

# Chanakya's Economic Doctrine: Insights from the Arthashastra

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## Abstract

This paper delves into the intellectual depth of Chanakya's economic doctrines, as presented in his seminal work, the Arthashastra. By exploring Chanakya's perspectives on agriculture, trade, taxation, and Monetary policy, this paper not only aims to illuminate the economic principles that shaped ancient Indian society but also underscores their enduring relevance in contemporary times. This significance is particularly highlighted when considering the historical context, socio-economic conditions, and Chanakya's pragmatic governance approach.

**Keywords:** Chanakya, Kautilya, Arthashastra, socio-economic conditions, financial discipline.

## Introduction:

Chanakya, known as Kautilya or Vishnugupta, was a towering figure in ancient Indian history. He was a philosopher, economist, and political strategist who lived during the Mauryan Empire, around the 4th century BCE. His renowned work, the Arthashastra, a comprehensive treatise on statecraft, governance, and economics, forms the unique foundation of this paper. Chanakya stands out for its blend of practical advice and theoretical insights, providing a detailed roadmap for state governance. Chanakya's practical transparency, his political acumen, and his strategic thinking were instrumental in establishing one of the most powerful empires in ancient India.

Chanakya's contributions to ancient Indian thought extend beyond his political and military strategies. He is often christened as Indian Machiavelli because of his undisputed and shrewd techniques and policies, which mirror a "realist" approach to politics, diplomacy, and warfare. (AtMigration, 2015). He was deeply engaged in philosophical and economic discourses, offering profound insights into governance, ethics, and economics. His teachings emphasized the interconnection between economics, politics, and morality, reflecting a holistic understanding of societal well-being. His teachings not only elucidate the characteristics of a virtuous king or central ruling authority of the country but also of the subjects of the nation who can help build the empire. The depth of Chanakya's philosophy can be appraised by the fact that even today, after two millennia, his paradigms interest various philosophers, historians, and economists.

This paper is structured as follows to understand the enduring relevance of Chanakya's economic principles. First, we will delve into the principles related to finance, taxation, monetary policy, as illustrated in Arthashastra. Then, we will explore the relevance of Arthashastra in contemporary times. The next section of the paper comprises Chanakya's economic thoughts related to various economic sectors.

## 2. Economic Thoughts of Chanakya

Chanakya's economic thoughts are divided into various subheads, such as basic paradigms for the economy, various sectors of the economy, and sources of revenue for the proper functioning of the economy, which includes taxation and the nation's monetary policy. In this section, we will further delve into these topics and create a base for understanding the importance of these propositions in contemporary times.

### 2.1. Three basic paradigms of economic principles of Chanakya:

As stated by Kautilya/ Chanakya, the whole economic principle is based on three paradigms – Artha, Dharma, and Rajadharma. (L.N.Rangarajan, 1992). Kautilya, in "The Arthashastra," emphasizes the interdependence of Artha (material well-being), Dharma (righteousness), and Rajdharma (duty of a king). He highlights the significance of sound economics (Artha) as the foundation for upholding Dharma and fulfilling Rajdharma.

According to Chanakya, Artha encompasses material wealth and broader notions of prosperity, well-being, and security. It includes economic resources, like land, wealth, commodities, and intangible assets, like knowledge, skills, and social capital. He further stated that Artha, along with Dharma and Kama ( desire), is one of the fundamental quests of human life. Economic prosperity is necessary to fulfill the human race's material needs, social duties, and intellectual hunts. It is also essential for the government to ensure economic and social stability and defense from the outside world. While Artha is valued for its instrumental role in societal well-being, Chanakya strongly emphasizes the importance of ethical conduct in economic pursuits. Moral principles, including honesty, fairness, and social responsibility, should guide wealth acquisition and utilization. This is where Dharma, the ethical foundation of his economic thoughts, comes into the picture.

