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Kautilya's Enduring Economic Philosophy and Its Contemporary Relevance

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ABSTRACT

The *Arthashastra*, an influential ancient Indian treatise on statecraft and economic policy, is attributed to Kautilya or Chanakya or Vishnugupta and composed during the rise of the Mauryan Empire. It presents a comprehensive framework for governance that situates economic prosperity (*Artha*) as the foundation of state power and stability. Kautilya's economic philosophy emphasises a strong and interventionist state as the driving force behind growth, security, and public welfare. His detailed prescriptions on public finance, agriculture, trade, and social security resonate with many principles embedded in modern economic systems. Notably, his vision of a welfare-oriented, developmental state prefigures contemporary notions of state-led development, inclusive growth, and strategic trade policy. At the same time, the text reveals a persistent tension between its autocratic, *realpolitik*-driven model of governance and the ideals of liberal democracy and free-market capitalism. Rather than a universal blueprint for development, the *Arthashastra* should be understood as a nuanced and pragmatic intellectual resource, whose enduring significance lies in its welfare-centric approach to statecraft and its ability to provide an alternative perspective to dominant Western economic thought.

KEYWORDS: Artha, Yoga Kshema, Public Finance, Taxation, Industrial Policy

INTRODUCTION

Kautilya was a pivotal figure in ancient Indian history, serving as the chief advisor and prime minister to Chandragupta Maurya, the founder of the Mauryan Empire. His seminal work, the *Arthashastra*, is a comprehensive treatise encompassing nearly all dimensions of governance, including political strategy, military organization, law, administration, and, most prominently, economic policy. Composed around the fourth century BCE, the text functioned as a manual for rulers, offering systematic guidance on consolidating power and governing an expansive empire that extended from Persia to Bengal. Long thought to be lost, the *Arthashastra* was rediscovered in 1905 by the Sanskrit scholar R. Shamasastry, a landmark event that profoundly reshaped the study of ancient Indian political and economic thought.

The *Arthashastra* has been widely acclaimed for its rational and pragmatic approach to governance, as well as for its remarkably advanced economic insights that anticipate several foundational concepts of modern economics. Yet, its applicability to contemporary contexts remains contested, given that it was composed for a monarchical autocracy in a pre-modern era, whereas today's globalized economies largely function within the framework of liberal democracy and market capitalism. While scholars praise the text for its foresight and intellectual depth, it is equally critiqued for endorsing a *realpolitik* worldview, advocating deception, espionage, covert warfare, and pervasive surveillance as legitimate instruments of statecraft.

This paper is an attempt to conduct a rigorous analysis of Kautilya's economic contributions, contending that his vision of a proactive, welfare-oriented state offers a valuable yet complex counterpoint to classical liberal economic theories. By unpacking his core principles and situating them alongside contemporary frameworks, the analysis highlights the striking resonance of his ideas with concepts such as

the developmental state, inclusive growth, and sustainable development. At the same time, this study provides a balanced critique of the authoritarian dimensions of his model, underscoring the intellectual tension between his *realpolitik*-driven approach to governance and the values of modern democratic and market-based systems.

OBJECTIVES

The objectives of the present paper are-

- i. To analyse Kautilya's economic contributions towards Indian Society.
- ii. To elaborate the contemporary relevance of Kautilya's economic ideas.

REVIEW OF LITERATURE

The literature related to Kautilya's economic contributions are as follows-

R. Shamasastri (1951) translated *Arthashastra* and emphasizes *artha* (material prosperity) as the foundation of governance, highlighting the king's duty to protect subjects, ensure justice, and maintain order. It outlines the seven elements of the state and prescribes efficient administration, strict laws, regulated economy, and prevention of corruption. The text stresses the use of espionage for internal security and diplomacy, introduces the Mandala theory of foreign relations with six pragmatic policies, and advocates for both open warfare and covert tactics. Above all, it presents a realist and pragmatic approach to politics, economics, law, and military strategy, prioritizing practical wisdom over idealism.

Rangarajan (1992) provides detailed commentary on Kautilya's views on taxation, trade, labour, and welfare. Rangarajan's work is foundational for understanding the practical applications of Kautilya's economic philosophy.

Mehta (1992) situates Kautilya within the broader spectrum of Indian political philosophy, emphasizing his economic pragmatism and administrative acumen. The author discusses how Kautilya's ideas influenced later Indian governance models.

