Chapter 5
The Age of Industrialisation

❖ Before the Industrial Revolution

- **Proto-industrialisation:** There was large-scale industrial production for an international market not based on factories. It was controlled by merchants and the goods were produced by a vast number of producers working within their family farms, not in factories.

- **17th and 18th century:** Merchants from the towns of Europe began moving to the countryside, supplying money to peasants and artisans, persuading them to produce for an international market. Merchants offered advances for producing clothes for them at a time when open fields were disappearing and commons were being enclosed. Income from proto-industrial production supplemented their shrinking income from cultivation.

❖ The Coming Up of the Factory

- **1730s:** The earliest factories in England came up.
- First symbol of the new era was cotton.
- Inventions in the 18th century increased the efficacy of each step of production (carding, twisting, spinning and rolling). The output per worker also rose.
- Richard Arkwright invented the cotton mill. Mill production of cotton started, which allowed a more careful supervision over the production process.
- Cotton became the leading sector in the first phase of industrialization.

❖ The Pace of Industrial Change

- The expansion of railways in England and its colonies rapidly increased the demand for iron and steel.
- The new, technologically advanced industrial sectors could not easily displace the traditional industries. Textiles were still produced within domestic units and not in factories.
- The high cost of machines and the uncertainty of their performance made technological changes slow. Merchants and industrialists were cautious about accepting and using the new technology.
- **1781:** James Watt improved the steam engine produced by Newcomen and patented the new engine.

❖ Importance of Hand Labour

- Introduction of machines required large capital investment. Hence, cheap labour was preferred over the use of machines.
- Manual labour was also preferred in the industries where production fluctuated with seasons.
• Goods with intricate designs and specific shapes were in great demand in the European markets. This was possible only with hand labour and not machine outputs.
• The aristocrats and the bourgeoisie in Victorian Britain preferred the refined and carefully handmade products; machine made goods were for the colonies.

❖ Life of the Workers
• Large scale migrations to towns and cities from countryside in search of jobs.
• Many job-seekers had to wait weeks, spending nights under bridges or in night shelters.
• Workers became jobless after the busy season of work got over.
• Some returned to the countryside when the demand for labour in the rural areas opened up.
• Most people looked for odd-jobs, which till the mid-19th century were difficult to find.
• The fear of unemployment made workers hostile to the introduction of new technology. Women who survived on hand-spinning began protesting when the Spinning Jenny was introduced.

❖ The Age of Indian Textiles
• Before the age of machines, silk and cotton goods from India dominated the international textile market.
• Armenian and Persian merchants took goods from Punjab to Afghanistan, Eastern Persia and Central Asia.
• Surat on Gujarat coast connected India to the Gulf and the Red Sea ports.
• Masulipatam on the Coromandel Coast and Hooghly in Bengal had trade links with Southeast Asian ports.
• A variety of Indian merchants and traders were involved in this network of export trade, financing production, carrying goods and supplying exporters. They gave advances to the weavers, procured the woven cloth from weaving villages and carried the supply to the ports.
• The European companies gradually gained power and monopoly rights.
• Trade through the new ports of Calcutta and Mumbai came to be controlled by the European companies.

❖ Plight of Weavers
• The East India Company gained monopoly rights over the Indian textile trade. It tried to eliminate the existing traders and brokers connected with the cloth trade and established direct control over the weavers.
• A paid servant called the gomastha was appointed for supervising weavers, collecting supply and examining the quality of cloth.
• The Company prevented the weavers from dealing with other buyers.
Once the order was placed, the weavers were given loans for purchasing raw material for production. The produced cloth was to be handed over to the gomastha.

The new gomasthas had no social link with the village. They acted arrogantly, marched into villages with sepoys and peons and punished weavers for delays in supply.

The price received by weavers from the Company was miserably low and the loans that they had accepted tied them to the Company.

In Carnatic and Bengal weavers deserted villages and migrated, setting up looms in other villages where they had some family relation. Elsewhere, the weavers along with the village traders revolted, opposing the Company and its officials.

Weavers began refusing loans, closing down their workshops and taking to agricultural labour.

