

Indian Business History
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Lecture – 08
The Swadeshi Movement: Impact on Indian Industries, 1850 – 1900

Hello, and welcome to Indian Business History. I am Doctor Vipul Dutta, and this is lecture number 8. The theme of this lecture will be the Swadeshi Movement and its Impact on Indian Industries from 1850 till about the 1900s. This, as you all know, will be the start of the 4th week in this online course. The 4th week will be an analysis of the Swadeshi movement and, the rise and expansion of Indian entrepreneurs in this roughly 50 year period between 1850 to 1900s.

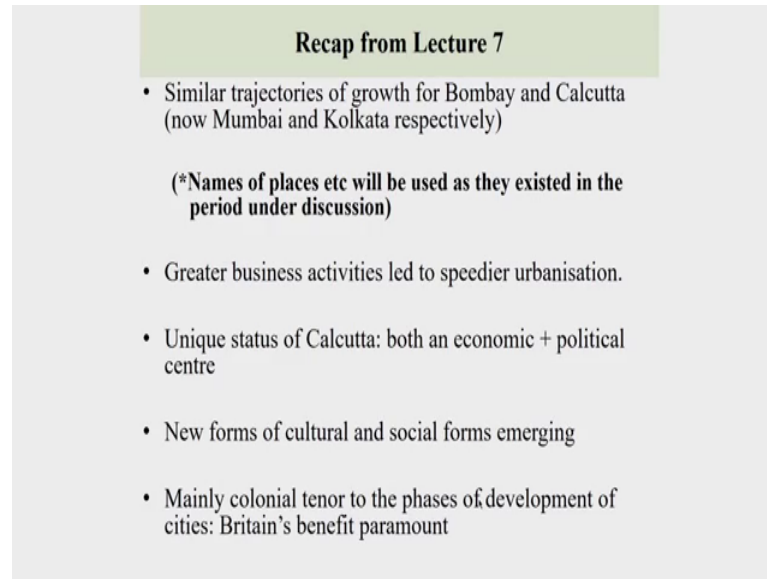
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This is Week 4

- **Week 4:** Swadeshi Movement and Indian entrepreneurs, 1850-1900
 - **Lecture 8:** The Swadeshi Movement: Impact on Indian Industries, 1850-1900 (**We are here**)
 - **Lecture 9:** Case Studies: Indian Business Houses: TATAs

Week 4 comprises two lectures. So, lecture 8 which is where we are today will be a discussion of the Swadeshi movement and its precise political and economic impact in India. And, the lecture after this, which is lecture 9, will be a case study in which we will analyze the evolution of certain Indian houses, chiefly that of the TATAs.

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A slide titled "Recap from Lecture 7" with a light green header. The slide contains a bulleted list of points and a note in italics. The points are: "Similar trajectories of growth for Bombay and Calcutta (now Mumbai and Kolkata respectively)", "Greater business activities led to speedier urbanisation.", "Unique status of Calcutta: both an economic + political centre", "New forms of cultural and social forms emerging", and "Mainly colonial tenor to the phases of development of cities: Britain's benefit paramount".

Recap from Lecture 7

- Similar trajectories of growth for Bombay and Calcutta (now Mumbai and Kolkata respectively)

*(*Names of places etc will be used as they existed in the period under discussion)*

- Greater business activities led to speedier urbanisation.
- Unique status of Calcutta: both an economic + political centre
- New forms of cultural and social forms emerging
- Mainly colonial tenor to the phases of development of cities: Britain's benefit paramount

Just to offer you a recap from lecture 7. We discuss the emergence of different cities in Indian subcontinent in this period and we discovered that there were similar trajectories of growth for both Bombay and Calcutta. Bombay and Calcutta and now respectively known as Mumbai and Kolkata, but for the purposes of our historical analysis we will use names of places etcetera as they existed in the period under discussion.

Then we also discuss the greater business activities lead to speedier urbanization of the spaces. So, whether it is opium or cotton in the case of Bombay; or whether its jute mills or the lucrative tea trade in the case of Calcutta; the amount of business opportunities that these trades generated contributed in a meaningful way in the speedier urbanization of these cityscapes in the Indian subcontinent.

A speedier phase of urbanization also contributed towards greater immigration. So, people from various backgrounds and communities started calling these cities home and the permanent sedentary occupational trend in these cities led to the efflorescence of newer public and institutional cultures in these cities. Then we also analyzed how the status of Calcutta was unique in Indian history. It was not just a center for economic operations and business opportunities; it was also, in fact, designated as the capital of British India for a very long period.

So, the dual roles of Calcutta and as an economic center as well as a political center afforded it certain greater advantages, responsibilities and certain unique features that we

discussed in the previous lecture. While we were at the topic of Calcutta we also delineated certain new cultural and social forms that generated as a result of the intermingling of Indian sensibilities with colonial sensibilities.

So, the emergence and expansion of reformative platforms like the Brahmo Samaj, a socio-religious reform organization; it contributed towards the making of newer kinds of social and cultural relations that dotted the landscape of cities like Calcutta during this period. But, the basic argument that we dealt with in greater detail in the previous lecture was basically that the main tenor to these phases of development; of these cities or the establishment of various kinds of infrastructural projects in Bombay and Calcutta had a colonial argument to them.

Most of these projects that are unleashed in these cities were done so with the aim of facilitating greater trade and economic opportunities and the ultimate beneficiary of this trade and economic opportunities or greater business opportunities was ultimately the British colonial state. So, the incidental side benefit of greater business and economic operations may have been the arrival of modern western based travel and communications infrastructure to the cities, but the ultimate beneficiary of all these economic exercises that began in the Indian subcontinent at the turn of the 17th century was ultimately going back to Europe, and more specifically Britain.