Boesche (2003) presents Kautilya as a foundational thinker in political realism, comparing him to Machiavelli. His analysis includes Kautilya's economic strategies, particularly the role of wealth in maintaining state power and public order.

Sen (2005) references the *Arthashastra* to highlight India's long tradition of rational discourse and policy debate. He acknowledges Kautilya's contributions to welfare economics and governance.

Colonel P. K. Gautam (2017) explores that Kautilya's *Arthashastra* offers timeless insights into leadership, strategy, and governance. Its emphasis on critical enquiry, intellectual honesty, and the interplay of diplomacy and warfare remains highly relevant. The Mandala Theory, in particular, stands out for its universal application beyond politics and statecraft, extending to business and management in the modern world.

Prasad (2022) analyses the *Arthashastra* as a manual for resource management and strategic governance. He draws parallels between Kautilya's economic strategies and contemporary policy frameworks, especially in developing economies.

D. B. Pawar (2025) explores Kautilya's fiscal policies, particularly his progressive taxation model labour policy, agriculture, welfare mechanisms and ethical governance. Pawar argues that Kautilya's emphasis on balancing state revenue with citizen welfare offers enduring lessons for modern public finance. Kautilya's *Arthashastra* not only deepens our insight into ancient Indian economic systems but also provides enduring lessons for modern economists, policy-makers, and administrators.

METHODOLOGY

The present paper on *Kautilya's Economic Ideas* has been prepared using a qualitative, descriptive, and analytical approach. Since Kautilya's *Arthashastra* is primarily a classical text, the methodology relied on interpretative analysis of secondary sources. A wide range of secondary literature including books, journal articles, and research papers on ancient Indian economy, political economy, and *Arthashastra* commentaries have been reviewed to contextualize and interpret Kautilya's ideas in the light of modern scholarship. The

study employed content analysis to examine Kautilya's economic concepts and their relevance to governance, taxation, public finance, trade regulation, and welfare.

DISCUSSION AND ANALYSIS:

The philosophical and structural foundations of Kautilyan Economics are-

❖ The Meaning of *Artha*: Beyond Material Wealth

The cornerstone of Kautilya's economic philosophy is the concept of *Artha*. The Sanskrit term itself is multifaceted, meaning 'aim,' 'goal,' or 'purpose'. Within the Hindu tradition, *Artha* is recognized as one of the four fundamental aims of human beings, alongside *Dharma* (righteousness), *Kama* (sensual pleasure), and *Moksha* (liberation). In this context, *Artha* refers to the pursuit of worldly goods, material well-being, personal success, stability, and social status. The title of Kautilya's work, *Arthashastra*, translates to 'The Science of Material Gain,' and this nomenclature is deeply significant. Kautilya's worldview elevates *Artha* to a preeminent position. He posits that material well-being is the supreme aim because it is the necessary foundation upon which the other human aspirations i.e. *Dharma* and *Kama* can be pursued. The text asserts that political and spiritual stability cannot be achieved without economic prosperity. The absence of a robust economy, he warns, will lead to the destruction of both current prosperity and future growth. This radical pragmatism places economic strength at the very heart of a sovereign state's power, security, and ability to achieve its higher aims. For Kautilya, a strong economy is not a side-effect of good governance; it is its primary and foundational objective. The term *Varta* is used to describe the science of the national economy, encompassing agriculture, animal husbandry, and trade, underscoring the structured, scientific nature of his economic thought. The conclusion is clear: a weak economy undermines the state's very existence and its ability to provide for its people and defend itself.

❖ The Sovereign and the State: The Principle of *Yoga Kshema*

Kautilya's vision of the state's function is encapsulated in the principle of *Yoga Kshema*, a concept that predates modern welfare economics. *Yoga Kshema* literally translates to the 'acquisition and preservation of well-being' or the 'secure possession of what has been acquired'. It represents the ultimate objective of effective governance, where the sovereign's primary duty is to ensure the happiness and welfare of his subjects. This is articulated in one of the treatise's most famous maxims: In the happiness of his subjects lies the king's happiness, in their welfare, his welfare. He shall not consider as good as only that which pleases him but treat as beneficial to him whatever pleases his subjects.