Dharma is the moral foundation of economic thoughts propagated by Chanakya. It is ethical behavior and a moral compass that govern the economic pursuit of not only individuals but also the central authority of the Nation, who, according to Chanakya, is The King. The essentials of Dharma include social justice, equity, inclusivity, and the common good. One should not adhere to deceit, fraud, and exploitation while accumulating, distributing, and utilizing wealth. While individuals have the full right to work in the direction of personal self-interest, it should come in the way of the more considerable collective growth of the nation. As the savior of the Nation, the King should form economic policies that aim to reduce disparities, alleviate poverty, and ensure access to necessities for all members of society.

This takes us to the next and third important paradigm of Chanakya- Raja dharma. Raja dharma delineates the duties and responsibilities of the ruler or sovereign authority in economic governance. Rulers are entrusted with the welfare of their subjects and are expected to govern with wisdom, justice, fairness, integrity, compassion, and efficiency. The central authority of the nation is handed over the entire administration of resources like land, natural resources, etc. Thus, it is the ruler's responsibility to ensure the equitable distribution of resources, promote economic growth, and safeguard the interests of all segments of society. Rulers are encouraged to adopt policies and strategies that stimulate economic activity, attract investment, promote trade, innovation, and entrepreneurship, and create prosperous opportunities. Chanakya also emphasized that a ruler should serve his purpose towards the nation and encourage their citizens to follow Dharma. The quote given by Chanakya thus summarizes the responsibility of the ruler. (L.N.Rangarajan, 1992) :

*“A king should not only obey his own rajadharma but also ensure that his subjects obeyed their respective dharma. For, ‘when adharma overwhelms dharma, the King himself will be destroyed.’”*

The three paradigms Chanakya gave nearly two millennia ago are still relevant, as is the fact that we need a structured framework to progress and prosper economically- a framework in which every entity has its own role and responsibility.

## **2.2. Various sectors and their importance in the ancient economy:**

In Arthashastra, Kautilya expounded on various sectors of the economy and their relative importance for economic growth. It is a common myth that ancient economic structures were simple and just agriculture-based, but Arthashastra has demonstrated that our economy was complex, structured, and well-progressed even in those times. Some of these sectors are:

**2.2.1 Agriculture:** Agriculture is considered a fundamental sector of the economy in Kautilya's teachings. It involves crop cultivation, land management, and agricultural practices like the use of fertilizers, crop rotation, soil conservation, etc, to ensure food security, generate surplus produce, and support the population's livelihoods. Since land was the basis of agriculture, there was a dire need to manage land properly. Therefore, in the book, Chanakya explains in detail the classification of land based on its quality, suitability for different types of crops, irrigation requirements, and land use planning. Kautilya emphasizes the importance of strategic land use planning to optimize agricultural productivity, support economic activities, and ensure sustainable resource management. He discusses the allocation of land for various purposes, such as agriculture, pasture, storage sheds, and irrigation, based on the specific requirements of each region. He has further elaborated on the leasing of land and sharecropper practice. He even outlines terms of lease agreements, profit-sharing arrangements, and responsibilities of both landowners and sharecroppers to ensure fair and equitable land utilization.

Although Chanakya has separated cattle rearing from agriculture, he has described its importance in agriculture in detail. Cattle provided various economic benefits, including milk, meat, hides, and other by-products that could be traded, consumed, or utilized for multiple purposes. They also play a crucial role in supporting agricultural activities by providing traction for plowing, transporting goods, and manure for fertilizing fields. Cattle in those eras were essential for cultivating land, harvesting crops, and ensuring agricultural productivity, contributing to food security and economic stability.