For the present lecture, we will focus on a single theme and we will analyze its political and economic implications. So, the main theme or the main focus for the discussion of lecture 8 will be the analysis of factors and conditions that consolidated the position of Indian industrialists in the 50 year period from 1850s to 1900s. I want to offer a brief historical timeline so that we can contextualize economic and political developments more comprehensively.

So, Indian history makes a sharp turn with the mid 19th century onwards. There are a few historical milestones that you should be familiar with and these milestones are important not just for the events that they witnessed, but also for the secondary and tertiary consequences that they had on the subsequent history of the Indian subcontinent in this period.

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Indian Freedom Movement, 1857 onward

- **1857:** Revolt for Independence. Mughal Emperor & Dynasty overthrown, exiled to Burma.
- **1858:** Queen Victoria proclaimed Empress of India. East India Co's rule abolished.
- **1885:** Formation of the Indian National Congress (INC) in Bombay
- **1915:** MK Gandhi arrives in India, transforms INC into a mass movement
- **1915 onwards:** Beginnings of the anti-colonial movement: Moderate opposition

So, the first milestone that we have to take into account was the revolt for independence in 1857. This was an armed insurrection against the colonial system that was entrenched in India. And, as a result of this war or revolt for independence the armed forces of the colonial state were ultimately victorious and this led to the overthrow of the Mughal Empire and the Mughal dynasty. The last monarch of the Mughal dynasty was subsequently exiled to Burma. However, 1857 revolts for independence is important in our analysis of Indian history because this was the first public expression of a violent revolt against the injustices that were being perpetrated on Indians by the colonial states.

Shortly after 1857, Queen Victoria is proclaimed as Empress of India and the rule of the East India Company is abolished. So, in one sense of the term the phase of company rule comes to a conclusive end as far as Indian history is concerned and the rule principles of administration and the structures that the East India Company had established in the Indian subcontinent come to be replaced formally by the British state.

So, the proclamation of Queen Victoria as the formal head or Empress of India signified a transition as far as the power structures relating to the Indian subcontinent are concerned. The rule of the East India Company is replaced more formally by the officious British state and the symbol of Britain's control over India becomes Queen Victoria as the sovereign head of the British Empire.

In 1885 which is not long after India and the rule of India passes under the imperial crown, you see the formation of the Indian National Congress or the INC in Bombay. This is a historic milestone in Indian history because this marks the transition of Indian politics from a more moderate stage into further active stages. The formation of an all India political body as a vehicle to express discontent or to submit petitions for greater representation for Indians in different services of the Indian subcontinent marked a sharp break in the way in which politics was being conducted in the Indian subcontinent.

The coming together of different Indians from all walks of life from different regions and geographies contributed to towards the development of an Indian public sphere that was pan Indian and was becoming a prime vehicle for Indian opposition to colonial food. At this stage the Indian National Congress was really moderate in its character, and it worked as a platform to express mildly the demands that Indians wanted to make off the British state in the Indian subcontinent.

Nevertheless the arrival of the Indian National Congress as a political body formed of different kinds of Indians from all backgrounds represented a step up as far as the political landscape of the Indian subcontinent is concerned.

After that the next milestone was in 1915 when MK Gandhi arrives in India from his stint in South Africa and he is singularly responsible for transforming the Indian National Congress into a mass movement. When the INC was established in 1885 it was a moderate body composed of highly educated Indian men from prominent walks of life. It was moderate in character and it saw its prime role as mainly a petitioning body to the British state.

Mahatma Gandhi changed all of that, and with his arrival in the Indian subcontinent he throws open the doors of the Congress Party to membership from to membership of people from all walks of life. It becomes a public body and it tries to become a mass movement in which the role and contributions of MK Gandhi are immense.

So, the transformation of the Congress Party from an officious organization contend with mild criticism of the colonial state into a prime vehicle which carried out the nationalist movement in India was a significant transition that we have to remember because it also offers us political context to study the parallel economic movements that were taking place in the Indian subcontinent during this period.

1915 onwards therefore, you see a more active phase of the Indian national movement where the beginnings of the anti-colonial movement are starkly noticeable. So, there is the articulation of a moderate to slightly radical opposition to the colonial state in India. This is made possible by the activities of not just Mahatma Gandhi who makes the congress into more public organization, but also through the efforts and campaigns and movements led by other stalwarts of the Indian national movement during this period.

So, the coming together of different individuals, their like-mindedness and trying to articulate and put forward a more political agenda for the demands and to see a more representative character of different services as they were developing in the Indian subcontinent was a prominent political feature of the history of this period. The period from 1850 till about 1950 is a long one, but there are certain discernible political features that we have to understand in order to get a more comprehensive view of the sweeping nature of changes that occurred in the Indian landscape.

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Generation Change in Indian Politics, 1850-1915

- **Dadabhai Naoroji:** Earliest critic of the nature of colonial economic policies ; co-founder of INC (1825-1917)
- **Gopal Krishna Gokhale:** Co-founder “Servants of India Society” ; 1866-1915, **mentor to Mahatma Gandhi**
- **Lala Lajpat Rai:** 1865-1928
- **Bal Gangadhar Tilak:** (1856-1920) ; “Swadeshi Movt”

The first feature was that the years between 1850 to 1915 represented a generational change in Indian politics. We are familiar with some of the names that it started to dot the political imagination of Indians during this period. So, some of the earliest political leaders who were also responsible for the formation of the INC, but in their own right, were also intellectual giants and who contributed immensely to the development of a critique against colonial rule for the following.