This principle establishes a unique form of a social contract. While Kautilya advocates for the king's absolute authority, this power is predicated on a reciprocal duty to the people. The state is not merely an enforcer of laws but a 'moral guardian' and 'protector of resources' whose strength is directly tied to the prosperity and contentment of its populace. The ruler is accountable to the ultimate arbiter of instability: the people. If the king burdens his subjects with 'excessive taxation' or fails to manage the state effectively, he risks public 'discontent' and, ultimately, revolt, which can lead to the state's downfall. This establishes a feedback loop, compelling the sovereign to be 'responsive, responsible, and accountable' to his subjects. The fear of civic unrest acts as the ultimate constraint on the king's power, forcing him to act for the common good. This approach, which intertwines the monarch's self-interest with the welfare of his people, is a profound element of Kautilyan statecraft and a testament to his intellectual pragmatism.

❖ Kautilya's Economic Policies: A Detailed Exposition

Public Finance and Taxation

A central pillar of Kautilya's statecraft is the establishment and maintenance of a strong treasury (*kosa*), which he considers the foundation of a sovereign's power. His fiscal policy is meticulously detailed and systematic, built on principles of fairness, stability, and the avoidance of excessive or tyrannical taxation. Kautilya's approach is a sophisticated synthesis of the 'ability to pay' and 'benefit' principles. Taxes were to be levied based on a person's economic status and capacity to pay, which suggests an embryonic form of progressive taxation. He implicitly proposed a linear income tax, where a fixed proportion of income was paid to the state.

A key and forward-thinking tenet of Kautilyan fiscal policy is the strategy to increase the tax base and not the tax rate to increase revenue. He understood that the state could not simply raise taxes to meet its needs; it must first foster an environment of economic growth to expand the number of people and businesses earning income. This is achieved by building taxable capacity through providing infrastructure, which stimulates trade

and commerce. This cyclical relationship ensures that the state and its populace are mutually dependent for prosperity. Kautilya used the analogy of a king collecting revenue just as one plucks fruits from a garden as they ripen, or like a bee collecting honey without harming the plant, to illustrate a sustainable, long-term approach to revenue generation, contrasting sharply with a short-sighted, exploitative model. His system also incorporated rigorous accounting principles and record-keeping to prevent corruption and false accounting.

❖ Agriculture and Rural Economy

Kautilya's economic philosophy is fundamentally agrarian. He repeatedly identifies agriculture as the backbone of the economy and the primary source of state wealth. His policies in this sector are highly interventionist and reflect a deep understanding of the link between resource utilization and state power. The state's role was proactive and comprehensive. The government was responsible for providing direct support to farmers through the construction of irrigation projects, such as canals and water tanks. It also supplied high-quality seeds and other necessary inputs and offered agricultural loans. To oversee these activities, the *Arthashastra* even prescribed a Superintendent of Agriculture (*Sitadhakasha*), a role that is relevant today for government agricultural departments. The treatise's approach to land management is particularly revealing. Kautilya considered land a collective asset, asserting that the state was the ultimate owner of all lands, forests, and water resources. This view is reinforced by a policy that mandated punishment for those who neglect cultivation, with the threat of having their land transferred to someone more willing to cultivate it. This perspective suggests that land ownership was not a purely private right but a privilege that carried a duty to contribute to the economic prosperity of the state. This concept of collective resource stewardship for the greater good foreshadows modern debates on food security and the responsible use of natural resources.

❖ Trade, Commerce, and Industrial Policy

Kautilya's economic system is best described as a mixed economy where both private enterprise and state-owned activities coexist and are tightly regulated. The state maintained a monopoly over key strategic industries and resources such as gold, silver, iron, and mining, ensuring a steady revenue stream and control over critical sectors for national security. Concurrently, private enterprise was permitted in sectors like agriculture, arts, and crafts. The state also held monopolies over certain social goods and vices, including the manufacture and sale of liquor, gambling, and betting. The state's role was not to stifle the market but to control and guide it. Kautilya advocated for the regulation of markets to prevent dishonest practices such as hoarding, speculation, and collusion among traders. The state fixed profit margins to ensure fair trade (e.g., 5% on indigenous goods and 10% on imported goods), which prevented profiteering. The higher profit margin for imported goods is a particularly fascinating detail; it demonstrates Kautilya's awareness of risk and incentive, as the increased profit compensates foreign traders for the higher risk involved in transporting goods. Furthermore, foreign trade was actively encouraged through incentives such as special tax dispensations and protection from lawsuits, reflecting a strategic understanding of diplomacy and economic ties. Kautilya's balanced approach to trade, where the state regulates key industries while allowing for open markets, can be seen as a precursor to modern trade policies that balance free-market principles with state oversight.