**2.2.2. Trade:** By recognizing the importance of trade in promoting economic growth, wealth creation, market development, resource exchange, cultural interaction, and state revenue, Kautilya underscores the significance of trade as a fundamental pillar of the economy and society in ancient times. He emphasized that trade was a vital economic activity facilitating the exchange of goods, services, and resources between regions, communities, and civilizations. Trade enables individuals, merchants, and authorities to accumulate wealth by engaging in commercial transactions, profiting from exchange activities, and garnering resources through trade networks. It also facilitates market development in the home country by creating demand for home goods outside and inflowing the technology, new ideas, and resources into the country. Besides, it is a buoyant source of revenue for the state.

**2.2.3. Manufacturing:** Manufacturing contributed to economic growth, job creation, and wealth generation in ancient societies. The production of goods, tools, and commodities by artisans, artisans, and manufacturers supported trade, commerce, and market development. Manufacturing activities added value to raw materials, diversified the economy, and met the diverse needs of society. Kautilya further recognized specialized industries such as minting coins, crafting jewellery, and producing textiles as essential manufacturing components. These industries required specific skills, expertise, and resources to create high-quality products for domestic consumption and trade. Specialized manufacturing sectors cate-

red to unique market demands, cultural preferences, and economic functions.

**2.2.4. Infrastructure:** Infrastructure is the base lifeline for any economy, and Chanakya understood this fact. He emphasized that as nerves are essential for the proper functioning of the body, infrastructure is vital for the appropriate growth of the kingdom. In Chanakya," words (L.N.Rangarajan, 1992)-  
*"He (the king) shall build forts because they provide a haven to the people and the king himself; waterworks since reservoirs make water continuously available for agriculture; trade routes since they are useful for sending and receiving clandestine agents and war material; and mines for they are a source of war material; productive forests, elephant forests and animal herds provide various useful products and animals"*

As evident above, he talked about public works, including roads, bridges, canals, and irrigation systems essential for transportation, communication, agriculture development, and resource management. He also described a form of infrastructure development that included the construction of fortified cities, marketplaces, public buildings, and waterworks to support urban life and administrative functions. He had recognized the importance of water resources. He thus considered water resource development works like constructing reservoirs, dams, wells, and aqueducts to ensure a continuous water supply for agriculture, industry, and urban settlements.

By addressing these various sectors of the economy in "The Arthashastra," Kautilya provides a comprehensive framework for understanding the economic dynamics necessary for fostering prosperity, stability, and sustainable development within a state.

### **2.3.Sources of revenue, taxation, resources management, and monetary policy in Ancient India:**

The economic philosophy of Chanakya has a special place for financial administration, which revolves around wealth acquisition, financial prudence, and risk management. For an individual in that era, there were several options for wealth accumulation, including working for the king, trading, agriculture, manufacturing, etc. For the government officials, Kautilya has suggested a graded salary structure based on the hierarchy and importance of government positions. Higher-ranking officials with greater responsibilities and authority are entitled to higher salaries than lower-ranking officials. Government officials' accurate wages will prevent corruption, ensure efficiency, and maintain loyalty to the king. The state can deter officials from engaging in corrupt practices or seeking illicit gains by offering competitive salaries. Fair and timely remuneration is crucial for fostering a sense of loyalty and dedication among government servants. Well-compensated officials are less likely to succumb to external influences, temptations, or discontent that may undermine the functioning of the government. This graded system reflects the significance of roles and the level of expertise required for effective governance.

Chanakya has also described various sources of revenue through which the state can accumulate resources that will be spent on the welfare of the nation's people. He has outlined the principles the kingdom will work on while collecting taxes and managing the nation's wealth. Kautilya's financial prepositions include sources of revenue in which taxes are a significant shareholder, resource management, and monetary policy. In this section, we will discuss all three in detail.

