


Trade and Industry: Deindustrialization

The background of the page features a large, faint watermark of the University of Delhi logo. The logo is circular with the text 'UNIVERSITY OF DELHI' around the top and 'विश्वविद्यालय दिल्ली' around the bottom. In the center is a shield with a book, a lamp, and an elephant.

Subject: History
Unit: Trade and Industry

Lesson: Trade and Industry: Deindustrialization

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Trade and Industry: Deindustrialization

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5.1: Trade and industry: de-industrialization

The common perception about the Indian subcontinent is that it has been dominated by agriculture. Despite the growth of many modern industries, even now more than half of the population of India is still engaged in the agricultural sector. However, for centuries India enjoyed a high reputation as a manufacturer of fine textiles and many other manufactured goods. As you have read in previous lessons, after Vasco da Gama's discovery of the sea route to India via the Cape of Good Hope in South Africa in 1498, European traders started making sea voyages to India to acquire spices and textiles for trade. In the late 18th century the East India Company's trading interests led to territorial conquest and eventually India became a colony of the British Empire. This also coincided with the advent of the industrial revolution in England that was based on the mechanization of production. This meant that machines driven by steam power increasingly manufactured those goods that were earlier made only by artisans by hand.

As machines increased production they required more raw materials that were not available in Britain and a bigger market for industrial goods. India as a colony was utilized for this and from the 19th century goods manufactured in Britain started flooding India. This must have affected India's crafts, craftsmen, economy and the quality of life of its people. However whether the inflow of British manufactured goods harmed India or benefited it has been a matter of intense debate since the late 19th century. British officials, writers, nationalist leaders and thinkers along with historians have tried to assess the extent and variations in a process that has been described as the de-industrialization of India.

Value addition: interesting detail

Indian handlooms textiles

Indian textiles enjoyed a high reputation for their quality, texture, attractive prints, designs and they were also comparatively cheap. They were much in demand in Europe, Southeast Asia, Central Asia and the Middle east. Many words and names have a fascinating history as they evolved with trading links. For example, the cotton textiles that the Portuguese carried to Europe came to be known as 'calico' a word derived from Calicut in Kerala where they first landed. Later on all cotton textiles came to be known as calico. You must have heard about 'muslin' that has a legendary reputation as a fine woven cotton cloth. It is derived from Mosul, a place in Iraq today where Arab merchants brought it from India and European merchants bought it. Bandanna is the name given today to any coloured and printed scarf that is usually tied around the neck or head. It is derived from the Hindi word 'bandhna' (literally means tying) and is used for a range of brightly coloured cloth produced through a method of 'tying and dyeing'. Similarly the English word 'chintz' is derived from the Hindi word chhint that refers to cloth that has small and colourful floral patterns and designs.

Source: Original

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Figure 5.1.1: Chintz

Source: <http://en.wikipedia.org/wiki/Chintz>



Figure 5.1.2: Bandanna

Source: http://en.wikipedia.org/wiki/File:Red_and_blue_bandannas.jpg



Figure 5.1.3: Calico

Source: [http://www.britannica.com/EBchecked/topic-art/89478/..](http://www.britannica.com/EBchecked/topic-art/89478/)

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What is de-industrialization?

De-industrialization does not mean just decline of handicrafts or artisanal production. Such decline occurred all over the world where modern machine-based industry has developed. In the case of India, which experienced colonization, the decline of traditional artisanal industries was not replaced or adequately compensated by newer or more advanced forms of industrial production. Thus India's traditional industries declined in the face of the influx of British manufactured goods that were sold under colonial conditions that benefited foreign manufactures. Consequently Indian manufacturers were pushed into agriculture and other low-paying occupations. This process is referred to as the 'de-industrialization of India'.

It is possible to talk about the de-industrialization of India during the colonial period because India held a high position in small-scale industry such as hand-loomed textiles and other handicrafts in the pre-colonial period. Around 1750, India supplied about 25% of the world's industrial output, and perhaps a larger percentage of the world's textile exports. This figure fell to 2.4% by 1938 (Bairoch 1982). So what happened? As you know European companies started trading with India from the 17th century. The major exporting regions in India were the Coromandal coast, Bengal, Gujarat and Punjab. Even before the advent of European companies these regions had extensive trading networks. For example, the Coromandal traded with Southeast Asia, Gujarat with the Red Sea and Persian Gulf region, Punjab with Central Asia and Bengal used its waterways to trade with upper India. Even till the 18th century neither the Europeans nor the European markets were the most dominant. The intra-Asian networks continued to be important till then.