❖ Infrastructure and Social Welfare

Kautilya viewed infrastructure development as a critical component of economic growth and a core responsibility of the state. He advocated for a wide-ranging public works policy to build essential facilities like roads, bridges, and canals, which he believed would stimulate economic activity, facilitate trade, and improve the living conditions of citizens. This focus on public works served a dual purpose: it boosted overall economic productivity while also providing employment, thereby serving a micro-level welfare function. The state's role, however, extended far beyond infrastructure. Kautilya believed that it was the prime duty of the state to provide for the welfare of its citizens, especially the vulnerable. The treatise outlines the state's responsibility to care for orphans, widows, the elderly, and the disabled. It also mandates the state to provide charitable institutions and poor houses for the destitute, and to create jobs for the unemployed. The text even provides guidelines for dealing with economic crises, such as famines or droughts, by advising the state to stockpile reserves and create relief measures. The emphasis on proper working conditions, training, and social security for labour further underscores Kautilya's concern for human development and dignity, which is a surprisingly progressive stance for an ancient text. This proactive and holistic approach to public welfare, central to the concept of *Yoga Kshema*, aligns Kautilya with modern developmental and welfare economics.

❖ Kautilya and the Modern Developmental State

Kautilya's economic model is fundamentally a state-centric one, where the state is not a passive regulator but a proactive and active participant in managing resources and fostering economic growth. This vision is a stark contrast to classical liberal economic thought, which advocates for minimal state intervention and relies on the invisible hand of the market to allocate resources. The parallels between Kautilya's model and the modern developmental state are undeniable.

Modern developmental states, such as those that emerged in East Asia (e.g., South Korea and Taiwan) in the mid-20th century, employed government-directed strategies to achieve rapid industrialization and economic growth. Like Kautilya's state, these modern nations established a strong, centralized bureaucracy to guide economic policy, invested heavily in infrastructure and key sectors, and employed a strategic mix of state-owned enterprises and private firms. The historical success of these nations provides powerful validation for Kautilya's core premise that a proactive state can be a critical catalyst for economic development, particularly in developing economies. His framework offers a compelling intellectual blueprint that exists outside the Western liberal tradition, providing an alternative path to prosperity.

❖ The *Yoga Kshema* Model and Modern Welfare Economics

The philosophical core of Kautilya's economics, centered on *Yoga Kshema*, aligns directly with modern concepts of welfare economics and inclusive growth. Kautilya's mandate for the king to provide social security and a safety net for the poor, unemployed, and marginalized demonstrates a strategic understanding that a state's true strength lies not just in its military might or treasury, but in the well-being and loyalty of its populace. This is not presented as a form of charity, but as a strategic investment in human capital and social stability. By providing basic necessities and social security, the state prevents civil unrest and empowers its populace to become productive contributors to the economy.

Kautilya's ideas resonate with modern debates on social justice and poverty alleviation, particularly in India, where economic reforms have led to growing income inequality. His emphasis on the state's proactive role in helping the helpless and ensuring protection against starvation is a radical social vision for an ancient text and remains a core objective of many modern states. This vision demonstrates that Kautilya's model is not a simple police state but a holistic welfare state that understands the link between a happy, secure population and a prosperous, stable nation.

❖ Governance, Accountability, and Anti-Corruption

Beyond economic policy, Kautilya's administrative principles offer a rich source of modern relevance. He outlined a detailed, centralized bureaucracy with clearly defined roles for officials, emphasizing the need for a responsive and responsible administration. His views on corruption are particularly prescient. He famously stated that it is as difficult to detect corruption in a government official as it is to know when a fish moving in water is drinking it. To address this challenge, he proposed a pragmatic anti-corruption strategy: paying efficiency wages to key ministers and executives to remove the temptation to steal, while simultaneously subjecting them to active surveillance and severe punishment for malfeasance, including death.

This dual approach, which combines positive incentives with harsh deterrence, reflects a sophisticated understanding of bureaucratic incentives and the principal-agent problem. Modern administrations in countries like Singapore and Australia have adopted similar principles, offering high pay to top officials while holding them to account for results. In India, Kautilya's emphasis on accountability, ethical standards, and the fight against corruption remains highly relevant, with his ideas paralleled in recommendations from modern governance commissions. The enduring nature of his insights on human fallibility and the need for a multi-faceted approach to institutional integrity is what makes his administrative principles so timeless.