**2.3.1. Taxes as the state's revenue source:** Taxation was a primary means of revenue collection in ancient India. Chanakya has discussed various forms of taxes that help the state function properly. These taxes were levied on economic activities, trade transactions, agricultural production, and other sources of income to generate revenue for the state. Chanakya's taxation system is based on some canons of taxation,

which are popular and religiously followed even today. Some of the taxes, as explained by Chanakya in his book, are (L.N.Rangarajan, 1992):

- Custom Duties (Sulka): Sulka refers to a duty or toll imposed on various economic activities, transactions, or movements of goods and people. It was a form of indirect taxation collected by the state at designated checkpoints (Sulkasthanas), customs houses, or toll booths. It helped regulate trade and commerce by controlling the movement of goods and people across different regions. By collecting tolls at critical points, the state could monitor trade activities, prevent smuggling, and maintain order in commercial transactions
- Transaction Tax (Vyaji): This tax, including subcategories like manavyaji (transaction tax for Crown goods), was levied on commercial transactions and exchanges of goods. It was a form of indirect taxation imposed on trade activities to generate revenue for the state. By taxing transactions, the state could control economic exchanges, monitor trade practices, and maintain financial stability within the kingdom.
- Share of Production (Bhaga): Chanakya mentions collecting a share of production, which could include a 1/6th share (Shadbhaga) of the produce. This tax was likely imposed on agricultural output or other forms of production to contribute to the state's revenue.
- Tax (Kara): Kara is a tax collected in cash. It could be a general tax imposed on various economic activities or transactions within the kingdom.
- Taxes in Kind (Pratikara): Pratikara refers to taxes paid in kind rather than in cash. This form of taxation involved contributions in goods, services, or labor instead of monetary payments.
- Labour (Vishti): Under taxes in kind, labor contributions (Vishti) were collected from the population. This could involve compulsory labor services individuals provide for state projects, public works, or other purposes as mandated by the authorities.
- Supply of Soldiers (Ayudhiya): Another form of tax in kind involved providing soldiers or military service (Ayudhiya) to the state. Citizens were required to contribute to the defense and security of the kingdom by giving workforce for the army.
- Monopoly Tax (Parigha): Parigha refers to a tax imposed on monopolies or exclusive rights granted by the state for certain economic activities or resources. This tax was likely levied on individuals or entities enjoying monopoly privileges in trade or production.
- Road Cess (Vartani): Vartani was a tax collected for roads and transportation infrastructure. It was imposed on travelers, traders, or goods passing through designated routes or public roads maintained by the state.
- Taxes from villages (Pindakar): Pindakara refers to taxes paid by entire towns or rural communities to the state treasury. These taxes were collective contributions from the city and were separate from taxes imposed on individuals or specific professions. The imposition of Pindakara taxes on villages helped regulate rural economies, standardize taxation across different settlements, and ascertain that the tax burden is equally distributed among communities.

Apart from these, there are various other taxes, like taxes on gambling wins (Capital Gains), taxes on Professionals like actors, dancers, prostitutes, etc., taxes on selling animals, and taxes on the use of water stored in water harvesting structures made by the state among others.

### **2.3.2. Other revenue resources of the State:**

#### **2.3.2.1. Income from Crown Property:**

The state's control and management of its properties, including agricultural lands, water resources, mines,



animals, and forests, were crucial for ensuring a steady flow of revenue. Proper administration, supervision, and maintenance of state assets were essential to maximize revenue generation and prevent misuse or mismanagement. The king was considered the principal and residual owner of all property in the kingdom, according to the Arthashastra. The state controlled and managed these lands to derive revenue. State-owned agricultural land, also known as *Sita*. The revenue was raised through direct cultivation by the state or by leasing out land to tenants. Crops grown on these lands, such as grains, beans, lentils, oilseeds, and sugar cane, formed a significant part of the revenue. In addition to agricultural land, the state also derived revenue from water usage charges. Users who accessed water from waterworks built by the king were required to pay a fee based on the method of water lifting (manually, by bullocks, or mechanically). Water usage charges were imposed to regulate water resources and generate income for the state. The other assets like mines, animals, and forests owned by the crown also generate revenue for the kingdom.

