

# Economic Self-Reliance in Atmanirbhar Bharat: Revisiting Sardar Vallabhbhai Patel's Vision

Anup Kumar Dutta

Research Scholar (PHD), Department of Political Science, University of Kalyani

Email: [anuppolsc22\[at\]klyuniv.ac.in](mailto:anuppolsc22[at]klyuniv.ac.in)

**Abstract:** *Sardar Vallabhbhai Patel was not only the father of national integration in India but also the embodiment of the perfect harmony between the developmental ideas of Nehru and Mahatma Gandhi. His intellectual foresight, strong personality, and pragmatic mindset laid India on a solid foundation after independence. In his conception of financial self-reliance, he argued that India should focus on developing its indigenous industry and avoid dependence on foreign borrowing. He opposed the idea of socialism. He sought to ensure that individuals from all social classes had the opportunity to accumulate wealth. He also stated that individuals should invest their hoarded wealth, as this would contribute to the nation's prosperity. It can be said that Sardar Patel's dream of a self-reliant economy for India has become more feasible through the 2021 Atmanirbhar Bharat program of the Modi government, which emphasises economic prosperity through indigenous means. The aim of this scheme is not only to generate employment but also to reduce imports and increase national production. "Vocal for Local" is a government initiative to prioritise local products and strengthen domestic industries. "Make in India" is one of the significant initiatives under the Atmanirbhar Bharat programme. The primary objective of the "Make in India" project is to transform India into a global manufacturing hub and generate sufficient employment opportunities. However, numerous hurdles impede the complete success of the Atmanirbhar Bharat programme. Many rural poor in India remain unemployed and seek to migrate in search of employment opportunities. This paper aims to showcase the effectiveness of the Atmanirbhar Bharat Programme and its alignment with Patel's concept of a self-reliant economy.*

**Keywords:** economy, employment, self-reliance, development, migration, India

## 1. Objective

- 1) To analyse the concept of economic self-reliance of Vallabhbhai Patel
- 2) To examine India's economic portfolio in recent decades
- 3) To assess the effectiveness of the Atmanirbhar Bharat program and its relation to Patel's idea of a 'self-reliance' economy, with particular reference to Make in India

## 2. Introduction

Sardar Vallabhbhai Patel was not only a key figure in uniting India but also a symbol of the harmony between the developmental ideas of Nehru and Mahatma Gandhi. His wise foresight, strong character, and practical approach helped lay a sturdy foundation for India's independence. Patel's main focus was on national unity, efficient administration, and economic independence. He believed that India should build its own industries and rely less on foreign loans, promoting financial self-reliance. While he was cautious about socialism, thinking India wasn't quite ready for it, he passionately believed that everyone could create their own wealth. However, he never supported the notion that only a specific class could seize the opportunity to accumulate wealth; instead, he wanted individuals from all classes to have the ability to create their own wealth. From this perspective, his developmental idea differed slightly from prevailing conceptions in developed countries. He also stated that individuals should invest their hoarded wealth, as this would contribute to the nation's growth. Unfortunately, in India today, economic success is often associated with certain social classes, while many others face hardship. The government can play a vital role by creating policies that incentivise the wealthy to invest and by providing opportunities for all to build wealth. Historically, many Indians emigrated abroad in search of better employment and

living conditions. Building on Patel's ideas, the government could focus on creating local employment, especially for rural and economically disadvantaged communities. This approach can help India achieve broad social and economic growth. It will be a positive step forward for socioeconomic development.

## 3. Key Economic Ideas of Sardar Patel

Sardar Vallabhbhai Patel articulated several foundational economic ideas integral to understanding his vision of self-reliance. His approach encompassed both philosophical convictions and practical strategies aimed at reducing external dependency and fostering internal economic strength. By examining these ideas in detail, it becomes evident how Patel's economic philosophy interwove the principles of national integration, administrative pragmatism, and equitable development, positioning self-reliance not merely as an economic objective but as a holistic framework for nation-building.

### 1) Idea of development with welfarism:

Patel consistently sought to develop India with a universal perspective, through which not only the upper classes but also the most disadvantaged groups would benefit from national economic progress

### 2) Opposition to the nationalisation system

Patel never accepts the process of nationalisation of the industry, banks, and other important public sectors. He believed that, given the shortage of personnel and resources in the public sector, nationalisation could not be a viable means of building an efficient administrative system. So, he promotes private enterprise in India's economic development process (Argov, 2025). He completely refused to accept

nationalisation as a medium of economic development (Press Information Bureau , 2017).

