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De-industrialization and Industrialization in India during Colonial Period: An Appraisal of Theoretical Implications, Conventional Approaches and Alternative Perspective

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Abstract:
This paper explores the context of different models of de-industrialization and industrialization, which connected to social structural change, by going through existing narratives, whether Marxist or functionalist, derived largely from the complex historical experiences of Western Europe, especially Britain, which is seated in our historical consciousness as a lens to examine various narratives of different geographical location in different set of time to set universal postulates. On closer examination of the Indian economy, this essay sets out shared assumptions, common to Marxism and functionalism with new recent research about the character of economic development as a social process, by unfurling the dynamism and complexities of socio-economic nature of the Indian economy, which offers some alternative perspective.

Keywords: De-industrialization, Industrialization, 19th and 20th Century India.

Introduction:

The various perspectives, theories or models of dissolution as well as industrialization and social change can be presupposed on closer evaluation, by going through different sets of view, which have emerged round the process of de-industrialization and industrialization, whether the evidence suggested by Marxist, functionalist, Nationalist economists, modern researchers and foreign scholars. The most of the narratives have been derived from so many past historical experiences of Western Europe regarding the old set of industries, this included social theories by reading in special respect to trace historical development, which is deep-seated in our historiographical consciousness and can be used as yard-sticks to evaluate the economic development.

De-industrialization and rise of industrialization have been taken since a long time, which is seated upon fundamental differences of intellectual narratives over traditions, conceptual framework also includes political values, which gives diverse set of forms of economic development, and this sometimes shares similar assumptions, at some parts criticized, or disclaim by historians some of the assumptions upon which they are based, and few aspects continue to be pervasive in the analysis of economic development in India, West and the Third World. So, by tracing these common assumptions, which are shared partly by different schools of thoughts about the character of discontinuation of old sets of forms and Industrialization as a social continuous changing process. One school of thought represented by Daniel

Thorner tends to argue that de-industrialization might have appeared in the early 19th century but the evidence of industrialization was clearly visible in the last decade of the 19th century and the early 20th century. Secondly, to the U.S. scholar Morris D. Morris the stage of de-industrialization in India was highly difficult to find. Nationalist economists, however, had no doubt about deindustrialization.

In support of their assertion, sub-divided the hypothesis of De-industrialization into two categories, believer or non-believer, in which believers are Daniel Thorner, who used census data from 1881-1931 and index of Manufacturing workforce, R.C. Dutt (on the basis of external trade statistics), Karl Marx, M.M. Malabya, Amiya Bagchi, M.Davis, by concluding, there was no increase in per-capita income from 1757-1947. On the other side, Morris D. Morris, W.H. Moreland, European travelers and British factory records, by saying deindustrialization was a myth. As per Karl Marx, destruction of the old socio-economic system was a necessary step in the way of India's progress on modern lines.

However, Marx himself did not rule out the possibility that under certain circumstances, capitalism might not effectively breach pre-capitalist modes of production process, by saying that 'The obstacles presented by the internal solidity and organization of pre-capitalist national modes of production to the corrosive influences of trade and commerce', he observed, 'it is strikingly illustrated in the intercourse of the English with India and China'.[1] His theory of industrialization and class formation rested over the pillars of carapace of modernization theory by the evolution of classes, which develops capitalist mode of production considered as progressive evolution of the market economy, it increases competition and enhanced bourgeois dominance, ultimately ruined peasantry class and witnesses the growth of proletariat class as well as capitalist industry. Where the factory system takes as new social order, it has a transitional phase from manufacture to modern industry, formal to real subsumption of labor intensive to labor capital. In Marxian tradition, the factory system attained its centrality, but in the words of Landes' 'continuous evolution of class as a new breed of worker'.[2] The hypothesis is mostly derived from the empirical study of the twentieth-century, especially by considering the case of under-developing country like India.[3]

Industrial revolution in Britain had been taken as a lens to see the industrial development of India because it tells us the fundamental conception of the underlying social processes of industrialization, then, this model had been made originally for the fine carving upon Indian stone. It gives stress upon transformative forces, and sources like capital accumulation, entrepreneurial initiative, large-scale industry, socio-economic relations, capital labour, which establishes a firm grip on Indian economic history. When the set of formation of understanding starts then it would go back on itself the whole layering of the effects of economic developments.[4]

On the other hand, the hypothesis put forward by Nationalists' historians such as; R.C. Dutt is of the opinion that under the colonial economy, water was sacked from Indian soil but not returned back to India,

[1] Karl Marx, Capital (New York, I967), III, 333-4, cited by R. Brenner, "The Origins of Capitalist Development: A Critique of Neo-Smithian Marxism," *New Left Review*, CIV, fn. 2 (1977): 26.