#### **2.3.2.2. Income from State-Controlled Activities:**

Revenue derived from state-controlled manufacturing enterprises, such as production facilities for goods and services like textiles, salt, alcoholic liquor, etc., contributed to the state's finances. Revenue is also collected from leisure activities like gambling, betting, courtesans, prostitutes, and entertainers. These activities generated income for the state treasury.

#### **2.3.2.3. Fees and charges for service:**

The state levied fees or charges for providing various services to the public, such as issuing passports, ferry services, port dues, land survey charges, caravan escorts, and standardizing weights and measures. These fees aimed to recover the costs of service provision rather than solely augmenting revenue.

#### **2.3.2.4. Special Levies and Surcharges:**

In times of increased lawlessness or financial distress, the state imposed special levies or surcharges on the population to raise additional revenue. These temporary measures were implemented to address specific challenges or difficulties faced by the state. The Arthashastra explicitly states that all levies under these heads should be imposed only once.

#### **2.3.2.5. Other revenue resources of the state:**

In addition to the above resources, the state has various other revenue resources at its disposal. To increase revenue, the state could encourage the cultivation of extra crops, particularly during the summer. The state could also seek voluntary contributions from the population or engage in the sale of honors and titles to raise funds. In certain circumstances, the state could resort to expropriating temple property to augment its revenue. This measure involved seizing assets or resources belonging to religious institutions to bolster the state's financial resources.

### **2.3.3. Resource Management:**

Resource management has a prominent place in Chanakya's economic policies. Resource management involves the efficient utilization, conservation, and allocation of natural resources such as land, water, forests, minerals, and energy. Kautilya emphasizes the importance of sustainable resource management practices to ensure long-term economic sustainability, environmental conservation, and equitable distribution of resources. Effective resource management is essential for promoting economic development, mitigating resource scarcity, and fostering resilience in the economy. Kautilya also talked about financial resources management. He has discussed mechanisms for fair distribution of resources, efficient resource utilization, and balancing economic development with environmental conservation.

Through the book Arthashastra, he has promoted equity, inclusivity, social justice, and transparency in resource distribution. In order to ensure the above characteristics, the book encourages auditing and oversight mechanisms to monitor financial transactions and prevent corruption. Regular audits, internal controls, and oversight by officials help ensure accountability and transparency in financial management. Chanakya has also explicitly described the punishment for the fraudulence in the account.

#### **2.3.4. Monetary Policy :**

Chanakya has extensively worked on laying down the guiding principles for the state's appropriate monetary policy. Some of the critical points of that are:

**2.3.4.1 Currency regulation:** Maintaining the purity and stability of the currency system is essential to ensure trust and confidence in the monetary system. Chanakya was the great advocate of state monopoly over the minting and issuance of the coin in the economy. This will establish uniformity in the weight, purity, and denominations of coins; the state can ensure the credibility and acceptance of its currency across regions. Standardization will help prevent fraud, counterfeiting, and confusion in monetary transactions, promoting trust in the financial system. Two unique posts were created in government to ensure the above task: Chief Master of Minting and Examiner of coins.

**2.3.4.2. Price control:** Price control is another essential part of monetary policy. Chanakya suggests that markets should be regulated to prevent unfair practices and consumer exploitation. Practices like hoarding, monopoly, etc., should be discouraged. Chanakya acknowledges the need for price controls in certain circumstances, especially during times of crisis or when essential goods are in short supply. He suggests that the state should intervene to regulate prices and prevent excessive inflation or consumer exploitation. The state should use punitive measures like fines, blocklisting, confiscation of goods, imprisonment, etc, to straighten the behavior of people in the economy.

Apart from these two points, Chanakya has indirectly discussed strengthening the monetary policy by introducing solid fiscal measures. By advocating sound financial management practices, including transparent accounting, efficient resource allocation, and measures to prevent fraud and corruption, Chanakya likely aimed to promote stability and confidence in the state's monetary system.