First amongst them was Dadabhai Naoroji he was the earliest critic of the nature of colonial economic policies. His work we are already familiar with in the previous lectures. We examined Dadabhai Naoroji's drain theory which outlined a 6-point analysis which intended to explain the rising impoverishment in India as a function of greater colonial control and economic practices pursued by the British in India.

So, Dadabhai Naoroji who was also the first Indian to be elected as member of the British parliament was one of the foremost Indian intellectuals who contributed not just in a more organizational form with his services towards the formation of INC, but also his intellectual new ones and thought contributed immensely towards the development of a public critique against colonial rule.

Next up was Gopal Krishna Gokhale he was the co-founder of the Servants of India Society and he lived from 1856 to 1950 and is also popularly known as a mentor to Mahatma Gandhi. Mahatma Gandhi's return to India and return to Indian politics was facilitated, guided and mentored by Gopal Krishna Gokhale; and just as Dadabhai Naoroji was instrumental in the establishment of a nationalist architecture in India Gopal Krishna Gokhale was also one of the tallest leaders of the Indian national movement in this period.

Certain other prominent names that you should remember and if you have the time you can look up their biographies and read more about them and these were Lala Lajpat Rai, who lives from 1865 to 1928, he was also one of the tallest leaders of the Indian national movement and imparted a more radical flavor to what was otherwise a politically moderate political organization.

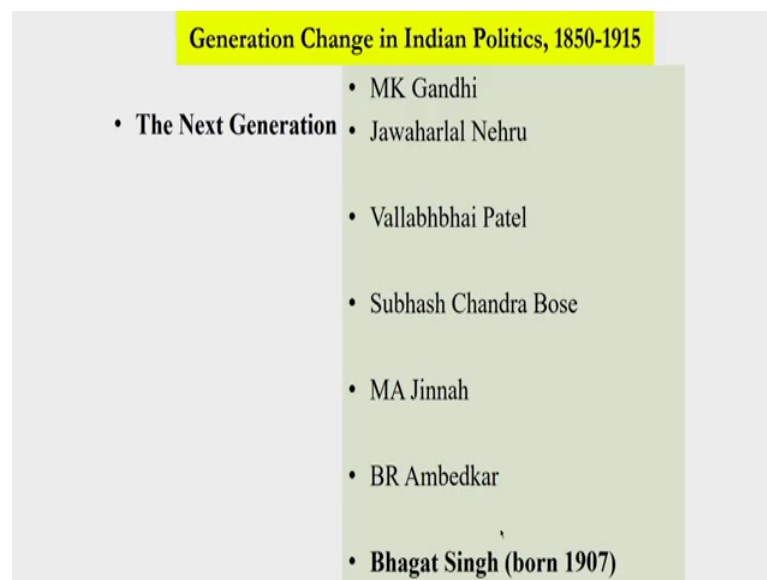
After Lala Lajpat Rai, we also have Bal Gangadhar Tilak, who lived from 1856 to 1920 and he was also in a huge way responsible for the organization, campaign and mobilization associated with the Swadeshi movement. Swadeshi movement is a topic that we will discuss in greater detail today. So, the leader associated chiefly with the carrying out of the Swadeshi movement, which had a precise of political and economic impact on the Indian subcontinent, it was Bal Gangadhar Tilak.

After those stalwarts in order to understand the precise generational change in Indian history during this period, we have to understand the new kinds of leaders who started to make their forays into the Indian political landscape of this period. They brought along

themselves they brought along with themselves new ideas and new institutions and their new political ideas, their backgrounds and their own westernized education transformed the terms and conditions on which Indian politics was being organized during this period.

So, while leaders like Gopal Krishna Gokhale, Dadabhai Naoroji and others played a critical and instrumental role in politicizing the vast majority of Indians in the Indian subcontinent during this period. The arrival of a second generation of younger probably more dynamic leaders in Indian history also transformed the scene of Indian politics forever.

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Some of the names that come to mind when you talk of a new generation in this period was led by MK Gandhi, of course. He had been trained as a lawyer and he had worked in South Africa. He had also organized the Indian community in South Africa based on his principles of Satyagraha and Ahimsa. He brought those ideas with him and transformed not just the Congress Party into a more public organization, but he also imparted a distinctive flavor to the way in which the Indian nationalist movement was to be organized from now on.

The elitism, the rarefied nature of membership that had been characterized as the prime markers of the INC was thought to be modified and changed with the arrival of MK Gandhi into India. He imparted a more public flavor into Indian politics. He was

instantly recognizable by the vast multitudes in India and his practices ideologies and his writings infused a definite nationalist fervor into the Indian political scene at this point. He was one with the people and his immediate sense of the pulse of the Indian public made the Indian nationalist movement a more public movement than was otherwise possible.

Alongside MK Gandhi and the generational and ideological change that he brought to Indian politics, you also see the arrival of Jawaharlal Nehru in the early part of the 20th century. Jawaharlal Nehru of course, was independent India's first Prime Minister, but his political journey begins in the early part of the 20th century where he alongside Mahatma Gandhi transformed the way in which politics was carried out. They both infused an element of radicalism in Indian politics and they became advocates of taking on a more strident position vis-à-vis the exploitative colonial practices of the British state as they were getting characterized from 1850 onwards.

So, the next stage of Indian politics, and its transformation from a moderate style of politics to a more radical stance and aggressive way of making demands to the colonial state was made possible through the efforts and campaigns and ideas brought forward by MK Gandhi and people like Jawaharlal Nehru.

Apart from these leaders you also see the arrival and emergence of leaders like Vallabhbhai Patel who, after independence, played a critical role in trying to make the Indian union a practical possibility. His role in convincing princely states to join the Indian union was extremely important and his campaigns and mobilization efforts not just within the congress party, but also his contributions to the development of the Indian bureaucracy and making the Indian union a strong and politically stable entity is something that will be cherished by students and researchers and the ordinary Indians for years to come.