[2] develop these types of concepts in historical analysis, see G. Stedman Jones, "Class Struggle and the Industrial Revolution," *New Left Review*, XC (I975): 35-69. See also, G. Stedman Jones, *The Languages of Class: Studies in English Working Class History 1832-1982* (Cambridge, 1983), 1-24.

[3] F. Crouzet, "An Ess Etienne Balibar, 'Basic Concepts of Historical Materialism," in L. Althusser and E. Balibar, *Reading Capital* (London, 1970). For an attempt today in Historiography', in idem, Capital Formation in the Industrial Revolution (London, 1972), 11.

[4] A. K. Bagchi, *Private Investment in India, 1900-1939* (Cambridge, I972); R. K. Ray, *Industrialization in India: Growth and Conflict in the Private Corporate Sector, 1914-1947* (Delhi: Oxford University Press, I979); M. D. Morris, "The Growth of Large-Scale Industry,", in D. Kumar (ed.), *The Cambridge Economic History of India* [henceforth CEHI], vol. II, 750-c. 1970 (Cambridge, 1983): 553-676.

as it goes to England. Whereas, M.G. Ranada's emphasis on social backwardness has been reiterated. Parthasarathi, highlights the view point on the limited historical evidence which makes India largely dependent on European observers and talks about the dynamic culture of technical knowledge existing in India.[5] Amiya Bagchi observed that 'India remained the major importer of cotton goods or finished textiles from Britain, often taking more than forty per cent of the British exports'. On the other hand Morris D. Morris, W.H. Moreland believed that India was underdeveloped when the British gradually conquered, then it's the implication that British conquest of India was beneficial for the economy, society and polity. When two societies interact then advanced and well-established society establishes its control over less, and at the same time less advanced society gains from technology and organization of advanced society. It was observed thus, India was on the road of industrialization from the half of nineteenth century onwards, perhaps ever reaching its final destination, so, to understand layering of industrialization, must have to go through so many alternative perspectives as a special model of its own by understanding existing models which in need of revision. Furthermore, the history of de-industrialization and industrialization have been seen from the lens of the West, because it was primarily to sense evolution of factories from conventional production methods as well as to see development of market economy, and change in social structure. For India, there is no single or simple evolutionary schemata that can be applied to its social and economic development, there is need to go beyond the layers of existing models of understanding, because it has long historical roots before colonial rule. Functionalist writings for the industrializing concept, says there are so many paths existing for common goal industrialization, in this way society has to go through from so many structural changes of stage towards development, every one has its own peculiar economic process and their impacts also differs.[6]

Debate on Modernization v/s Modernity

Economists seek the causes as in a timeless theory towards economic development, while economic historians find them in a dynamic process of historical change. Historically, the context of modern textile and traditional handloom units were inter-related in terms of technology and skills, they are often put forward by two segregated contexts, in this regard there is apparent distinction between modernization as a historical process and modernity as condition in a continuous evolution of industry. However, this dichotomy did not completely exist in the context of Indian modern industry as well as the handloom industry or cottage industry.[7] As per estimates of Kaviraj (2005), late-colonial and post-colonial attempts to instantiate modernity are plural and diverse, because it comes from different normative models of

[5] Prasannan Parthasarathi, *Why Europe Grew Rich and Asia Did Not* (Cambridge University Press, 2011), 187.

[6] C. Kerr, F. H. Harbison, J. T. Dunlop and C. A. Myers, *Industrialism and Industrial Man: The Problems of Labour and Management in Economic Growth* (Cambridge: Harvard University Press, 1960), 33; C. Kerr and A. Seigel, "The Structuring of the Labour Force in Industrial Society," *Industrial and Labour Relations Review*, VIII, 2 (I955), 51-68; B. E. Hoselitz and W. E. Moore (eds), *Industrialization and Society: Proceedings of the Chicago Conference on Social Implications of Industrialization and Technical Change* (Paris: UNESCO, Mouton, 1963); W. E. Moore and A. S. Feldman (eds), *Labour Commitment and Social Change in Developing Areas* (New York: Social Science Research Council, I960); N. J. Smelser, *Social Change in the Industrial Revolution: An Application of Theory to the Lancashire Cotton Industry* (London: Routledge, 1959); idem, *Theory of Collective Behavior* (New York: The Free Press, I963).