### **3. Relevance of Arthashastra in the current world**

Arthashastra, despite being written a long time ago, is a timeless treasure of knowledge about human behavior, ethics, politics, and economics. It is one of the many ancient documents that has not lost their relevance in the modern world. We can still learn about the principles of fiscal discipline, cannons of taxation, strategic wisdom for policy formulation, and their implementation from the thoughtful insights of Chanakya.

Chanakya's philosophical foundations for economic thought provide a comprehensive framework that integrates ethical values, social norms, and financial principles. Artha, dharma, and raja dharma guide individuals and rulers, shaping economic behavior, governance practices, and policy decisions. By upholding these philosophical ideals, Chanakya seeks to create an economically prosperous, morally upright, just, and equitable society. This establishes the importance of Arthashastra in current times. The Arthashastra shapes our modern thinking in several ways, some of which are stated below:

#### **3.1. Provides the foundation for the strong economic discipline in the Nation:**

Arthashastra through the in-depth details about the taxation structure, types of taxes, and other specifications has generated the depository of knowledge for the policymakers and economists. Studying

the taxation principles prescribed by Kautilya in the Arthashastra offers several valuable lessons that remain pertinent in contemporary economic and fiscal discourse. Some of these lessons are:

**3.1.1. Equitable taxation:** Kautilya advocated the doctrine of equitable taxation way before classical and modern economists like Adam Smith and H. Dalton. Equitable taxation ensures that tax burdens are distributed fairly based on individuals' ability to pay and the socio-economic context.

**3.1.2. Balancing State Revenue with Socio-economic Welfare Activities:** Kautilya emphasized on balanced fiscal budget and efficient use of public money. Along these lines, modern tax policies should also balance revenue generation and socioeconomic welfare objectives, ensuring that taxes are utilized efficiently to promote public welfare, economic growth, and social development.

**3.1.3. Accountability and Transparency:** Modern tax policymakers should follow the doctrines of Arthashastra which has laid down the importance of transparency and accountability in tax administration, with clear rules and procedures for tax assessment, collection, and utilization of tax revenue. This will prompt taxpayer compliance through clear and consistent tax laws, efficient administration, and accountable use of tax revenue.

**3.1.4. Long-term fiscal sustainability:** As explained in Arthashastra, Modern tax policies should be aligned with long-term fiscal sustainability objectives, taking into account factors such as demographic trends, economic growth prospects, and expenditure commitments. This will result in sustainable fiscal standards free from imbalances.

**3.1.5. Minimizing Distortions and Inefficiencies:** Kautilya through Arthashastra advised the policymakers to design the tax system in such a way that minimizes the market distortions and economic inefficiencies. This involves avoiding excessively high tax rates that discourage economic activity and investment while also mitigating tax loopholes and evasion.

### **3.2. Provides historical context and relevance to the modern economic discourses:**

Kautilya's Arthashastra provides a window into ancient India's economic and political dynamics, offering invaluable insights into the governance, administration, and financial policies prevalent during that era. Understanding this historical context enables economists to appreciate the evolution of economic thought and institutions, shedding light on the roots of contemporary financial systems. By discerning the economic principles embedded in ancient texts like the Arthashastra, economists can glean lessons applicable to present-day challenges, enriching their analytical toolkit.

### **3.3. Strategic Wisdom and Policy Formulation:**

At the heart of the Arthashastra lies a profound understanding of statecraft and governance, emphasizing the interplay between economics and politics. Kautilya's strategic insights elucidate the art of policy formulation, encompassing taxation, trade, agriculture, and industry. By studying Kautilya's strategies, economists gain a nuanced understanding of how economic policies can be leveraged as instruments of statecraft to achieve broader political objectives. For example, Kautilya emphasized regulating and controlling trade activities through state intervention, market supervision, and trade policies. He advocated for fair trade practices, price regulations, quality standards, and market stability to ensure orderly commerce, consumer protection, and economic equilibrium. This strategic perspective proves invaluable in advising policymakers and crafting pragmatic economic interventions tailored to specific socio-political contexts.