Apart from Jawaharlal Nehru and Vallabhbhai Patel and Mahatma Gandhi there was also the arrival of Subhash Chandra Bose who had in later years formed the forward block and was also instrumental in the formation and campaigns of the Indian National Army which was a militarized organization that fought against colonial rule mainly in India's eastern frontier.

Subhash Chandra Bose was also a member of the Congress Party. He was also instrumental in the 1930s in the establishment of a Planning Committee which later became the Planning Commission after 1947. So, Subhash Chandra Bose, his political ideas and economic ideas had a lot of weight to them and he also played an instrumental role in giving modern India its modern identity.

After these leaders you also had certain other leaders of the Congress Party who went on to forge different political paths for themselves. So, Muhammad Ali Jinnah was also a prominent member of the Congress Party. He also served in the imperial legislative council served in numerous economic and political consultative committees.

However, towards the end of the 1930s Mohammed Ali Jinnah formed or became a part of the Muslim League which ultimately resulted in its campaigning for a separate state or a land for Indian Muslims which ultimately resulted in the partition of the Indian subcontinent in 1947.

Apart from these leaders you also have B. R Ambedker who played a stellar role in the formation of the Indian constitution and his campaigns to end the discriminatory practices of untouchability and discriminations associated with caste status is something that is instrumental and carried a transformative potential in Indian history. B.R Ambedkar's services to the drafting of the constitution and the designing of a space that could represent all the communities equally on power with each other was immensely transformative for the Indian republic as we know it today.

Apart from these leaders you also have Bhagat Singh who was born only in the early part of the 20th century, but he was also an important leader of the Indian national movement in this period because he started his own radical organization that was separate from the policies and programs outlined by the Congress Party, but also more significantly advocated a more radical program to get rid of the colonial authority in the Indian subcontinent.

So, as far as the ideology is concerned, all of these leaders in the initial stages of the career had similar ideologies. Some of course, started to forge their own political paths by the mid 20th century, but ultimately in the early part of their careers they had in their heart the desire to see India as a free, economically sovereign country, away from the clutches of colonial rule. So, with the arrival of a significant generational change in

Indian politics and the intermingling of different ideas relating to the ways in which Indian independence could be achieved from the yoke of colonial rule it led to the articulation of a political and public sphere in India which was conducive for the development of an ecosystem in which different ideas could intermingle with each other.

So, while the central aim of many of these leaders whether it was Dadabhai Naoroji or Bhagat Singh or Vallabhai Patel or Jawaharlal Nehru was to see India as an independent and a strong entity, away from the clutches of colonial rule. There were minor differences of opinion between their political ideologies. While they belong to one central umbrella organization briefly, which was the INC, yet the nuances or the differences within their political ideologies was not significant enough for them to immediately develop different political trajectories for themselves.

The role of Bhagat Singh, and individuals like M. A Jinnah and others was responsible in the efflorescence of a public culture in political India whereby different political parties could coexist and advocate their ideologies. Yet when you discuss their initial careers or you discuss the initial part of the 20th century, as far as Indian history is concerned, this is a fascinating period in which different ideas and ideologies mingled with each other without any obvious points of sharp differences between them.

The main agenda of political outfit's political organizations, individuals and group of individuals at this time was to redress some of the grievances that Indians had begun to feel and articulate more sharply against the injustices of colonial rule.

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The Push for “Swadeshi”

- British Govt’s tax related actions on Indian Factories, Labour, Exports (1890s)
 - Provoked Indian anger
 - Claims of unfair economic treatment
 - Beginning of an anti-colonial movement ; “Swadeshi movement”



The image shows four posters arranged in a 2x2 grid. Each poster features a central figure, possibly a woman, holding a banner. The text 'BUY SWADESHI' is written in English at the top of each poster, and 'स्वदेशी खरीदो' (Buy Indian Goods) is written in Hindi below it. The posters are set against a dark background with a light-colored border.

One of the main themes that came up as a result of this greater and intense articulation of public discontent against colonial rule was the greater ideological push for Swadeshi. The British governments tax related actions on Indian factories whether it was labor legislation of curbs on Indian exports or the general imposition of rules and tariff barriers for Indian products or Indian manufacturing released a wave of discontent and anger against the British lobbies working to safeguard British mills and factories during this period.

So, the terms of trade and interactions between Indian manufacturers or Indian businessmen and British manufacturers and British businessmen as I have already outlined before was unequal. It was based on unequal terms and conditions and one party was favored or geared to earn more profits against the other party. So, colonial trade with respect to India or any other colony in this period for that matter was a zero-sum game; one party was sought to be the winner and the other resulting party would naturally be the loser as far as economic and business operations were concerned.

As a result of this growing discontent and the greater realization that colonial trade and business practices were geared towards the ultimate benefit for the British state, you see the development of a distinct Indian ideology that was designed to promote Indian manufacturing and domestic Indian efforts to make the entrepreneurial space in the Indian subcontinent more prominent and vibrant.

As a result of those efforts you see from 1850s onwards the gradual dissemination and consolidation and expansion of ideas that favored or wanted to create an ecosystem that could make conditions more conducive for Indian trades, Indian economic operations, Indian entrepreneurs and Indian businessmen more friendly. So, the ease of doing business, as a category that we are so familiar today, when we read those in newspapers and magazines actually has historical origins.

As a result of the British governments tax related actions that we have discussed in previous lectures from eighteenth nineties onwards resulted in greater Indian anger becoming more political in scope. So, the provocation of Indian businessmen and the general Indian public as a result of the unequal trading practices by the British state was responsible in provoking a great deal of anger amongst the Indian public.