### 3) Build a solid Infrastructural base:

Sardar Patel consistently sought to develop infrastructure to streamline business processes. In this perspective, He suggests a strong industrial base and a steel frame bureaucratic system in India (Embassy of India , 2016) (Argov, 2025). He promotes large-scale infrastructure projects, such as river dams, as well as modern infrastructure systems, including irrigation, power, and transportation, which are essential to a country's economic development.

### 4) Idea of modern entrepreneurship:

Patel advocates for a mixed economic system that combines elements of public and private entrepreneurship. He made it clear that the government should provide facilitation and freedom in their entrepreneurial process, rather than controlling them. Patel's concept of balancing economy, infrastructure, and integration inspires private entrepreneurs (Kiran, 2024). To promote private enterprise, the government should take appropriate measures to enhance political unity and stability.

### 5) Supporter of the profit motive but against the greed:

Sardar Patel strongly supported the profit motive across all sectors. He advocated it for all classes of people, including non-capitalist classes, small entrepreneurs, labourers, and agricultural workers. Although he believed people could hoard their acquired wealth, they should utilise or invest it for national development (Press Information Bureau , 2017). From this perspective, he was greatly influenced by Mahatma Gandhi's economic ideas on labour-employer relations. Gandhi believed that labourers would be granted only a share of the profits through constitutional means.

Sardar Patel strongly supported the profit motive across all sectors and believed it should extend to all social classes, including non-capitalist groups, small entrepreneurs, labourers, and agricultural workers (Press Information Bureau, 2017). Although he accepted that people might hoard their wealth, he emphasised the importance of utilising or investing it for national development. In this view, he was greatly influenced by Mahatma Gandhi's economic ideas about labour-employer relations, particularly Gandhi's belief that labourers should receive a fair share of the profit through constitutional means (Press Information Bureau, 2017).

After six decades, Sardar Patel's aspiration for a self-reliant India, known as Atmanirbhar Bharat, was realised through the "Make in India" initiative, launched in September 2014 by Prime Minister Narendra Modi. In accordance with Sardar Patel's vision, India aims to reduce its dependence on imported goods. The objective of 'Make in India' is to strengthen India's economic base by promoting indigenous production, increasing exports, and reducing imports.

## 4. Make in India

The "Make in India" initiative was launched in response to India's struggling economy and has become a rallying cry for the country's many stakeholders and partners. It also acts as an invitation to potential partners and investors worldwide. To

successfully implement this initiative, the government has fundamentally shifted its mindset and embraced the concept of 'minimum government and maximum governance'. This initiative aims to restore India as an industrialised, developed nation and to transform the country into a global manufacturing hub. Through this effort, the government of India seeks not only to boost the economy but also to create jobs, attract foreign investment, and develop a self-reliant industrial ecosystem (KPMG, 2024).

To make India a self-reliant economic nation, Prime Minister Narendra Modi introduced the "Atmanirbhar Bharat Programme" on May 12, 2020. The target of this initiative is to create numerous entrepreneurial and employment opportunities. Special reforms to the Micro, Small and Medium Entrepreneurs (MSME) scheme to make it more feasible and easily accessible to the masses of India.

## 5. Atmanirbhar Bharat Programme

By influencing Mahatma Gandhi's Swadeshi Movement, the Government of India, led by Prime Minister Narendra Modi, launched the "Atmanirbhar Bharat Programme." This movement encourages innovation, entrepreneurship, and technological independence. ( Press Information Bureau, 2025)

At that time (May 2020), the government announced a special economic and comprehensive package of 20 lakh crores rupees, equivalent to ten per cent of India's GDP, to combat the COVID-19 pandemic in India. The primary objective of this initiative is to make India a self-reliant nation. More emphasis was placed on domestic production, and in this context, the government launched the 'Vocal for Local' initiative. The government aims to develop local production and industries. If domestic production increases, the rate of import of foreign goods will consequently decrease. Thus, India will be able to achieve greater independence in production and increase the export rate of domestic products. The Digital India programme rests on nine pillars: Broadband Highways, Universal Access to Mobile Connectivity, Public Internet Access Programme, and e-Governance Reforming Government through Technology, e-Kranti Electronic Delivery of Services, Information for All, Electronics Manufacturing, IT for Jobs and Early Harvest Programmes.

According to Prime Minister Narendra Modi, "Technology transforms people's lives. It empowers and connects. From mitigating poverty and streamlining processes to ending corruption and improving services, the vitality of technology is evident everywhere. It is an important instrument of human progress.