The European markets started becoming important with the entrenchment of European companies which traded with their ships. The 16th, 17th and most of the 18th century was the era of mercantile capitalism in Europe. In this era the wealth of a country was measured according to the amount of bullion (precious metals, mainly gold and silver) it possessed. One of the ways to acquire it was profitable trade. Hence the basis of the profit of European trading companies was the difference in the cost prices in India and the sale prices of Indian goods in Europe. The profit margin could be increased if the price paid to the Indian artisans could be lowered. So long as the East India Company was competing with others e.g. the French or the Dutch East India Companies and other Indian and Asian merchants, the Indian artisans were in a better bargaining position for their products. However in the second half of the 18th century the East India Company gained an upper hand. It eliminated the challenge of its European rivals – the French and the Dutch and began the military and territorial conquest of India. The battle of Plassey (1757) and the acquisition of Diwani (1765) in Bengal gave them the dominance required to monopolize the market.

A monopolist has no rivals or competitors and therefore can influence the market to its advantage. This was the advantage that the English enjoyed in Bengal in the last three decades of the 18th century. Using their dominant political, administrative and military

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position, the East India Company and its servants in their private capacity acquired last quantities of textiles in Bengal at low prices and reaped high profits from sale in the European markets. On the surface it appeared that the exports and production in Bengal had gone up. But in reality the artisans were forced to produce and deliver goods at prices that made it difficult for them to survive. They were able to do it for some time since artisanal production was based on family labour where living standards could be pushed below subsistence level up to a point. However the lowering of their incomes ruled out the possibility of investing in technology and other resources to improve production.

This coincided with a virtually opposite process that was occurring in England. Technological change along with several other social and political factors led to mechanization of production that led to what is commonly known as the Industrial Revolution in the last decades of the 18th and the early decades of the 19th century. The new machine-produced cloth from the mills of England had the advantage of the economies of large-scale production and Indian goods now started losing out to them in European markets. By 1800, the market for Indian goods in Europe had dwindled. The domestic demand for fine textiles was also on the decline as the indigenous elite and the old nobility increasingly came to be politically and economically subjugated by the English. The new revenue systems initiated by the East India Company also depressed demand in the rural areas due to their high level demand of land revenue in the early years of their implementation. From the early decades of the 19th century India's industrial exports started declining. On top of this duties were imposed on Indian goods on several occasions to make them more expensive vis-à-vis the goods manufactured in England, so that they could not compete in the international markets.

In 1813, under pressure from the manufacturers in England, the **monopoly** of trade that the East India Company had enjoyed was taken away by a Charter Act. Now anyone could freely trade with India. From 1820 onwards English machine-made cloth and yarn started reaching Indian markets. Hence India experienced a double blow. Not only did its exports of manufactured goods suffer; goods manufactured by factories abroad and sold in India under the dominance of a foreign power invaded its domestic markets. India thus experienced a process that was the reverse of industrialization which has been called de-industrialization.

The debate on de-industrialization

The destruction of Indian industries as a consequence of colonialism was noticed and analyzed by a range of writers from the 19th century. Among them the sharpest critique was provided by the early nationalists like Dadabhai Naoroji, M. G. Ranade, and R. C. Dutt. They along with others discussed de-industrialization along with related concepts like 'Drain of Wealth' to provide a comprehensive account of the impact of British rule on India. Their economic nationalism was also developed to counter the claims made by advocates of colonialism who argued that India had developed and benefited by virtue of being ruled by the world's most developed nation, i. e. Britain.

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Value addition: what the sources say

R. C. Dutt's analysis

In the first decade of the 20th century R.C. Dutt provided the classic nationalist account of the impact of colonial rule in India and its negative effects on India's domestic crafts:

"...in purely agricultural pursuits England had little to teach; but in cleaning and husking the food grains, in spinning and weaving, in manufacture of indigo, tobacco, and sugar, in the growing of coffee and tea, in the forging of iron, in coal-mining and gold mining, in all industries which are dependent on machinery, Europe had adopted more perfect methods than India in 1830. It is possible to conceive that a Government working with an eye to the advancement of the national industries, might have introduced these superior methods among the industrious and skilful people of India, as they have been introduced among the people of Japan within our generation. But it was hardly possible that foreign merchants and rival manufacturers, working for their own profit, should have this object in view, and the endeavor was never made. A policy the reverse of this was pursued with the object of replacing the manufactures of India, as far as possible, by British manufactures."

Source: Dutt, R. C. 1989. *The Economic History of India, Volume One: Under Early British Rule 1757-1837*. With a critical introduction by D.R. Gadgil. New Delhi: Publications Division, 190. Originally published in London, 1902.