That anger transformed or manifested itself in more political contexts. So, one political context in which the Indian anger was channelized was the invocation of Swadeshi principles or the invocation of Swadeshi methods to make Indian industry and Indian business more strong and robust and stable enough to be able to challenge British businesses more strongly and on an equal footing.

Claims of unfair economic treatment also fed into the public discourse at this point. So, not only was the Indian public more dissatisfied and disgruntled at the way in which British lobbies and British factories were imposing curbs on Indian exports, the general discontentment in sectors like agriculture, industrial production, education, the repression of cultural forms, the repression of the nationalist movement and the curbs on speech and demonstrations generally contributed towards fueling the public discontent which started initially as economic discontent against colonial rule.

So, the initial anger or disgruntlement felt by Indians at the hands of the colonial states economic practices spread to other sectors and it became a more wholesome critique of the system that was represented by the colonial state in India.

So, the beginnings of the anti colonial movement is therefore, not just a result of the arrival and concentration of different kinds of Indian leaders or the formation of bodies like the INC it also took a more economic flavor within its fold. The concentration of public anger against economic practices spilled on to other sectors and the coming together of political discontent, cultural discontent, societal unrest, civil unrest and its

merging together contributed immensely towards the formation of an anti-colonial front to the practices and ideologies represented by the colonial state in India.

It is in this context that we must locate the Swadeshi movement its economic agenda, its political agenda and its social and cultural features. So, the Swadeshi movement then is not just a unit that we study in political history or in political science, it then becomes a movement that has to be situated also in the economic context of the Indian subcontinent.

Starting out as a movement that could hurt the interests of the British government in India economically, it gradually transformed itself into a more general political movement with three or four phases within it and it gave a distinct identity not just to the Indian political for a moment, but also became a platform on which Indian leaders could articulate their positions more strongly against the precise nature of colonial rule being imposed on them.

The Swadeshi movement was also a useful context and platform for creating an ecosystem and context that could help the business activities of Indian entrepreneurs at this point. Some of the past experiences as we have heard in the case of agency houses or the coming together of Indian capitalists with British capitalists was not a favorable experience for Indian entrepreneurs.

There was a brief exit of Indian capital and Indian businessmen from the Indian landscape following their repeated decline at the hands of European practices and British banking practices. So, the repeated decline in specific businesses in India that wiped out the personal and public savings of Indian entrepreneurs made them wary of any future collaborations with Europeans or British merchants and businesses.

So, the Swadeshi movement was seen as a political movement that could give a renewed voice or a platform to the entrepreneurial ambitions of Indians in the Indian subcontinent it could act as a prime political vehicle for these Indian entrepreneurs to come together, exploit their business ideas and start new businesses and transform the Indian business history from that period.

So, the Swadeshi movement which initially started out as a movement giving voice to economic discontent in the Indian subcontinent also served as a useful vehicle to give a platform for different kinds of entrepreneurs to emerge more confidently and to be able

to mount independent business operations and conduct them in a way that could mount a challenge to the prevailing business sensibilities being perpetrated by the British state in India.

So, the Swadeshi movement will then become a historical episode in which you can trace the emergence of some important and prominent Indian industrialists during this period. This was a golden period as far as Indian business history is concerned because it provided a context and ecosystem and a safe space in which Indian entrepreneurs could explore their business ideas and also confidently prosecute their business operations without fear or favor from the British state at this point. So, some of the important prominent Indian industrialists that emerged at this point were as follows.

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Emergence of Some Prominent Indian Industrialists, 1850-1915

- **Ranchhodlal Chhotalal:** Textile Mills, Ahmedabad ; (1823-1898)
- **Nowrosjee Wadia:** Engineer, Bombay
- **Laxmanrao Kirloskar:** Agricultural implements; Iron ploughs ; (1869-1956)
- **Ardeshir Godrej:** Locksmithing ; (1868-1936)
- **Jamsetji Nusserwanji Tata:** Cotton Mill, Bombay ; (1839-1904)
- **Ghanshyam Das Birla:** Jute Mills in Calcutta ; (1894-1983)

So, the first amongst them is Ranchhodlal Chhotalal. He was a pioneer in setting up textile mills in Gujarat in the city of Ahmedabad. He lived from 1823 to 1898 and was largely responsible in making Gujarat as space for vibrant entrepreneurial activity as far as textile production and its retail is concerned.

After him you have Nowrosjee Wadia, a member of the Parsi community which was very affluent in the areas of Bombay presidency and in the city of Bombay itself. We have discussed the role that certain other Parsi's played in Bombay in establishing a civic infrastructure from the money that they earned in different trades and businesses of that period. Nowrosjee Wadia was yet another prominent member of that community. He was

a trained engineer and his business operations and entrepreneurial functions were focused in the city of Bombay.

After that the name of Laxmanrao Kirloskar is in that list he was a pioneer in the production of agricultural implements in this period and also pioneered the production of iron ploughshares which transformed the agricultural scene in the Indian subcontinent in this period. His ability to turn his ideas into profitable businesses is a prominent feature of India's business history in this period. And, in fact, the business started by mister Laxmanrao Kirloskar continues to the to this date also.

While different entrepreneurs in different parts of the Indian subcontinent were toying with their business ideas and trying to establish links with some of the important nationalist leaders of this period certain other names also crop up, namely those of Ardeshir Godrej who started his locksmithing business roughly in this period.