[7] Santosh Kumar Rai, "Colonial Knowledge Economy: Handloom Weavers in Early Twentieth-Century United Provinces, India" *International Review of Social History* Vol 67, no. 3 (2022): 1-2.

modernity.[8] According to Sudipta Kaviraj, modernity is not a uniform term, but it's a homogeneous process which comprises uneven elements and sequential combination of several interconnected processes of social change.

As it was first experienced by Western European countries, during the industrial revolution, where modernity comprises historical contingent by combining diverse elements directly or indirectly, resulting in fabrication of different histories of modern economy under different geographic and socio-economic circumstances.[9] As per Swati Chattopadhyay, emphasized more on fault lines existed in the modernity in overseas colonies, as resultant in adaptations by the inhabitants of each colony through intentional, reflective and strategic use of certain practices or forms of modernity led to economic translation or adaptation of the Western ideals of socio-economic change, progress, and distribution of public sphere and private life to give them suitable definition which suits Indian setting for polarizing the modernity. Whereas, there are so many nuances that exist in the notion of interracial mixing, hybridity and corruption of identity through the lenses of exposure of foreign ideas and practices.[10] Basically, all these statements provide a deep theoretical lens to evaluate and better understand, how colonial rhetoric and policies induced different local complex responses and yielded varied experiences and results. Santosh Kumar Rai says that Colonial enlightenment and indigenous elites often established a notion of hierarchy that gives emphasis on the manufacturing sciences as preconditioned and often devalued other conventional or non-European methods of production by saying it to be unscientific.[11]

Theoretical Implications and Dynamics of Traditional Industries in India

Most historians agreed that handicrafts production had declined in the nineteenth-century, and this decline had affected different regions at different times with varying degrees.[12] Here the question arises, how far has the process of decline gone? Whereas some historians say in support of dissolution, by saying that it was an inevitable phenomena world-wide, where different countries affected at different times and it was the integral part of the Industrial Revolution to transform into a factory system.[13] Nationalist historians, believed that due to shifts in demands of Western cloths and tastes, contributed responses towards colonial modernity and changing consumer patterns, resulting in the diversion in consumers' demand from

[8] Partha Chatterjee, *Nationalist Thought and the Colonial World: A Derivative Discourse?* (Minneapolis: Minnesota Press, 1986), chs 1–2.

[9] Sudipta Kaviraj, "An Outline of a Revisionist Theory of Modernity," *European Journal of Sociology*, 46, no. 3 (2005): 497–526

[10] Pulak Naranyan Dhar, "Bengal Renaissance: A Study in Social Contradictions," *Social Scientist*, Vol 15, no. 1 (1987): 26–45.

[11] Santosh Kumar Rai, "Colonial Knowledge Economy: Handloom Weavers in Early Twentieth-Century United Provinces, India" *International Review of Social History* Vol 67, no. 3 (2022): 4.

[12] A. K. Bagchi, "De-Industrialization in Gangetic Bihar, 1809-1901," in B. De (ed.), *Essays in Honour of Professor S. C. Sarkar* (Delhi: People's Publishing House, 1976): 499-522; A. K. Bagchi, "De-Industrialization in India in the Nineteenth Century: Some Theoretical Implications," *Journal of Development Studies* XII, no. 2 (1976): 35-64; Morris, The Growth of Large-Scale Industry to 1947 (Cambridge University Press, 1983) 668-76; M. J. Twomey, "Employment in Nineteenth Century Indian Textiles," *Explorations in Entrepreneurial History* XX, I (1983): 37-57; G. Pandey, "Economic Dislocation in Nineteenth Century Eastern Uttar Pradesh: Some Implications of the Decline of Artisanal Industry in Colonial India," in P. Robb (ed.), *Rural South Asia: Linkages, Change and Development* (London, I983): 89-I29; M. Vicziany, "The De-Industrialization of India in the Nineteenth Century: A Methodological Critique of Amiya Kumar Bagchi," *IESHR*, XVI, 2 (I979), 105-143; A. K. Bagchi, 'A Reply', ibid., XVI, 2 (I979), 147-61.