Critical Appraisal: The Limits of Comparison

• The Centralized Statist Model: A Liberal Critique

Despite its profound insights, Kautilya's model is fundamentally an autocratic one that clashes with the core tenets of modern liberal democracy. His philosophical framework of 'realpolitik' asserts that the state is paramount and that the king must use any means necessary to preserve and expand its power, including deception, spies, and covert warfare. This approach has been described as 'truly radical Machiavellianism'. The model's reliance on centralized economic planning and state control, while having parallels with successful developmental states, is antithetical to the principles of a free market. A highly centralized system, as described in Kautilya's work, can suffer from classic command economy drawbacks: a lack of competition can inhibit innovation and efficiency, while a monolithic government may be slow to respond to the needs

and preferences of consumers. Kautilya's system, which gives the state ultimate authority, presents a potential for bureaucratic overreach and the suppression of market dynamism that is irreconcilable with modern Western economic thought and its emphasis on individual liberty and transparent governance. The reliance on a king's personal virtue and a network of spies is a poor substitute for institutional checks and balances.

• **Historical Context vs. Universal Applicability**

A nuanced understanding of the *Arthashastra* requires acknowledging its historical and contextual limitations. Scholars have long debated the authorship and dating of the text, with some evidence suggesting it was a compilation by multiple authors over several centuries, rather than a single work written by Kautilya himself. This challenges the notion of a single, flawless blueprint for governance. Furthermore, the text reflects the social norms of its time, explicitly referencing and incorporating the caste system and the existence of slavery, which are fundamentally incompatible with modern human rights and social values. Most importantly, Kautilya himself demonstrated a degree of intellectual humility by acknowledging that his economic system was designed for the specific social and political setting of the Mauryan period and was not necessarily applicable for all times nor to all social settings. This critical perspective, embedded within the text itself, is a testament to his intellectual pragmatism. It provides a crucial directive for modern analysis: rather than attempting to apply the

Arthashastra as a wholesale solution, one must critically filter its anachronistic prescriptions and extract the timeless, enduring insights. The ultimate value of the text lies not in its specific rules for a monarch, but in its profound, underlying principles of statecraft and its unwavering focus on the relationship between a strong, prosperous economy and a stable, welfare-oriented state.

Contemporary Relevance of the economic Ideas of Kautilya

- Kautilya's principles of taxation, as outlined in the *Arthashastra*, reveal remarkable foresight and continue to resonate with modern fiscal concepts, though in different forms. He emphasized fairness and ability to pay, arguing that taxes should be based on a person's economic capacity and status, a notion that parallels today's progressive taxation, where higher-income groups contribute a larger share of their earnings. Kautilya also cautioned against excessive taxation, warning that overburdening subjects could lead to discontent and rebellion. This aligns with the modern Laffer Curve in fiscal policy, which suggests that very high tax rates can discourage productivity and reduce total revenue.
- Instead of simply raising tax rates, Kautilya stressed the importance of broadening the tax base by fostering economic growth and building infrastructure, an idea that echoes supply-side economics, which seeks to expand aggregate supply by improving business and production conditions. He further insisted on timely collection, ensuring taxes were levied only when due, such as after harvests, which corresponds with modern tax schedules that tie compliance to income realization. Finally, Kautilya placed great importance on anti-corruption measures, advocating for strict accounting, record-keeping, and severe punishments for dishonest officials. This principle mirrors contemporary efforts at ensuring tax compliance and anti-evasion, which rely on audits, penalties, and institutional reforms to protect state revenue and maintain public trust.
- Kautilya's economic model, classical liberalism, and the modern developmental state represent three distinct approaches to economic organization, each reflecting the priorities of its time. In Kautilya's *Arthashastra*, the state is envisioned as the primary catalyst for growth, actively intervening in economic life through investment, regulation, and control of strategic sectors. This contrasts sharply with classical liberalism, which advocates for minimal state involvement under the principle of *laissez-faire*, allowing markets and competition to regulate themselves. The modern developmental state, however, stands closer to Kautilya's vision, where governments adopt an active and strategic role in guiding growth and protecting critical industries, though often with greater reliance on private enterprise.
- In terms of market regulation, Kautilya emphasized strict oversight to prevent hoarding, speculation, and exploitation, reflecting his concern for consumer protection and stability. By contrast, classical liberalism relies on the invisible hand of free markets to ensure efficiency, while the modern developmental state uses strategic regulation to nurture nascent industries and attract investment. Their social goals also differ: for Kautilya, the supreme objective was *Yoga Kshema* the welfare and happiness of the people; for classical liberals, individual self-interest and profit maximization were expected to yield collective well-being; while in the modern developmental state, economic growth takes precedence, with welfare treated as either a supportive measure or an outcome of development.
- Structurally, Kautilya envisioned a mixed economy, with private participation alongside state monopolies in strategic sectors like mines, forests, and trade. Classical liberalism, in contrast, assumes private