After that the two important business leaders that we will deal in greater detail in the next lecture was is the name of Jamsetji Tata who started his career with the establishment of a cotton mill in Bombay in this period. And, later went on to establish a mammoth business organization which is synonymous with India's contemporary business history in this period. The establishment of a fabulously successful Tata business by Jamsetji Tata is one of the striking features of the entrepreneurial potential of Indians that was being discovered by everyone in the subcontinent and also abroad.

A short while after Jamsetji Tata started his startup business he was also followed by individuals like G. D Birla who started their own jute mills in Calcutta at this point and later diversified into different kinds of businesses and became also spectacularly successful and they became symbols for modern business identity for the Indian republic.

So, the Swadeshi movement made available not just an economic context for Indians to display their anger against colonial state, it also acted as a useful platform for different kinds of Indian entrepreneurs to come together and discuss their business ideas and also prosecute their business ideas in the proper context.

The Swadeshi movement also made available different kinds of contacts that could be used by these Indian entrepreneurial leaders and their increasing rapport with some of the prominent nationalist leaders made available a context in which business and politics

could be discussed purely in the terms of benefits that could accrue to Indians and not just to the Europeans in India.

So, the transformation of discourse, as far as business and economics is concerned, happens during the Swadeshi movement in the Indian subcontinent and the shifting of the terms of debate as far as Indian business and an economy is concerned happens when fruitful political contacts are first established between the nationalist leaders who were trying to articulate a political position against the colonial state and the emerging class of Indian entrepreneurs that have just pointed out who wanted to establish their businesses solely for the benefit of Indians in the Indian subcontinent.

There are some political features inherent in the study of the Swadeshi movement in this period, because these features will also help us understand the business landscape of the Indian subcontinent during this period; the precise relationships that were forged within the Swadeshi movement that contributed immensely towards a very bright context for the conduct of entrepreneurial activity is something that we have to take into account.

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Features of the Swadeshi Movement

- **1885: Formation of Indian National Congress (INC) ; gains support from Indian Industrialists**

- **1880s onwards: Formal push for “Domestic mfg” or “Swadeshi” across the country**
 - 1886: JN Tata establishes “Swadeshi Mills”
 - **1894: Punjab National Bank**
 - 1897: Ardeshir Godrej launches business

So, in 1885 when the Indian National Congress is formed it gains an enormous amount of support and influence by its association with prominent Indian industrialists of this period. So, the organization and expansion of the Indian National Congress as a prime political body that could facilitate the Indian voices and their hearing in the imperial corridors of power in Calcutta and later in Delhi was made possible by the coming

together of political stakeholders and business and economic stakeholders in the Indian subcontinent during this period.

So, the success of the Indian National Congress was tied to the success of the Indian entrepreneurs and the ability with which the Indian Congress was able to voice its political position depended a great deal on the ways in which it was able to forge links between its political stakeholders and economic and financial stakeholders. So, the coming together of Indian political interests with Indian economic and financial interest was a distinctive period of the late 19th century Indian history.

1880s onwards you see a definite push towards the Swadeshi movement and it has certain policies within it which we will discuss in a brief while. But, as far as historical milestones are concerned it was after the 1880s which is the later part of the 19th century when you are able to detect a formal push for creating conditions that could facilitate domestic manufacturing in the Indian subcontinent. And also could push across ideas to convince the Indian public to use or manage or allocate Indian resources for the purposes of Indian manufacturing and Indian industrialization.

So, this formal push for the Swadeshi movement across the country had definite outcomes as far as the business history of the Indian subcontinent is concerned. So, in 1886 JN Tata was responsible for the establishment of Swadeshi mills. The naming of these mills as Swadeshi mills was a deliberate move by JN Tata and it also becomes an important episode whereby Indian entrepreneurs began to be infused with a nationalist fervor within their ranks and file.

So, the coming together of Indian politics with Indian businessman was not just a convenient consequence of Indian history. It also represented an important historical milestone where different stakeholders came together and articulated positions not just for Indian freedom, but also for the development of Indian industries for the development of Indian entrepreneurship capabilities and for the establishment of a definitive Indian entrepreneurial structure that could take into account the needs of the Indian public in the first instance.

Shortly after the establishment of the Swadeshi mills which became a symbol of the Swadeshi movement, you see the establishment of the Punjab National Bank. This is an iconic institution and its establishment in 1894 was crucial in India's business history

because it made itself available as a prime source of indeed capital, Indian financial services and loans for the development of other secondary and tertiary Indian businesses.

So, with the collapse of agency houses and different European partnership agreements to the detriment of the Indian entrepreneurial community, 20 to 30 years later, in 1894, when the Punjab National Bank is first established, it transformed India's financial landscape forever. No longer were Indian entrepreneurs or Indian businessmen found wanting as far as cash needs were concerned or as far as getting financial support for their businesses was concerned. The arrival of Indian businesses and Indian banks was seen as a transformative moment as far as propagating Indian business activities is concerned.

So, institutions like the Punjab National Bank played a very crucial role in extending financial services to those same Indian entrepreneurs who were campaigning for the Swadeshi movement and were also campaigning to set up an Indian entrepreneurial landscape that could conduct businesses by keeping Indian interests and Indian priorities in mind.

