

Economic Implications of 'Swadeshi' Movement in India

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ABSTRACT

The 'Swadeshi' movement had deep economic implications during the colonial period. The 'Swadeshi' movement started by 'Bal Gangadhar Tilak' spread throughout India as a tool for economic independence. Although this movement was political, this had close relation with the economics. This paper has explored the selective implication of 'Swadeshi' movement during colonial period and how it had affected the whole Indian economy.

1. Introduction

The colonial rule in India had several social, economic and cultural implications, which could be seen even today. The Indian economy was used by the colonial rule to extract the local resources and transfer the benefits to their own country. This was biggest injustice to Indian economy. The indigenous industries and artisans were neglected by the colonial rule. The trade policy of the 'British' government was not beneficial for Indians. This was biggest unrest among the Indian. There was need to address the social and economic problems of Indian industries during the colonial period. 'Bal Gangadhar Tilak' (1856-1920) had tried to use this unrest of the Indians for the freedom movement. He had given thoughts on various social and economic issues. 'Swadeshi' thought was one of that. This thought was used initially to fight against the 'British Government' for the freedom. However, this thought had deeper meaning in terms of 'economics'. The indigenous producers were being exploited by the 'British' rule. In order to achieve reliance and economic independence, the concept of 'swadeshi' was being promoted. This paper explains the economic implications of 'Swadeshi' movement led by Mr. B.G. Tilak during the colonial period. The author also has given the relevance of this concept in the post-Independence period.

2. Objective the Study:

- 2.1 To explore the 'Swadeshi' concept given by Mr. B.G. Tilak.
- 2.2 To explore the economic implications of "Swadeshi" movement.
- 2.3 To analyse the relevance of the 'Swadeshi' concept after the Independence.

3. Hypothesis of the Study:

- 3.1 The 'Swadeshi' concept had economic implications during the colonial period.
- 3.2 The 'Swadeshi' concept had benefitted indigenous industries in colonial period.
- 3.3 The concept 'Swadeshi' has benefitted the Indian industries during the post-Independence period

4. Review of Literature:

Angadi S.S. (1992) has argued that there was a significant role played by Mr. B.G. Tilak during the Indian national movement. Naik J.V. (1999) has argued that Mr. B.G. Tilak was the first, who explored the conflict relation between the interest of colonial rule and the Indian economy. Raminder Kaur (2004) has opined that Mr. B.G. Tilak was the mass leader, who used effectively, the socio-cultural base of India for political mobilization of Indians. Kaur Randeep (2018) has argued that the movement led by Mr. B.G. Tilak was popular among the Indian people; this movement had political agenda, which was in the interest of Indians.

5. Methodology:

The analyses given in this research article is based on the secondary data. The published books and articles on the thoughts of Mr. B.G. Tilak were used for the analyses. The Economic implications have been analysed considering the available resources. However, the selected implications related to indigenous industries have been given in this article.

6. Analysis:

The concept of 'Swadeshi' was defined by various scholars. Merriam-Webster Dictionary (2018) writes the meaning of 'swadeshi' as 'the movement of economic independence'. Mohanty (1997) writes that, "Bal Gangadhar Tilak had used swadeshi movement for the first time in India, even before 'Mahatma Gandhi'. Gupta R.C. (1994) writes that, "the swadeshi movement was being used to boycott the foreign goods". The thought of 'swadeshi' was political in the initial period; however that turned into economic in the later phase and became more popular in India. This was nothing but, the policy of protecting indigenous industries and products. Mr. B.G. Tilak had taken lead to establish 'Paisa Fund' and 'Bombay Swadeshi Cooperative Store' in the year 1903. This was most significant step to promote the indigenous products through indigenous stores. The cooperative store initially helped to provide the marketing platform for Indian producers, especially 'handloom' and 'handicrafts' goods. Mr. B.G. Tilak also had promoted the concept of 'Exhibitions' in Calcutta to

promote indigenous goods. Thus 'Swadeshi' movement was more popular among the Indians before the Independence. The similar concept of 'swadeshi' has been accepted even after the Independence. This paper has highlighted selected observations regarding the concept of 'Swadeshi' in the modern India.

The protection and promotion of indigenous industries was central thought of the concept of 'Swadeshi'. The indigenous industries means 'cottage industries', 'handloom industries', 'handicraft industries' and other all type of small industries established by the Indians. The indigenous industries have been the backbone of rural economy. This sector has greater potential in employment generation. Prasad C.S. (2004) writes that, "the cottage industries have been known as the engine of growth in modern India". The government of India has accepted the significance of cottage industries and has declared several economic policies to promote it. These policies are nothing but the concept of 'Swadeshi' launched by Mr. B.G. Tilak.