[13] D. Thorner and A. Thorner, *Land and Labour in India* (Bombay: Asia Publication House, 1962), 7.

traditional goods.[14] Eventually, it created hardship and crises for the handloom industry. Nationalist also believed that the survival of the handloom sector hinged on adopting new ideas, by continuous fusion of them with old and actions to remain relevant.[15]

Diffusionist approach takes industrialization as a focal point, not only to trace the prospects for economic development in India, but also for explanation of failure during colonial economy, where absence of preconditions existed to explain modest scale of industrialization. Economic backwardness, itself explained in terms of failure of Indian social structure to attain industrialization. Recent research found that, whatever the approaches towards development of the economy had been taken, it was distorted and diverted into less fruitful channels because of the continuous penetration of colonial power.[16] In the process of continuous change, there was a lack of an array of social, political and economic precondition for the development of an institutionalized capacity to eradicate obstacles to solve new problems.[17] In one view, in India the need of appropriate circumstances for industrial development did not exist because of biased approaches which systematically destroyed and controlled the growing opportunities by colonial rule[18]. Whereas in other viewpoints, capital was scarce and immobile, due to poor quality of labor which was abundant, apart from this, the technology was so conventional, backward and static in nature.[19] Morris further argued that during the 18th century, the technology of iron manufacture was very backward due to which their whole output suffered, which resulted in limited supply of iron and used sparingly. But the technology could not be improved and there remained a lack of innovation because of small demand which was enough to be absorbed through adjustment.[20]

Handloom industries had played a key role in debates about the Indian industrialization, where standard narrative had seated regarding industrialization as in the rise of mechanized factories, in which, artisans have a marginal role in the whole narrative. This kind of deficiency is felt in the debate of industrialization of Bagchi, *Private investment,* and Morris, 'Growth of large-scale industry'. On the other hand another work come up for the sake of modernization and developmental models, historians such as, Tirthankar Roy (1999) and Douglas Hayes (2012), have given more emphasis on the artisanal innovation, reallocation of the resources and household labor, modification in organizational and production regimes, along with this it also facilitates decentralization of work during the early twentieth century.[21]

To understand the basic phenomena of economic development, how it is connected to handloom industry, which leads in the transition of basic unorganized sector to organized sector under the light of capitalist economy, and how in this ongoing nuance, skill works or regenerates in itself. In this way, skills as the

[14] Emma Tarlo, *Clothing Matters: Dress and Identity in India* (Chicago: University of Chicago Press, 1996), 360.

[15] Sumit Sarkar, *The Swadeshi Movement in Bengal 1903–1908* (New Delhi: People's Publishing House, 1973).

[16] F. Perlin, "Proto-Industrialization and Pre-Colonial South Asia," *Past and Present*, no. 98 (Feb. I983): 30-95.

[17] Morris, *The Growth of Large-Scale Industry to 1947* (Cambridge University Press, 1983), 558.

[18] The best statement of this kind of case is to be found in A.K. Bagchi, Private Investment in India 1900-1939 (Cambridge University Press, 1972); see also, A. K. Bagchi, "Foreign Capital and Economic Development in India: A Schematic View," in K. Gough and Hari P. Sharma, *Imperialism and Revolution in South Asia* (New York and London: Monthly Review Press, 1973): 43-76.

[19] Morris, *The Growth of Large-Scale Industry to 1947* (Cambridge University Press, 1983), 558-63.

[20] Ibid., 555-6.

[21] Douglas E. Haynes, *Small Town Capitalism in Western India: Artisans, Merchants, and the Making of the Informal Economy, 1870–1960* (New York: Cambridge University Press, 2012); Tirthankar Roy, *Traditional Industry in the Economy of Colonial India* (Cambridge, 1999).

result of a social process, there is still reconciling that with older ideas of culture and technology with new social reality. The working class of the unorganized sector of handloom was reproduced generationally, socially and hierarchically through continuous passing on of skills, whenever capitalist economy affected the skill, then they took regressive measures to explore its access to capitalist structure by transmitting and enabling the production of skills. In the same way we try to find artisanal epistemology. Where a particular skill of class primarily focuses on exploration, then gathering knowledge and eventually fusion it.[22] There is also misconception existed regarding the conventional method of production and skills, generally by saying, weightage has been given more to initiative of change by considering old technology always better and this notion has taken as progressive idea, where old skills or handloom technology has been considered outdated or unsuitable, this facilitates transition from agrarian craft economy rooted in hand-labor at household sphere to modern political economy where work has been conducted outside the household.[23]

Since the last few decades, some historians have been trying to analyze the non-European world and their related knowledge economy, to trace the histories of indigenous or conventional useful knowledge and local knowledge to induce from them the useful knowledge which is less Eurocentric.[24] Joel Mokyr (2002) view over great divergence was Europe's deployment of that combined useful knowledge to stimulate or create the modern material world.[25] Michael Polanyi (1966) had conducted extensive research on the 'knowledge economy', where the focus has given more to indigenous crafts or skills, which existed as local talent in several communities, and these skills regarded as tacit knowledge which can be in abstract form.[26]