### Benefits:

Some industrial sectors will benefit from the Atmanirbhar Bharat Abhiyan 2021

Primary Sector	Agriculture, mining, and fishing are the three key industries.
Secondary Sector	Comprises industries such as construction, manufacturing, utilities, MSMEs (Micro, Small, and Medium Enterprises), and cottage industries.
Tertiary Sector	Includes key services—from retail, tourism, banking, real estate, media & entertainment, telecommunication, to hospitality & leisure and information technology.
Quaternary Sector	Consists of education, research & development, and public sector industries.

Source: <https://ibef.org/government-schemes/self-reliant-india-aatm-nirbhar-bharat-abhiyan>

**A comparative scenario of Patel's idea of a self-reliant economy and the Atmanirbhar Bharat programme:**

Patel Idea of economic self-reliant	Atmanirbhar Bharat initiatives
Infrastructural development: A pillar for democracy	<ul style="list-style-type: none"> <li>Golden quadrilateral project</li> <li>Expanding metro system – to improve urban connectivity and sustainability</li> <li>Electrification of the railway system</li> <li>Substantial improvement in the Indian port system</li> <li>The National Highways Development Programme, National Infrastructure Pipelines (NIP), and PM Gati Shakti National Master Plan</li> </ul>
A legacy for modern entrepreneurship: Inspiration for Start-up	<ul style="list-style-type: none"> <li>Production - Linked incentive scheme</li> <li>Extension of 15% tax rate for new manufacturing units till 2024, and tax incentives for start-ups, will boost high-growth sectors and create jobs (Press Information Bureau, 2025)</li> </ul>
Balancing Growth with Welfare	<ul style="list-style-type: none"> <li>MSME support</li> <li>Farmers' welfare through the Kisan Credit Card</li> <li>One Nation One Ration Card</li> <li>Pradhan Mantri Awas Yojana-PMAY (Urban Poor Housing)</li> </ul>

**According to the Press Information Bureau 2025, the key achievements of the Atmanirbhar Bharat programme are-**

- India became the fourth-largest economy in 2025, propelled by domestic reforms and its strategic positioning within the Atmanirbhar Bharat vision.
- India is recognised as the fastest-growing major economy worldwide, with real GDP expanding by 6.5% and

- nominal GDP increasing from ₹106.57 lakh crore (2014–15) to ₹331.03 lakh crore (2024–25).
- Projections indicate that India will be the world's fastest-growing major economy, with growth rates between 6.3% and 6.8% in 2025-26.
- Over the past decade, total exports have increased by 76%, reaching US\$825 billion in 2024–25, primarily driven by engineering goods, electronics, and pharmaceuticals.
- Services exports have more than doubled, growing from US\$158 billion in 2013–14 to US\$387 billion in 2024–25.
- Cumulative foreign direct investment (FDI) inflows have reached US\$1.05 trillion, with a record 27% increase in equity inflows observed in the first nine months of fiscal year 2025.
- Digital transactions have surged ninefold in volume from fiscal year 2018 to 2024, with UPI processing 172 billion transactions in 2024 alone.
- Inflation has been reduced from an average of 8.2% during 2004–14 to approximately 5% during 2015-25 through targeted fiscal and monetary policies.

**Key achievements under Atmanirbhar Bharat**



Figure 1

Source:

<https://www.pib.gov.in/PressNoteDetails.aspx?NoteId=154660&ModuleId=3>

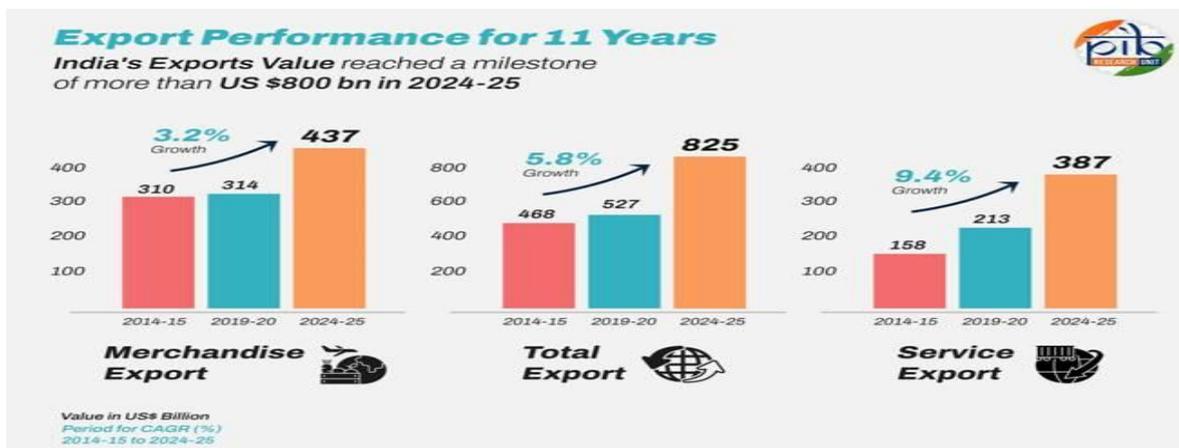


Figure 2

Source: <https://www.pib.gov.in/PressNoteDetails.aspx?NoteId=154660&ModuleId=3>



Figure 3

Source: <https://www.pib.gov.in/PressNoteDetails.aspx?NoteId=154660&ModuleId=3>

### Major hurdles to implementing the Atmanirbhar Bharat Programme are-

- 1) Lack of infrastructure
- 2) Complex laws and regulations
- 3) High cost of production
- 4) Skilled workforce shortage
- 5) Dependency on imports
- 6) Slow implementation of policies
- 7) Global competition
- 8) Tax and GST issues
- 9) Environmental and sustainability
- 10) Corruption and bureaucracy
- 11) Low literacy rate

By 2015, India set a target of achieving universal primary education, which was the second goal of the Millennium Development Goals 2015 (Srivastava & Dasgupta, 2010). But it has been seen that by 2015, India not only succeeded in fulfilling those goals, but also half of rural Indian people remain illiterate (see figure).

### Possible solution to the problems:

The Government of India has undertaken comprehensive initiatives to advance the Digital India mission, aiming to digitally transform the nation. Nonetheless, it can be observed that the government launched this initiative as a singular step, which constitutes a significant obstacle to the effective realisation of the mission. In India, where a considerable portion of the population resides in rural areas, is illiterate, and remains unaware, many individuals lack access to electronic devices such as mobile phones and televisions. Nevertheless, some uneducated individuals utilise mobile phones solely for communication. Given these circumstances, the question arises of how citizens can become digitally literate and avail themselves of the benefits of Digital India. Initially, it is imperative that the government educate these individuals about the Digital India mission through widespread awareness campaigns, local training programs, and the recruitment of sufficient volunteers capable of providing instruction tailored to their needs.

Sardar Vallabhbhai Patel underscored that every citizen's guiding principle should be, "Spend less, save more, and invest as much as possible." He urged all sectors of society- lawyers, farmers, labourers, traders, entrepreneurs, and government officials- to save every 'anna' they could afford and to entrust their savings to the government for utilisation

in national development efforts. (Press Information Bureau , 2017)

It has been observed that many wealthy individuals in India, particularly those with high salaries, prefer to purchase agricultural land, residential plots, or valuable jewellery rather than invest in small or medium-sized businesses or startups. However, starting their own businesses or investing in startups could yield higher profits and create jobs for the unemployed. As a result, this move could significantly boost the nation's economy. Therefore, this issue is highly important in contemporary India.

## 6. Conclusion

The initiatives 'Make in India' and 'Atmanirbhar Bharat Abhiyaan' demonstrate India's pathway to success in becoming a self-reliant nation, fulfilling the vision of the Iron Man of India. Figures 1, 2, and 3 illustrate India's remarkable economic success. According to the 'Ease of Doing Business Survey 2023', India ranked 63 out of 190 countries globally. It indicates a favourable business environment in India. The government implemented various progressive reforms, including authorising private companies to operate in key industries. Many agricultural initiatives and labour reforms have been implemented, enabling commercial coal mining, thereby providing a strong foundation for India's economic development. Furthermore, a robust fiscal initiative targeting the manufacturing sector and MSMEs, supported by favourable PLI reforms, will enhance the capabilities of domestic manufacturing firms and attract foreign investment. As a result, this will help India progress toward its goal of becoming a self-reliant nation.

However, significant hurdles remain that hinder development. As John Rawls noted, the weakest parts of our society must be strengthened to strengthen society as a whole. (Rawls, 1971). In Indian society, a large number of rural people are illiterate, socio-economically disadvantaged, and unaware of government developmental initiatives. As a result, many are unable to benefit from these programs and often seek better livelihoods elsewhere through migration. To boost India's economy through indigenous methods, the government should implement initiatives to improve literacy and upskill lower-level workers, such as agricultural workers and industrial labourers. In these perspectives, local administration can play a very crucial role. Additionally,

through propaganda and awareness programs, it should inform socio-economically backward communities about the various welfare schemes available to them. Subsequently, not only will India as a whole become self-reliant, but every Indian will also be able to be self-reliant.

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