Subsequently in the 20th century K. S. Shelvankar in *The Problem of India* (1940), the Marxist analyst R. P. Dutt in *India Today* (1940) and many leaders of the national movement repeatedly blamed colonialism for the de-industrialization and resultant backwardness of India. On the other hand authors like Vera Anstey and L. C. A. Knowles questioned the nationalist arguments in the colonial period itself. In the 1960s Morris David Morris, a historian, reopened the debate on de-industrialization in an article in which he questioned the nationalist arguments and assumptions regarding the decline of traditional industries in India. Morris argued that there was not much direct evidence cited by nationalists to demonstrate de-industrialization and according to him the nationalist claim was based more on emotion and ideology than on concrete historical evidence. Morris claimed that British manufactured cloth need not have necessarily harmed Indian industries because growth in population along with an increase in the purchasing power of Indians led to an increase in demand for textiles in India. In other words the demand for cloth must have gone up in India and that was met by rising British imports without damaging indigenous production. In effect Morris suggested that Indians started buying more cloth and this rising demand accommodated the influx of foreign textiles. In his view the nationalists had exaggerated the adverse impact of the import of British manufactured cloth on India.

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The arguments of Morris invited sharp reactions from other historians like Bipan Chandra, the Japanese historian Toru Matsui and Tapan Raychaudhuri who published their articles in the journal *The Indian Economic and Social History Review* in 1968. Regarding the issue of lack of evidence for the decline of Indian industries they pointed out that evidence was scattered in different types of sources. Travellers' and eye-witness accounts, famine reports and official enquiries and government reports of the East India Company administration were full of references to the heavy impact of British manufactured goods in India and the worsening conditions of artisans. While conceding that population in India may have gone up a little they asserted that there was definitely no evidence to prove that income per capita had gone up. In fact all evidence points to the contrary, that is, a falling per capita income in the 19th century particularly because spinning suffered heavily. Spinning was usually done by women at home mostly to supplement family income and the influx of cheap machine-made British yarn destroyed the market for indigenous yarn. Family incomes therefore must have fallen, although statistics for the number of spinners will not be available, as they were not recorded. Contemporary accounts however are full of descriptions of the decline of spinning activity.

Morris had argued that cheaper British yarn must have been available to Indian weavers, bringing down the cost of production of their cloth to be able to compete with British cloth. In reply Bipan Chandra cited figures to show that the ratio of yarn imports to woven cloth was very low. In the forty years between 1849 and 1889 the import of cloth into India increased by 25.5 million sterling, which amounted to a twelve and a half time increase. By comparison yarn imports increased by 1.8 million sterling that was a four time increase. During this period the productivity of the Indian weaver remained stationary while that of the British weaver was rising. What made matters worse for Indian weavers was the fact that the export price of British cloth fell far more rapidly than the export price of yarn. The average export price of per pound of yarn fell from 29 pence in 1819-21 to 15.3 pence in 1829-31 to 12 pence in 1844-46 to 11.7 pence in 1859-61 to 12.8 pence in 1880-82. In the same period the average export price per pound of cloth fell from 70.3 pence to 40.6 pence to 22.5 pence to 20.5 pence to 19.4 pence. Indian weavers therefore could not really benefit from the decline in yarn prices which comparatively fell less and it did not bring about the required reduction in the cost of their cloth to be able to compete with British woven cloth that became cheaper by much more.

The general criticism that the nationalists have faced is that the statistical evidence for de-industrialization is weak, especially for the period before the census. Data about various aspects of Indian society started getting generated by Census operations that began in 1872 and were carried out every ten years thereafter. Census statistics are an invaluable store of information about Indian society and therefore critics always doubted the nationalists' assertion of de-industrialization for the pre-census period. However later historians like Amiya Kumar Bagchi have managed to get some statistical evidence from sources that were not available to nationalist or Marxist writers. Bagchi analyzed the evidence provided in the survey conducted by Francis Buchanan-Hamilton in Gangetic Bihar between 1809-13 and the Census data of 1901. According to Bagchi's analysis the percentage of population dependent on industries was 18.6 in 1809-13, which declined to 8.5%.

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However Bagchi was criticized for the methodology he used to arrive at his conclusions. Marika Vicziany questioned the way in which Bagchi classified Indian society into primary (agricultural), secondary (industrial) and tertiary (services) sectors. She argued that in India, especially in rural areas, it was not possible to separate the occupations neatly, as people combined various types of work. She criticized Bagchi for over-estimating the number of people engaged in industrial activities in early 19th century in Gangetic Bihar that led Bagchi to argue a case in support of de-industrialization. Vicziany pointed out that Buchanan-Hamilton's own survey could not be regarded as very reliable as he gathered information from local informants who may have given him incorrect information, given the fears Indians had of the motives of foreigners. Local people suspected that the Company might use the information given to increase taxes or intervene in the life of Indians in other ways. Vicziany also argued that Buchanan-Hamilton's estimate of spinners was weak as many of the people classified as spinners could not have supported themselves only on the basis of spinning. In her view spinners did not earn enough and should be classified as part-time spinners.