Along with Joel Mokyr and other scholars too, researched on the notion of tacit and codified knowledge to attain useful knowledge, which was the primary contribution in the Western industrialization, that itself led to the great divergence.[27] The scientific knowledge produced during 1650 to 1850 has been classified in the rise of 'making' and 'knowing', which ultimately belong to different types and orders of knowledge. Basically, making has been associated with how-to and hands-on information which is gathered by particular situation or product, often informal and tacit in nature, whereas, knowing has been associated with theoretical, abstract knowledge, in a different kind of proposition.[28] As despite of backwardness in organizational structure, artisans adopted and adapted modern technologies, this reforges the existing knowledge system and transformed the local handloom industry, its work culture and labor organization into new discourse which gives more emphasis on chronological process leading towards strong modern

[22] Pamela H. Smith, *The Body of the Artisan: Art and Experience in the Scientific Revolution* (Chicago: University of Chicago Press, 2004): 59.

[23] Santosh Kumar Rai, "Communities of skill in the age of capitalism: Handloom weavers in twentieth-century United Province, India" *Modern Asian Studies* no. 4 (2021): 2.

[24] Tirthankar Roy, "Knowledge and Divergence from the Perspective of Early Modern India," *Journal of Global History* no. 3 (2008): 361–387; David Washbrook, "India in the Early Modern World Economy: Modes of Production, Reproduction and Exchange," *Journal of Global History* no. 2 (2007): 87–112; Prasannan Parthasarathi, *Why Europe Grew Rich and Asia Did Not: Global Economic Divergence, 1600– 1850* (Cambridge, 2011), ch. 7.

[25] Joel Mokyr, *The Gifts of Athena: Historical Origins of the Knowledge Economy* (Princeton, N.J.: Princeton University Press, 2002): 297.

[26] Michael Polanyi, *The Tacit Dimension* (Garden City, NY: Doubleday and Company, Inc., 1966); Joel Mokyr, *The Enlightened Economy: An Economic History of Britain, 1700–1850* (New Haven, CT, 2010); Richard Sennett, *The Craftsman* (London: Penguin Group, 2008).

[27] Joel Mokyr, *The Gifts of Athena: Historical Origins of the Knowledge Economy* (Princeton, N.J.: Princeton University Press, 2002).

[28] Pamela H. Smith, Amy R. W. Meyers and Harold J. Cook (eds), *Ways of Making and Knowing: The Material Culture of Empirical Knowledge* (Ann Arbor: University of Michigan Press, 2014).

production system, where factory and industry seen as a means to achieve socio-economic development by deployment of technology.[29]

Fusion of Technology and transition towards the rise and growth of Industrialization

Humans are made to adopt change. By considering this statement, we see here the dynamic master elites or innovators who chose their way and shaped their form, like artisans had adopted and adapted the new art form towards industrialization.[30] In this process of metamorphosis gives rise to other form of protest, because new technology comes with new challenges through different channels, but at the end, however, as workers inclined to adapt the new industrial setting, where protest inherently tends to disappear gradually or least to be harnessed to achieve fullest level of imperatives of industrialism.[31] As it was beautifully explained by David Landes, in his classic study work of European industrialization, by explaining industrial revolution as-

> The complex layers of technological change, its modes and innovations bring a shift from handicrafts to machine made production that ultimately replaces the human forces and skills, and this leads to modern economy by transforming many countries to different degree of extent as well as at different geographical area.[32]

In the existing interpretations regarding the course of industrial development in India, it was a technologically determined process rather than the social choice, which constituted dynamic forces flowing from West and acting upon a passive indigenous economy. Whereas Morris, in his '*Large-Scale Industry',* he touches the role of labour towards the development of industry, but finds its impact at minimal extent.[33] In the context of transition of adoption of technology, Wiebe Bijker had given 'social construction of technology' theory, which says that the technology is socially constructed, by making the technology familiar with the particular group of community through involving and interaction of continuous social process.[34] Here new concept was put forward, to describe that how introduction of new technology is directly or indirectly connected with caste of the particular work group, this notion analyzed by the Shahana Bhattacharya, their analysis explains the social milieu of state organized or arranged technical education, especially in the context of leather industry when it became centralized.

