
- Facilitates movement of goods, services, and people.
- Connects rural areas to urban markets.

2. Water Supply and Sanitation

- Safe drinking water systems, wells, pipelines, boreholes.
- Proper sanitation and waste management to improve health.

3. Energy Infrastructure

- Power generation, transmission, and distribution.
- Renewable energy (solar, wind).
- Access to clean cooking fuels.

4. Telecommunications Infrastructure

- Telephone networks, mobile services, internet connectivity.
- Reduces digital divide and improves information flow.

5. Educational Infrastructure

- Schools, colleges, libraries, laboratories, vocational training centers.
- Promotes literacy and skill development.

6. Healthcare Infrastructure

- Hospitals, clinics, PHCs, diagnostic centers, ambulances, telemedicine.
- Ensures accessible and quality healthcare.

7. Agricultural Infrastructure

- Irrigation systems, warehouses, cold storage, rural markets.
- Agricultural research and extension services.

8. Market Infrastructure

- Wholesale markets, cold chains, transport systems.



- Storage facilities for agricultural produce.
- 9. **Community Infrastructure**
 - Community halls, parks, sports facilities, religious institutions.
 - Public amenities like banks, post offices, police stations.
- 10. **Rural Housing**
 - Affordable housing, housing schemes.
 - Basic amenities such as water and electricity.

Q.13. Components of Educational Infrastructure

Introduction

- Educational infrastructure refers to **physical and organizational structures** supporting education delivery.
- Includes buildings, classrooms, labs, libraries, technology, curriculum materials, and administration.
- Quality infrastructure improves **learning outcomes** and teaching effectiveness.

Components

1. **Buildings and Facilities**
 - Classrooms, libraries, laboratories, sports facilities, offices, common areas.
2. **Technology and Connectivity**
 - Computers, internet, smart boards, multimedia tools.
 - Essential for modern digital learning.
3. **Learning Resources**
 - Textbooks, reference books, e-learning platforms, educational software.
4. **Furniture and Equipment**
 - Desks, chairs, projectors, whiteboards, laboratory equipment.
5. **Safety and Security Measures**
 - Fire safety systems, emergency exits, security staff, safety protocols.
6. **Transportation**
 - School transport facilities to ensure access to education.

Q.14. Significance of Health Infrastructure in India [LEARN ANY 8 POINTS]

1. **Access to Healthcare**
 - Ensures healthcare services reach rural and remote populations.
 - Improves access to hospitals, clinics, and PHCs.



2. **Healthcare Delivery**
 - Enables efficient diagnosis, treatment, and patient care.
3. **Disease Prevention and Control**
 - Supports vaccination, maternal and child health services, disease surveillance.
4. **Emergency Response**
 - Enables quick response during disasters, epidemics, and health emergencies.
5. **Public Health Initiatives**
 - Supports sanitation, clean water, nutrition, and health awareness programs.
6. **Capacity Building and Training**
 - Develops skilled healthcare professionals through training institutions.
7. **Economic Development**
 - Healthy population leads to higher productivity and economic growth.
8. **Reducing Health Disparities**
 - Ensures equitable healthcare access for poor and marginalized groups.
9. **Medical Tourism**
 - India attracts foreign patients due to advanced healthcare and lower costs.
10. **Research and Innovation**
 - Supports medical research, clinical trials, and development of new treatments.
11. **Global Health Security**
 - Prevents spread of infectious diseases and supports international cooperation.