### **3.4. Ethical Considerations and Moral Governance:**

Kautilya's discourse extends beyond mere economic pragmatism to encompass ethical considerations in governance. The Arthashastra emphasizes the importance of moral values and ethical conduct in decision-making, underscoring the symbiotic relationship between ethical governance and economic prosperity. In an era marked by ethical dilemmas such as income inequality, environmental degradation, and social justice, Kautilya's ethical framework offers profound insights for economists grappling with the ethical dimensions of economic policy. Economists can advocate for policies promoting economic efficiency and moral integrity by integrating ethical considerations into economic discourse.

### **3.5. Power Dynamics and Global Realpolitik:**

The Arthashastra delves into the intricacies of domestic and international power dynamics, shedding light on the strategic calculus underpinning geopolitical maneuvering and international relations. In today's globalized world, understanding these power dynamics is indispensable for economists navigating the complexities of global trade, diplomacy, and conflict resolution. Kautilya's insights illuminate the strategic imperatives shaping contemporary geopolitics, offering economists a nuanced understanding of the geopolitical forces shaping global economic trends and trajectories.

### **3.6. Interdisciplinary Insights and Holistic Understanding:**

Kautilya's approach to economics transcends disciplinary boundaries, integrating elements of politics, sociology, ethics, and psychology into a cohesive framework for understanding human behavior and societal dynamics. By embracing this interdisciplinary perspective, economists can overcome the confines of traditional economic analysis, enriching their understanding of complex socio-economic phenomena. Kautilya's holistic approach encourages economists to adopt a multidimensional lens, fostering a more nuanced and comprehensive understanding of economic systems and their broader societal implications.

### **3.7. Morale boost to the young minds of the nation:**

Since the colonial Raj in India, the Western world has perceived India as a land of snake charmers. The colonized education system and tampered history have depicted that the British crafted the foundation of intellect, ethics, and logical reasoning in India. In another sense, before the British Raj in India, Indians were savages who were civilized by our white colonizers. Unfortunately, this narrative dominated the minds of Westerners and even the youth of India for a very long time. However, with the advent of historical textbooks, manuscripts, and records, it became clear that Indian civilization was more developed than the others and regarded as the "Vishwa Guru." The cannons of taxation given by Chanakya nearly two millennia ago were more sophisticated and had a broader philosophical grounding than those provided by Adam Smith in the 18<sup>th</sup> century. Therefore, the youth of India should recognize its ancestry and feel proud of the civilization that invented zero and economic principles for the growth of Bharatvarsh when others were hunting for their survival.

## **4. Conclusion:**

Indian civilization is one of the oldest civilizations in the world, and it is miserable that it has never received its due. Indian civilization has a rich and ancient history spanning thousands of years, with significant contributions to art, literature, science, philosophy, and more. Despite its immense cultural and

intellectual heritage, the recognition of Indian civilization's contributions has been overlooked or undervalued in global narratives. However, there has been a growing acknowledgment in recent years of the importance and influence of Indian civilization on world history and culture. Efforts to highlight and celebrate its achievements are ongoing in India and internationally. Hopefully, through continued education, research, and appreciation, Indian civilization will increasingly receive the recognition it deserves.

This paper aims to celebrate the economic philosophical groundings propagated by Chanakya when the mere understanding of economics was absent from the other parts of the world. Studying the "Arthashastra" can provide valuable insights into traditional Indian political thought and administrative practices. It's not only relevant for understanding ancient Indian society but also offers lessons that can be applied to contemporary governance and management. By delving into the "Arthashastra," Indians can gain a deeper appreciation of their cultural and intellectual heritage and glean practical wisdom that may apply to various aspects of life and governance. It is an essential text for anyone interested in history, politics, philosophy, or leadership.

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