Basically, it was originally connected with the custom-bounded caste as like low caste and low social status, so it created extreme stigma with hides and skins in dealing with especially by caste's occupation. Now state helped to organized this field because to integrate this sector with the capitalist colonial

[29] Santosh Kumar Rai, "Colonial Knowledge Economy: Handloom Weavers in Early Twentieth-Century United Provinces, India" *International Review of Social History* Vol. 67, no. 3 (2022): 1-2.

[30] C. Kerr, F. H. Harbison, J. T. Dunlop and C. A. Myers, *Industrialism and Industrial Man: The Problems of Labour and Management in Economic Growth* (Cambridge: Harvard University Press, 1960), 245-6.

[31] Rajnarayan Chandavarkar, 'Industrialization in India before 1947: Conventional Approaches and Alternative Perspectives, *Modern Asian Studies,* 1985, vol. 19, No. 3, April 1984 (1985): 625.

[32] D. S. Landes, *The Unbound Prometheus: Technological Change and Industrial Development in Western Europe from I750 to the Present* (England: Cambridge University Press, I969), 1-2.

[33] Rajnarayan Chandavarkar, 'Industrialization in India before 1947: Conventional Approaches and Alternative Perspectives, *Modern Asian Studies,* 1985, vol. 19, No. 3, April 1984 (1985): 635.

[34] Trevor J. Pinch and Wiebe E. Bijker, "The Social Construction of Facts and Artifacts: Or How the Sociology of Science and the Sociology of Technology Might Benefit Each Other," *Social Studies of Science* Vol. 14, no. 3 (1984); in Wiebe E. Bijker, Thomas P. Hughes, and Trevor Pinch (eds), *The Social Construction of Technological Systems: New Directions in the Sociology and History of Technology*, anniversary edition (London: The MIT Press, 2012), 11–44.

economy and to extract surplus more and more, which induced them to adopt new changes within their organizational structure as well as in occupation structure too, due to which new other capitalist class had joined up with this sector and adapted new changes, whereas, outcaste laborers continued to carry on degrading manual labor at local level.[35]

Apart from this, in the market fluctuation or intense competition, entrepreneurs made functional necessity through technological advance and optimal efficiency, either by attempting to alter product and its range to diversify or by upgrading the quality of output.[36] Sometimes they attempted wage cutting, but in the long run technical and administrative reorganization proved to be beneficial.[37] Technological change occurs with the coping up of the changing market situations, where, Haynes focuses over the extent of acceptance of change towards organization structure, as he concentrates on certain institutional forms, where technological change based on differences on regions' basis, interaction between technology, market and organization, but these interactions are variable. Basically, technological diffusion accelerated during a period of good profitability, but it also does not mean that profit is enough for making investment, sometimes it also needs public goods, large trans-regional market, agglomeration enabled utilization of economy at better scale, reduction in transactional cost which induced community or group members willingly to earn and share knowledge with one another without any fear.[38] Technical change is embedded in a large process of modification, but differs somewhat on conceptualizing the transition, because it depends on the politics of the workplace as well as on the role of community and their related factors.[39]

India's Approach towards Industrialization; An Alternative Perspective?

Industrialization, in its conception, was a process of technological diffusion, by the invention of the steam engine and spinning jenny in Britain, which mushroomed in various ways, at different times over the world, but when one looks at Industrial development in India its origin lies in Western Europe.[40] So in this context, most of the historical research surrounded the question, was India embarked upon Industrialization or on the verge of Industrialization? Here nodal points in abstract form come up and are organized with chronological vagueness which includes economic genesis and the very complex nature of economic development. As per Kerr, there are always imperatives for the process of industrialization to transform the industrializing elites to take up the charges over constraints, which includes many layers of logic.[41] These elites are the real masters or innovators, who are present in every stage of society, and eagerly seek the possibilities in the changing situation of the market by advancing their conventional style of methods to the advanced level of technology or by modifying their organizational structure as per the changing economic condition. If the road of transformation from traditional society to modern society as

[35] Shahana Bhattacharya, "Transforming Skin, Changing Caste: Technical Education in Leather Production in India, 1900–1950," *The Indian Economic & Social History Review* Vol. 55, no. 3 (July 2018): 307–343.

[36] Morris, *The Growth of Large-Scale Industry to 1947* (Cambridge University Press, 1983), 617.

[37] Morris here, dealing with cotton textile industries, specially of Bombay, which was an ever-growing emporium during the interwar period. *Ibid.*, 617, 572-83, 603-5, 616-24.

[38] Haynes, 'Logic of the artisan firm'.