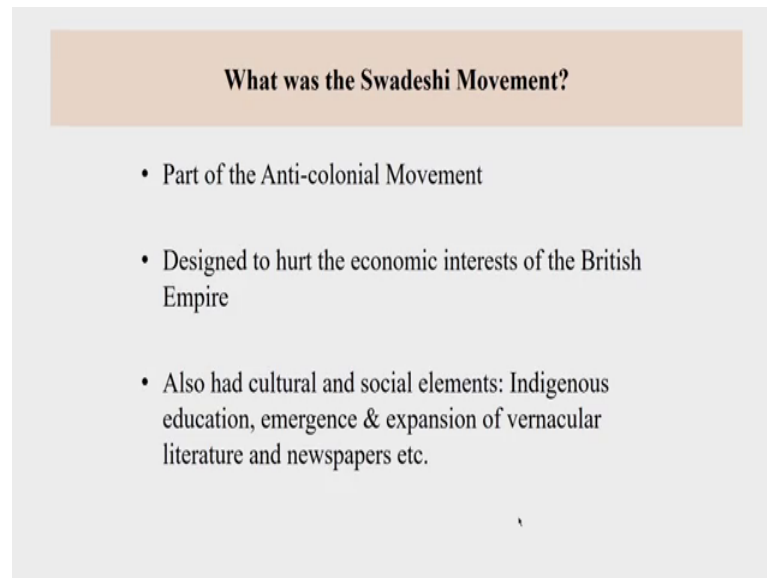
In the same decade, in 1897, Ardeshir Godrej launched his own business. He was one of the prominent Indian businessmen as we have noticed previously in this lecture. So, the arrival of different kinds of institutions, manufacturing facilities and Indian financial institutions which were controlled or led by Indians is a distinctive feature of this period.

This was made possible by the Swadeshi movement. It was made possible by the important contacts and links that were forged between the Indian political class and the Indian businessmen and the arrival of these prominent, visible public facilities also transformed the landscape and the context in which Indian business was now to be carried onwards. No longer was the terms of trade only in favor of the colonial state or the British state there were now trends and indicators that suggested that a more Indian way of doing business was here to stay in the Indian subcontinent.

So, the political expansion of the Swadeshi movement meant more Indian expansion of Indian business related activities in the Indian subcontinent during this period. The sources of revenue, the sources of capital infusion and the sources of domestic demand were now to be led from the front by Indian leaders by Indian workers by Indian labor and by Indian political leaders during this period.

So, the formation of a political cum economic cum business front against the exploitative practices of the colonial state was a distinctive feature of this period and also a feature that we have to keep in mind when discussing the Swadeshi movement.

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What was the Swadeshi Movement?

- Part of the Anti-colonial Movement
- Designed to hurt the economic interests of the British Empire
- Also had cultural and social elements: Indigenous education, emergence & expansion of vernacular literature and newspapers etc.

I want to spend some time to give you a few features of the Swadeshi movement of this period. This was, obviously, part of the anti-colonial movement that develops in India after the 1850s. With the arrival of the Indian National Congress, the Indian national movement gets some more firm organizational base for itself. But, with the arrival of different leaders like Mahatma Gandhi and his support given by leaders like the Jawaharlal Nehru and others transformed the Indian political movement from now on it became a more public affairs.

Different kinds of people from different vocations and occupations found themselves becoming a part of this movement and the development of an anti-colonial front amongst these people contributed towards the transformation of Indian political system as we know it.

So, the Swadeshi movement, obviously, was part of the anti-colonial movement. It was designed to hurt the economic interests of the British Empire. The first kind of resistance that is noticeable as far as the anti-colonial history of India is concerned was primarily of an economic discontent; the practices witnessed by Indian entrepreneurs, Indian

businessman, Indian factory employees was crucial in them to develop an anti-colonial resistance and an anti-colonial ideology.

The transformation of this economic discontent and economic anger against colonial practices was expanded or it spilled over into political sectors, cultural and social sectors purely through the mechanism of the Swadeshi movement which apart from its economic arguments also developed principles and ideas relating to what Swadeshi meant in the social political and cultural contexts.

So, towards the early part of the 20th century, Swadeshi movement was not just an economic movement designed to hurt the economic interest of the British state it had also developed cultural and social elements. So, things like indigenous education, the emergence and expansion of vernacular literature and newspapers, contributed immensely to the development of a public sphere which was no longer informed by English speaking elites.


The coming together of people lettered and educated in different languages and dialects was made possible through the all India mobilization of the Swadeshi movement and the development of indigenous education systems within the subcontinent and the publication of different kinds of newspapers and journals that could inform the public in their own local language what the colonial state was up to contributed immensely towards forging a pan Indian unity as far as the nationalist movement is concerned.

This unity was also essential for different business leaders to come together and conduct business operations jointly. So, the emergence of a large number of Indian entrepreneurs was also made possible because the Indian space or the space within the Indian subcontinent was made more feasible for them to carry out their business operations in a more conducive manner.

So, the articulation of a distinctly Indian public sphere which was dotted by people who spoke different languages, wore different clothes or came from different backgrounds; and the forging of pan Indian unity was seen as crucial for the coming together of different businessmen and conduct their business activities in a manner that could take into account the preferences, needs, desires and priorities of Indians first and Europeans later.

The unjust nature of colonial economic policies and the oppressive nature of the colonial exploitation in India witnessed by people from all walks of life was sought to be reversed through the mechanisms of the Swadeshi movement which brought together people of political persuasions, economic persuasions and compel them to start and prosecute new ventures that could take into account Indian sensitivities and sensibilities and work towards a common future in which Indian interests and Indian priorities would be addressed first.

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A Sum-up

- **1850 onwards: Beginning of a new Political culture.**
- **Generational Shift in Indian Politics: Newer Organisations, new methods of campaigns.**
- **Swadeshi Movement: Combines Political anger in India with Economic dissatisfaction against colonial rule.**
- **Rise and consolidation of Indian businesses as a result of the Swadeshi spirit.**

I want to offer a brief sum up. So, the things that we have discussed today relate to the Swadeshi movement which was part of the anti-colonial agitation that began in the Indian subcontinent from 1850s onwards.

