

Management Fundamentals in Kautilya's *Arthashastra* – V

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Social Responsibility

What would happen if we were to hold our breath for a long time? Simply, we would suffocate. We have to let go of our breath to let the next breath come in. The same is the case with wealth creation. You have to let go of the money in your hands for new money to come in. In fact, if wealth comes to us, we have to understand that it is given by the Lord, to be shared with the less privileged. Unfortunately, the reverse is the case; the more we have, the more we try to keep. The secret of being blessed by the wealth you have created is to give a good part of it back to the society.

What exactly do we give back? Just money? Many people

perform charity for self-projection. They will not donate if their names are not inscribed on temple walls or announced from the dais in public functions.

Our ancient thinkers understood that the creation of wealth is through the network of society and hence has to be given back to the society.

Man is a social animal and is dependent on the society for his survival. While some people have more wealth and some less, the important point is that wealth has to flow from the privileged to the less privileged. Equal distribution of wealth has been one of the main challenges of many thinkers in the field of Economics. Even the idea of collecting taxes is to ensure the flow of wealth for the betterment of the society, to create a prosperous nation.

If individuals keep distributing their wealth to the right

people, everyone including the giver will be highly benefited.

Corporate Social Responsibility (CSR) is the key word in many companies today. They understand that being a socially responsible company creates trust among its customers. A good brand image is created and because of good values, the company attracts more and more customers.

The Tata group of companies is one of the best examples in this aspect. For over a hundred years, this organisation has given back to the society much more than anyone could have expected. The foundations and the various trusts of the Tata Group have contributed to social causes in the fields of education, employment generation, science etc. It is worthy of being taken up as a case study by any student of Management.

We find the same kind of social responsibility in various international organisations like Ford Foundation, UNICEF, Commonwealth etc. The main objective is to give back to the society the wealth that also belongs to the society.

India and Social Responsibility

India has always been a socially responsible country. In Indian culture we have been taught to give back more than what we get. In fact, working for the upliftment of the society is considered to be a very noble virtue.

It is our culture to donate Rs. 101 instead of Rs. 100 or Rs. 1001 instead of Rs.1000. Why do we add that extra one rupee? Our forefathers have taught us that it is an indication of our intention to continue giving in future also. Further, that one extra rupee also signifies that we should always give a little more than expected, more than what we need to give. This additional one rupee symbolises prosperity and abundance, an overflowing that defies the finality of a rounded sum.

Even after God Realisation, some great masters work in the society, as they consider it their responsibility to lead the society to a better quality of life, a higher level of living. As businessmen, leaders and managers,

we have a moral commitment to the people around us.

In the Chinmaya Mission Pledge, Pujya Gurudev Swami Chinmayananda has used two beautiful statements, which represent the Mission's commitment to the society, of 'giving more than what we take' and 'producing more than what we consume'. These are the ideals of our nation.

Creation of an Ideal Society

Kautilya was a master planner of the society. He planned out an ideal state in his mind and also created a golden era in Indian history during this period. The *Arthashastra* contains a large number of verses that give us an insight into the kind of society that he had in mind. Most of the important concepts of cleanliness, respect to others, taking care of the under-privileged etc. were taken into account, while creating the Kautilyan society.

We will study a few verses, which deal with the aspects Kautilya had considered, while

building the *Aryavarta* – the India of the golden era.

Qualities of a Responsible Society

Cleanliness: While making a blueprint of the society that he wanted to create, Kautilya emphasised cleanliness. No building plans were cleared by the governing bodies without ensuring proper cleanliness. Maintenance of cleanliness, sanitation and hygiene was a part of the house building regulations. The following verse will give an idea of how the roads were during that period.

“For throwing dirt on the road, the fine shall be one-eighth of a *pana*, for blocking it with muddy water, one quarter.” (2.36.26)

When we look at the condition of the roads in India today, we should really feel ashamed of ourselves. Spitting, urinating, indiscriminate digging and garbage disposal on the roads are very common. However, things have been drastically changing in the last couple of years. Punishments in the form of fine im-

posed on the person throwing dirt or blocking the road shows how much importance they had placed on the maintenance of public property. It was not just a matter on paper, but was implemented under strict conditions.