[39] Tirthankar Roy, "Acceptance of innovations in Early Twentieth-Century Indian Weaving," *The Economic History Review*, Vol. 55, No. 3 (2002): 507-532.

[40] Morris, 'Large-Scale Industry', 553.

[41] C. Kerr, F. H. Harbison, J. T. Dunlop and C. A. Myers, "Industrialism and Industrial Man," *International Labour Review*, LXXXII, 3 (1960), 238.

an industrializing world is universal, then, there would be a tendency of resistance and their outcomes would be inevitable and differ to some extent.[42] Industrialization always works upon the passive and static elements which existed in the society to transform the traditional society and itself possessed ceaselessly process without sounding much, it works gradually.[43] By supporting this statement Kerr says:

> Industrialization is the inevitable continuous process which postulates redesigns and restructures of the input as well as output sources, which involves the destruction of old style or ways of skills, crafts and organizational structure by adapting the new set of advanced methods by fusion it and imperatives towards the development of the industrial society.[44]

The fundamental form of industrial organization shows struggle between workers, ultimately leads to produce professionalism in workers' community as a new work force or breed, basically the constitution of industrialization is very autonomous force, whose imperatives and inherent tendency of modification and transformation lies beyond the realm of social choice or political control, and their inevitable result is the shaping of society towards common direction of economic development.[45] In most of the researches, large-scale industry has been commonly considered an apex for the universal social change. In this regard, some trades combined the organizational factory system with putting out workers who worked on the premises.[46] Most of the accepted factor only left, which distinguishes large-scale industries from Small-scale industries, was its size. But it is further researched, in the case study of Bombay, H. Joshi and V. Joshi (1976), discovered that the only criteria of size in between organized and unorganized sector could not be used for empirical investigation, but it could be taken as a workable criterion.[47]

The history of industrial development can be placed into three distinct stages,

1. When the work has been done by the workers together under the one shed with a common master to manufacture an article, this master can act as teacher as well as the owner of the unit. In some countries it was known by the name of the guild system, where laws were promulgated to organize and control these guilds, their laborers, artisans, apprenticeship, pupil etc.
2. The second stage is more developed one, when trade came into limelight, and started controlling the whole production process, where small *karkhanas* were started by the dealers of trade, who employed skilled labor, and exploited this labor for their own ends. Initially, if we study England 's history, then we come to a point after realizing that these types of establishments were opposed by laborers and artisans.
3. Third stage must be when power was utilized to organize, control and run the above small factories, where various strikes had been taking place, people went to break new organized system or power machine, which was controlled by restricted laborer and in more advanced form as by labor union, who had a particular set of knowledge to run it.

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[42] *Ibid.*, 47.

[43] Rajnarayan Chandavarkar, 'Industrialization in India before 1947: Conventional Approaches and Alternative Perspectives, *Modern Asian Studies,* 1985, vol. 19, No. 3, April 1984 (1985): 625.

[44] C. Kerr, F. H. Harbison, J. T. Dunlop and C. A. Myers, Industrialism and Industrial Man: The Problems of Labour and Management in Economic Growth (London, I962), 246.

[45]Rajnarayan Chandavarkar, 'Industrialization in India before 1947: Conventional Approaches and Alternative Perspectives, *Modern Asian Studies,* 1985, vol. 19, No. 3, April 1984 (1985): 627.

[46] R. S. Chandavarkar, *Labour and Society in Bombay, I918-1940: Workplace Neighbourhood and Social Organization*, unpublished Ph.D. thesis (Cambridge 1983), 30-58.

[47] H. Joshi and V. Joshi, *Surplus Labour and the City: A Study of Bombay* (Delhi: Oxford University Press, 1976), 46-7.

It becomes clear when we come to see other countries' working set of processes, like in the whole continent of Europe and in the United States of America, all small workers were ousted, and the work of artisans taken away by the professionalist or qualified engineers and chemists, who designed to work smoothly over machinery. Whereas, Japan adapted effective working models by studying engineering principles in manufacturing or production processes. Where Japan divided the whole scope of industries into two segments, in the first segment, it consisted of the work industry which needed big establishments, such as sugar, cement, paper, manufacturing of machinery, mining, etc.