This was the beginning of a new culture because not only did it give a voice to people repressed by the exploitative colonial policies of the British state, it also made available a platform for the rejuvenation of the political, social and cultural spheres that existed in the Indian subcontinent in this period. Different kinds of Indian entrepreneurs emerged at this point and they started successful business operations some of which continue even to this day.

So, the Swadeshi movement transformed itself from primarily an economic discontent expression platform into a more cohesive political movement that could give voice to all

kinds of Indians who were getting repressed in different sectors often felt compelled to voice against the repressive nature of the colonial state in India at this point.

While the Swadeshi movement was in full steam, this was also a transformation moment in Indian politics and this moment was the generational shift that is that was witnessed with the fading of your one generation and the coming together of a new more radical generation in Indian politics which transformed the grammar in which Indian political systems operated.

So, newer organizations and new methods of campaigns rejuvenated existing political organizations and also transformed the terms and conditions on which Indians bargained with the British state as far as representation and greater economic freedom was concerned.

So, the generation shift was not just the replacement of one generation with the other, it was also a replacement of one set of ideas with the other. This was not a complete or colossal replacement. Older ideas continue to stay in the Indian landscape and they were remoulded or they shifted in their meanings as a response to their interaction with the ideas of the newer Indian generation.

So, a crucial phase or a crucial way to remember this feature of Indian politics is to understand that one set of political leaders were leaving behind a legacy for the next generation of Indian political leaders that legacy continue to guide the actions of a new Indian political leadership. But, in the midst of this interaction of two different systems of thought and two different Indian generations a new public culture evolved out of the interaction of two of these two different systems.

As a result of these interactions a new public sphere emerged which was not afraid to voice its concerns and grievances against the British state in this period. So, the method of conducting politics also became slightly more radical and the congress, its organization basically, transformed from a more moderate political methods into more radical methods which could address the demands of the Indian public during this period.

The Swadeshi movement, as I have said repeatedly, has to be understood in its proper economic and political context. So, while new generation of Indian political leaders were dotting the landscape of the Indian subcontinent and guiding and mobilizing the Indian

public based on their own ideas and ideologies, the Swadeshi movement also underwent a curious transformation and a significant transformation in its scope and objectives during this 50 year period.

The Swadeshi movement was crucial in combining political anger in India with economic dissatisfaction against colonial rule. It is this unique strength of the Swadeshi movement and its ability to combine economic discontent with political unrest that gave way to new social cultural and institutional forms in India.

One aspect of the Swadeshi movement was its immense economic outburst against the unjust colonial rule, but its other significant features also involved in making available an ecosystem in which Indian entrepreneurs could articulate their economic visions for the Indian subcontinent in a more confident manner.

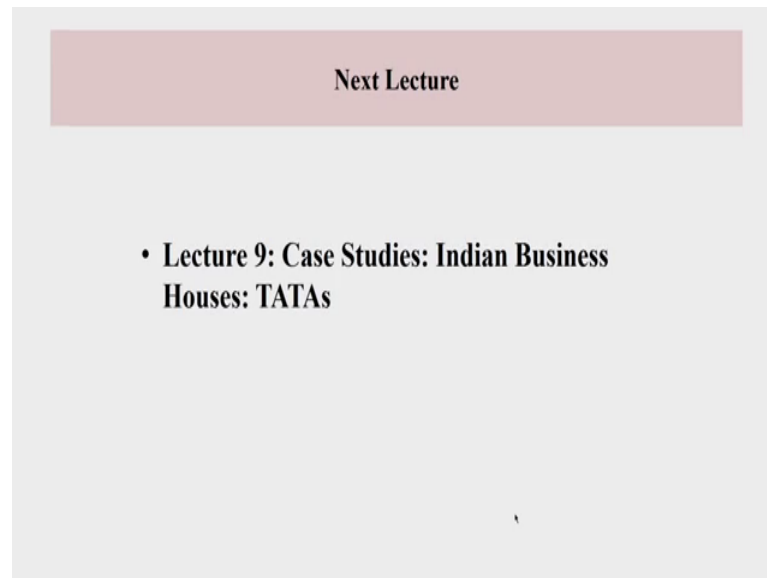
This Swadeshi movement also developed social and cultural thought processes within itself. So, development of indigenous learning spaces, or the rise and expansion of vernacular literature, also contributed immensely towards forging a pan-Indian unity of people who spoke different languages or came from different regions. So, the Swadeshi movement had political and economic agenda in mind, but it also served some even more significant constructive purposes as far as the transformative trajectories of the Indian National Movement is concerned.

So, therefore, the rise and consolidation of Indian businesses was a result of the greater infusion of the Swadeshi spirit in Indian households, in Indian public spheres, in Indian learning spaces and in Indian factories and manufacturing spaces. The Swadeshi movement then did not just remain as an economic movement or a political movement; it acquired more philosophical dimensions and political connotations as it moved from the 1850s to the early part of the 20th century.

Its transformative role was not just in making the British state aware of the strength of Indian public opinion, its transformative role was also the way in which it politicized the vast multitudes of Indian people convince them to come together and forge a common front against the injustices perpetrated by the colonial state during this period.

So, the rise and consolidation of businesses therefore, becomes a consequence of the unifying spirit and the nationalist fervor that the leaders of the Swadeshi movement infused into India's business and entrepreneurial landscape in this period.

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In the next lecture, we will continue with some of the themes that we have discussed today, and we will contextualize those themes in analyzing the evolution, expansion and consolidation of the Tata's in India's business history. We will discuss their role and contribution and their critical services that they have rendered since the mid 19th century. And, the next lecture therefore, will contextualize the themes of the Indian National Movement in the form of a case study which is going to be business and historical analysis of the Tata's.

Thank you.