**British Textiles in India**

- The British industrialists pressurized the government to impose duties on cotton textiles so that Manchester goods could sell in Britain without any outside competition.
- The industrialists also persuaded the East India Company for selling the British manufactures in the Indian markets.
- Exports of British cotton goods increased dramatically in the early 19th century.
- The export market of the Indian cotton weavers collapsed and the local market shrank, being glutted with cheap Manchester imports.
- The weavers could not get sufficient supply of good quality raw cotton. Weavers in India were starved of supplies and forced to buy raw cotton at exorbitant prices.
- By the end of the 19th century, factories in India began production, flooding the markets with machine-made goods. Consequently, the weaving industry decayed and died.

**Factories in India**

- **1854:** First cotton mill came up in Bombay
- **1855:** The first jute mill came up; and another one in 1862
- **1860s:** The Elgin mill was started in Kanpur
- **1861:** The first cotton mill of Ahmadabad was set up
- **1874:** The first spinning and weaving mill of Madras began production

**The Early Entrepreneurs**

- The British in India began exporting opium to China and took tea from China to England. Many Indians participated in this trade by providing finance, procuring supplies and shipping consignments.
- In Bengal, **Dwarkanath Tagore** made his fortune in the China trade and established six joint-stock companies in the 1830s and 1840s.
- In Bombay, Dinshaw Petit and Jamsetjee Nusserwanjee Tata built huge industrial empires in India. They accumulated their initial wealth partly from exports to China and partly from raw cotton shipments to England.
- Merchants from Madras traded with Burma, Middle East and East Africa.
- Other trading activities included carrying goods from one place to another, banking, transferring funds between cities and financing traders.
- However, Indian traders were barred from trading with Europe in manufactured goods and had to export raw materials and food grains required by the British. They were also gradually edged out of the shipping business.

**Workers**
- In most industrial regions, workers came from the nearby districts
- The job-seekers were always more than the jobs available.
- Industrialists employed a jobber for getting new recruits. He got people from his village, ensured them jobs, helped them settle in the city and provided them money in times of crisis.

**The Peculiarities of Industrial Growth**
- The European Managing Agencies established tea and coffee plantations, acquiring land at cheap rates from the colonial governments. They also invested in mining, indigo and jute.
- Since yarn was not an important part of British imports into India, the early cotton mills in India produced coarse cotton yarn rather than fabric. The yarn produced in Indian spinning mills was used by handloom weavers in India or exported to China.
- Nationalists during the Swadeshi movement mobilized people to boycott foreign cloth.
- Industrial groups organized themselves to protect their collective interests, pressurizing the government to increase tariff protection and grant other concessions.
- From 1906, the export of Indian yarn to China declined since produce from Chinese and Japanese mills flooded the Chinese market.
- **1900 and 1912:** Cotton piece goods production in India doubled
- With British mills busy with war production to meet the needs of the army, Manchester imports into India declined. As the war prolonged, Indian factories were called upon to supply war needs including jute bags, cloth for army uniforms, tents and leather boots, horse and mule saddles and a host of other items.
- Industrial production boomed owing to the increase in the working hours and the establishment of new factories.
- Unable to modernize and compete with the US, Germany and Japan, the British economy crumbled after the war. Cotton production collapsed and exports of cotton cloth from Britain fell dramatically.
• Within the colonies, local industries substituted the foreign manufactures and captured the home market.

❖ Small-scale Industries
• Large industries formed only a small segment of the economy. Most of them were located in Bombay and Bengal.
• Most of the workers worked in small workshops and household units.
• While cheap machine-made thread wiped out the spinning industry in the 19th century, the weavers survived. Handloom cloth-production expanded steadily between 1900 and 1940.
• Technological changes and other small innovations made the handloom cloth-production rise. By the second decade of the 20th century, weavers used looms with a fly shuttle.
• Amongst weavers, some produced coarse cloth while others wove finer varieties. The coarser cloth was bought by the poor and its demand fluctuated violently along with the fluctuations in their incomes. The finer ones were bought by the rich and its demand was constant.

❖ Market for Goods
• New consumers were created through advertisements. Advertisements expanded the markets for products and shaped a new consumer culture.
• The label was needed for making the name and the place of manufacture and the name of the company familiar to the buyer.
• Images of Indian gods and goddesses were imprinted on goods for making a foreign product familiar to the Indian masses.
• Calendars were used for advertisements.
• Figures of important personages adorned advertisements and calendars.
• Advertisements became a vehicle of the nationalist message of Swadeshi.

Contribute to this Revision Note:
If you find anything of importance missing from this note, email it to us at revision-notes@meritnation.com, and we’ll add it to this note under your name!