The Planning Commission of India had declared multiple policies in every plan to promote the small scale and cottage industries. The reports of the commission have explained the strategy of promotion of indigenous industries. Bala N. (2007) writes that, "the protection and promotion of indigenous industries could be seen thorough out all the five year plans and economic policies in India. This was essential, since this strategy had most significant in the process of employment of generation". Industrial policies framed by the Government of India can be explained as below in the reference of small scale and cottage industries.

Industrial Policy Resolution (1956) has given some of the protective measures for village and small scale industries viz., 'reservation of items', 'restriction over expansion of large industries', 'management of supply of raw materials' and 'concessions to producers'. Industrial Policy Resolution (1977) has given some of the protective measures for village and small scale industries as 'reservation of products (504 items)', 'establishment of District Industries Centres', 'technological upgradation assistance' and 'special marketing arrangements'. Industrial Policy Resolution (1980) has given number of protective and promotional measures. Some of them are- 'raising investment limit (from Rs. 2 Lakh to 25 Lakh)', 'reservation of items' and 'availability of credit'. Industrial Policy Resolution (1990) also has emphasized the significance of small scale and village industries. The features of resolution are- 'raising investment limit' (to Rs. 75 Lakh), 'investment subsidy', 'reservation of products' (836 items) and 'established Small Industries Development Bank of India'. Industrial Policy Resolution (1991) has launched 'structural adjustment programme' which changed the Indian economy as a whole. The main features of resolution are- 'exemption from licensing', 'raising investment limit', and 'marketing and promotional strategy'. Comprehensive Policy Package for small scale and tiny sector (2000) has announced by the government of India. The main focus of the policy was -'exemption for excise duty' (upto Rs.1crore), 'raising investment limit in service enterprises'. The Industrial Policy Packages for small scale industries (2001-02) has given following protection viz; 'raising

investment limit (upto Rs. 5 crore), 'Credit Guarantee Fund' and 'Market Development Assistant Scheme'. The Policy Package for small and medium enterprises (2005-06) has announced by the Government of India. The main features of this policy package were: 'insurance cover', 'cluster development model' and 'promotional strategy for textile and handicrafts'.

The establishment of cooperative store for the promotion of indigenous products was also central thought of 'Swadeshi' given by Bal Gangadhar Tilak. The modern economic system in India is known by the organized establishment of 'consumer stores'. The structure of 'consumer store' is changed but the central idea of the thought is same. Many consumer stores were established in India to promote the sale of local goods. The retail stores as 'Big Bazar' and 'D-Mart' are also consumer stores, which are playing similar role of promoting the sale of goods. Thus the idea of consumer store was most revolutionary during 'British' period and now the same idea is becoming popular. Development Commissioner (Handicrafts) Ministry of Textiles, Government of India has been taking lead in promoting the handicraft and handloom products through exhibition, which is being organized throughout India and abroad. 'National Jute Board of India' and 'National Handloom Development Corporation of India' also have been using the 'exhibition' method for the marketing of indigenous products. This exercise is nothing but the modern form of 'swadeshi' and 'exhibition' launched by Bal Gangadhar Tilak.

7. Results:

On the basis of the secondary data available through various reputed books, the author has analyzed the economic implications of 'Swadeshi' concept during pre and post-Independence period. The author has given here some of the result as below.

- i) Mr. B.G. Tilak's thought on 'Swadeshi' had strong relevance during colonial period.
- ii) The concept of 'Swadeshi' had brought deep economic implications during British rule.
- iii) The concept of 'Swadeshi' was also used in the post-Independence period for the protection and promotion of Indian industries.
- iv) The government and private agencies have been using the concept of 'Swadeshi' at different modes for the promotion of economic goal.
- v) The basic theme of the concept of 'Swadeshi' was self reliance and economic independence.
- vi) The 'Swadeshi' movement became popular since it had strong base in terms of employment.
- vii) The concept of 'exhibition' initiated by Mr. B.G. Tilak for the promotion of Indigenous industries was also accepted by various agencies for the promotion of their products.
- viii) The government of India and the various state government also have been making several provisions for the promotion of Indian industries through industrial policy resolutions.
- ix) The industrial policies have offered several protective measures for the promotion of indigenous industries.

x) Thus, on the basis of selected observation as explained above, the concept given by 'Bal Gangadhar Tilak' on 'Swadeshi' have strong relevance in the present economic system of India.

India'. The movement of 'Swadeshi' taught the self-reliance and economic independence to Indian producers. The government agencies have promoted and extended the central idea of the concept of 'Swadeshi' launched by Bal Gangadhar Tilak. The economic implications of the concept 'Swadeshi' could be found during colonial period and even in the contemporary period.

8. Conclusion:

The concept of 'Swadeshi' had greater national and economic importance during both, the 'British India' and 'Free

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