Shifting of Over-population: Migration to the countryside was encouraged in order to prevent overcrowding in the cities. This also ensured wide spreading out of the population across the nation, not just concentration in particular cities or national capitals.

“He should cause settlement of the country, which had been settled before or which had not been settled before, by bringing in people from foreign lands or by shifting the overflow of population from his own country.” (2.19.1)

Kautilya also encouraged and invited people from other places to come and settle down in the countryside. He also understood that a man will not shift alone. So he encouraged shifting and migrating in groups. This concept of building new cities was encouraged also for employment generation. Jamshedpur, created by Jamshedji Tata, as a residential settlement for his employees, has

set up a benchmark for other companies to follow.

Women’s Employment – Even during the 4th century, when women did not have adequate social rights, Kautilya, as a revolutionary thinker, included women’s employment in his plan for an ideal society. References are made to rights given to women, especially minor girls, widows and elderly women, throughout the *Arthashastra*. There were special property rights for women, too.

In the second book of the *Arthashastra*, the Chief Textile Commissioner, while setting up rules for the textile industry, has been advised to provide employment to women to the extent of allowing them to work from their own homes. The raw material would be reached to them in the morning and the finished or semi-finished product collected in the evening.

“Those women who do not stir out – those living separately, widows, crippled women – who wish to earn their living, should be given work by sending his own female workers to them with a view to support them.” (2.23.2)

Fairness in Treating a Conquered Territory – Many have considered Kautilya as a

very crafty administrator, who would do anything to actualise his dreams. This is not really true. The following verse will give an idea about how he treated the people of a conquered territory.

“The conqueror shall substitute his virtues for the defeated enemy’s vices and where the enemy was good, he shall be twice as good. He shall follow policies which are pleasing and beneficial to the constituents, by acting according to his *dharma* and by granting favours and tax exemptions, giving gifts and bestowing honours. He shall adopt the way of life, dress, language and customs of the people and show devotion to the gods of that territory and participate in the people’s festivals and amusements. He shall please the chiefs of the towns, country, castes and guild; the ill, and the helpless shall be helped.” (13.5.3-15)

The conqueror shall add his own virtues to those of the defeated enemies. If he finds good qualities in them, he shall try to acquire them. Today we find that after wars, the people of the newly acquired territory are not given any importance. Here, Kautilya suggests policies which are pleasing and beneficial to the conquered population, based on *dharma*. The

conqueror should give them tax exemptions, gifts and also honour suitable candidates. He should not force anyone to change to his own lifestyle; instead, he should be willing to adopt the dress, language and customs of the local people and their traditions. Instead of breaking their places of worship, he should show the same devotion to their gods and should himself participate in their festivals and enjoy their amusements. The leaders and chiefs of the towns and various communities of the conquered territory should also be given due respect and their opinions should be considered. Further, he should ensure that the ill and the helpless are cared for.

In fact, a whole chapter of the *Arthashastra*, chapter 5, section 176 of book 13, is fully devoted to this aspect and titled ‘Pacification of the Conquered Territory’.

There is a lot that today’s corporate world can learn from these concepts in the *Arthashastra*. Internationally, there are lots of mergers and acquisitions (M & A) that are happening. Once the new management takes over, there is a cultural shock in the whole system. In most of the cases, people are

told to leave the organisations due to down-sizing and cost-cutting.

Here, Kautilya gives top priority to the people. He understands that the main asset of any organisation is its people. It is very important to keep them happy, even if they happen to be in an acquired territory.

Give, Give, Give

Pujya Gurudev Swami Chinmayananda says, in his advice to householders, "The secret of getting is GIVE-GIVE-GIVE. Worldly people of small crumpled hearts can never understand it and modern economics has not dared to expound it. Give away the last penny, and ten pennies must and will come. He, the Protec-

tor of all, has to replenish the pocket of his devotee – only, the giver must have absolute faith and indomitable courage."

Gurudev here rightly points out that modern Economics has not dared to experiment deeply with the quality of giving. Wealth always comes back ten-fold to the person who gives, this is a natural law. Many good companies have the practice of giving 2% to 10% of the profit to social causes. Once a chairman of a Fortune 500 company was told about this concept of keeping aside 10% of the profits for social projects. He started thinking deeply. Asked what happened, he replied, "I was wondering why the percentage to give back to the society is so little!"