ownership of the means of production, while the modern developmental state maintains a hybrid structure, combining state-owned enterprises in key areas with private firms driving much of the economy. Each model faces critiques: Kautilya's system risks corruption, political repression, and limited innovation; classical liberalism often neglects worker welfare and can enable monopolies; and the developmental state, while growth-oriented, is vulnerable to bureaucratic inefficiency, corruption, and restrictions on market dynamism.

- Kautilya's *Arthashastra* contains ideas that continue to hold enduring relevance in the modern world, alongside doctrines that conflict with contemporary democratic and ethical values. Its advocacy of the welfare state and social security reflects modern expectations that governments must provide for the poor and vulnerable, ensuring inclusive development. Similarly, the concept of a developmental state resonates with today's practices where governments actively invest in infrastructure and strategic sectors to stimulate growth. The stress on fiscal prudence through fair taxation, careful financial management, and anti-corruption measures remains a timeless principle for economic stability. Furthermore, Kautilya's emphasis on market regulation to prevent hoarding, speculation, and exploitation anticipates modern consumer protection laws. The importance he places on human capital, especially training, discipline, and proper working conditions for labour, aligns with contemporary policies promoting skill development and workforce welfare. On the other hand, certain doctrines of the *Arthashastra* are irreconcilable with modern democratic and ethical frameworks. Its justification of autocratic rule, where the king's absolute authority is unquestioned, clashes with the principles of democracy, accountability, and citizen participation. The reliance on realpolitik and deception, including espionage, manipulation, and covert warfare, conflicts with modern ideals of transparency and international cooperation. The acceptance of caste hierarchy and slavery as a social foundation is fundamentally opposed to contemporary notions of equality and human rights. Similarly, centralized control of industries without checks and balances undermines free-market principles and risks inefficiency and abuse of power. Finally, the idea that the ends justify the means, allowing power and wealth to take precedence over morality, is incompatible with modern governance, where ethics, justice, and human dignity are central values.

CONCLUSION

Kautilya's economic contributions, as detailed in the *Arthashastra*, offer a comprehensive and pragmatic vision of statecraft. His philosophy, rooted in the supremacy of *Artha* as the foundation for a stable state, provides a powerful blueprint for a strong, proactive, and welfare-oriented state. His specific insights into public finance, including the principles of fair taxation and increasing the tax base through infrastructure investment, remain remarkably relevant. His policies on agriculture and trade, which involve a mixed economy and strategic state intervention, foreshadow modern developmental models and strategic trade policies. Kautilya's most enduring legacy is arguably the principle of *Yoga Kshema*, which posits the welfare and happiness of the people as the supreme objective of the state. This vision resonates deeply with modern concepts of welfare economics, inclusive growth, and social justice, offering a powerful reminder that a nation's strength is inextricably linked to the well-being of its citizens. His views on governance, accountability, and anti-corruption also provide valuable lessons for modern bureaucracies grappling with issues of integrity and efficiency. In a final assessment, Kautilya's legacy is a blend of profound, timeless insights and specific, outdated prescriptions. His model of a mixed economy, guided by a pragmatic yet welfare-oriented state, offers a powerful intellectual framework for nations navigating the complexities of globalization and development. However, the intellectual framework's autocratic and ends-justify-the-means philosophical underpinnings must be critically appraised and divorced from the universal principles it contains. The *Arthashastra* is a testament to the sophistication of ancient Indian thought, providing a rich, nuanced, and still-debated contribution to the history of economic ideas that continues to offer a compelling alternative perspective to the prevailing orthodoxies of modern economic thought.

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