In the second segment, it consisted of those industries which used to carry out at small scale level or units, which designed to focus on the mass production at cheap rate processes by adopting effective organized working principles of engineering in manufacturing or production processes. The small units generally worked by the family members, or hired laborers or helpers as unskilled laborers, in respect to utilize all the ingenuity of organization, they (Japan) provided sufficient knowledge of basic working of machinery, skills, engineering of manufacturing process, to handle their own machine and to attained mastery over their own method of production. In this way, decentralization had taken place in the industries, due to which, big factories used to split up into numerous small machine workshops in small scale units, in different parts of the world. In this regard, Japan used to provide network of electric power to their small-scale units, and electricity had distributed in every villages, this resultant that in cottage industries or small-scale industries started acted as prototype of big industries, which had big establishments as well as heavy machinery, now cottage industries simplified their working by the use of power-driven small machinery which focused on mass production and this enhanced the reduction in prices of article. This whole small set up by Japan challenged the West's industries having big establishments. This shows if small scale industry or their workers are well trained, and equipped with proper types of modern tools, then it can challenge the most well-organized Industrial System of the West.[48]

Eric Hobsbawm (1968) stated, in the early stage of industrial revolution, "there was no need of specialized men having scientific qualification for work, most of the new technical invention and productive establishments could be started on a small scale by making successive additions through accumulated profits, because it required small amount of capital to invest and industrial development had been taken place by the multiplicity of small entrepreneurs or skilled traditional artisans."[49] Similarly, W.A. Lewis (1954) pointed out the key fact for the economic or industrial development is the capital accumulation, in the developing countries, there is always a continuous between how saving level should be raised and how investment should be made from 4 or 5 percent of its national income or less to 12 to 15 per cent or more can be raised.[50]

Economic growth can be postulated through many concepts, in which the precondition of economic growth often comes out from the consequences rather than the causes of growth.[51] And these consequences had connected with the West through the medium of trade, like great presidency towns or colonial port cities, as it happened in Bombay and Calcutta, which acted as ever growing emporium centers and

[48] Chowdhry Mukhtar Singh, *Cottage and Small-Scae Industries* (Allahabad: Kitabistan: 1947), 12-18.

[49] E. J. Hobsbawm, *Industry and Empire. An Economic History of Britain since 1750* (London: Weidenfeld and Nicolson, 1968), 39.

[50] W. A. Lewis, "Economic Development with Unlimited Supplies of Labour," *The Manchester School of Economic and Social Studies*, XXII, 2 (1954): 155.

[51] Habbakuk, "Historical Experience of Economic Development," in E.A.G. Robinson (eds) *Problems in Economic Development* (London: Palgrave Macmillan, 1965) 118-19.

expanded export and imports, which enhanced finance and banking. And in the 1850s onwards, the manifestation of modern industrialism became discernible.[52] All these assumptions on the study of the industrialization explains common points in a differ ways, that it postulates the sights to understand centers of dynamism and stagnation within the social process of industrialization, along with that it also discovers the general problem of the economic backwardness by explaining the arbitrary definitions of model of large-scale industry and their related sectors and almost exclusively deal with the question of industrial failure. Apart from that it also highlights the distinction made between pre-industrial and industrial societies and their understanding of the transition from former to latter which gives better understanding of building up social elements towards economic activity or social organization.[53]

Conclusion

The shared assumptions may have narrowed scope of historical enquiry as well as limited the development of social theory. This essay examines in the specific case of Indian de-industrialization and industrialization, how these assumptions were translated into the medium of historical research by going through different perspectives, as modernity as preconditioned which is directly or indirectly connected with the dissolution of the handloom industry, to set an examination that, there was not complete dichotomy existed in between handloom units and set of factory system run by machines, because it had not been completely transformed their organizational structure, there was play of adoptation and adaptation among social hierarchies to coping up with the market requirements. The diffusion of technology is social phenomena and sometimes it was determined process beyond the realm of social choice, how it constituted the only dynamic force acting upon passive indigenous economy. The historical experiences of economic development can now be applied to understand the India's past to clear the history of Indian industrial development, which served as counterposed to the experience of Western Europe. Here economic backwardness reflected due to the absence of preconditions, held to intelligible the modest scale of industrialization, where economic backwardness itself is explained in terms of failure of industrialization. Among the so many alternative perspective or assumptions, recent historians are trying to find the ground in between the colonial rule and Indian social structure as the main cause of economic backwardness. In the technological perspective, labour and other social group were passive factors, which generally moulded and shaped by the autonomous imperatives of industrialization. Existing theories had given more emphasize on large scale industry, while neglecting the nature of business failure, but in this essay, focus has shifted from autonomous entity by constituting the production conditions through the relationship between town and country, by the agency of social classes, by colonial state of their political presence and by the concept of the world economy.

[52] Morris, 'Large-Scale Industry', 566.
[53] *Ibid.*, 553.