Defending his methodology, Bagchi argued that in the early 19th century spinners earned enough to support themselves and even if spinning did not support spinners fully it constituted the principal means of livelihood for them. Other historians joined the debate. Sumit Guha and J. Krishnamurty hinted that Bagchi may have over-estimated the dependence of artisan families on industries. These historians warn against any absolute decline but we can conclude from the extensive research of many historians that there was a decline in major industries like cotton and silk. However Indian artisans did demonstrate the ability to survive. For instance many of them shifted to the production of coarse cloth using coarse handspun yarn. Other goods like common pottery, leather goods and carpets and durries also did not disappear.

Value addition: did you know?
Buchanan-Hamilton
Francis Buchanan-Hamilton (1762-1829) was a Scottish physician who came to India from England. He served in the Bengal Medical Service from 1794 to 1815 and also made significant contributions as a geographer, zoologist and botanist. He served as a surgeon to Lord Wellesley, the Governor-General of India in Calcutta (now called Kolkata) where he organized a zoo that later became the Calcutta Alipore Zoo. Under instructions from the Government of Bengal he conducted detailed surveys of the areas within the jurisdiction of the British East India Company between 1807-14. He became the Superintendent of the Calcutta Botanical Garden in 1814 but returned to England due to ill health in 1815. There he inherited his mother's property and took her surname calling himself "Francis Hamilton, formerly Buchanan". However he came to be known as Francis Buchanan-Hamilton or just Buchanan-Hamilton.
Source: Original

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Census data: what it tells us and its limitations

So far we have been focusing on the pre-census period, i.e. before the availability of data from 1872 onwards. Many historians have analyzed the data from census reports arguing that the case of de-industrialization can be examined with greater accuracy for the later period. The questions they have asked are: did de-industrialization take place in the late 19th century and the 20th century under colonial rule? Even if there was de-industrialization in the early decades of the 19th century did the growth of new and modern industries restore the balance later on? Moreover is it not a fact that in the 20th century Indian handloom industry and other traditional handicrafts not only survived but also showed signs of growth? These complex questions have elicited interesting responses from a range of historians who have emphasized different aspects of the state of Indian industries in the late colonial period.

In the early 1960s Daniel and Alice Thorner argued that analysis of census data on occupations between the decennial (ten-yearly) censuses from 1881-1931 showed that there was not much change in the proportion of population engaged in industrial occupations. They said that on first impression census figures indicate that the male work-force in agriculture was 65% and increased to 72% in 1931. In the same period their proportion in industry declined from 16% in 1881 to 9% in 1931 suggesting de-industrialization. However the Thorners questioned this by describing the census categories as erroneous because they assumed a clear-cut separation between agricultural work force and general labour and between industrial work-force and trade. In their view that was not possible in an agricultural economy like that of India. According to the Thorners, if these categories are merged then the picture looks different. Then the increase in the work force in the primary sector, i.e. agriculture works out to about 2% and the decline in industry and trade amounts to only about 3% between 1881-1931. The Thorners also dismissed the statistics on female labour on the ground that census officials themselves regarded them as inaccurate. Therefore in their view, which is somewhat controversial, the census figures do not provide evidence to support substantial de-industrialization. The Thorners however conceded that there may have been de-industrialization in India before 1881.

However several questions have been raised about the conclusions of the Thorners. Historians like Tirthankar Roy and others have objected to the exclusion of women from the analysis. Women's participation declined dramatically during the census period. It seems that in the Indian social context women in many artisan families gave up artisanal work earlier than men to take up household or agricultural work. Hence any exclusion of their data would not show much change in occupational structure while the inclusion of data related to women will show a decline in the number of people engaged in industrial activity. Another economic historian J. Krishnamurty criticized the use of work force as a criterion and reliance on demographic (i.e. population related) evidence to arrive at any conclusion regarding de-industrialization as the Thorners had done. Krishnamurty argued that the use of capital-intensive techniques can lead to rise in output per capita while there can be a decline in the size of the industrial work-force. In other words less people can produce more and how can we suggest 'de-industrialization' if manufacturing output was rising? His own view was that from the late 19th century there was a shift towards capital-intensive techniques in Indian industry leading to higher output though the size of the manufacturing

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sector in India did not change significantly. However some scholars suggest that higher output under colonial conditions was for the export market and did not benefit India. Further, any rise in output was not enough to bring about an all round industrialization of India given the general condition of backwardness under colonial rule.

Evaluating de-industrialization: some recent findings and interpretations

In the last three decades a number of studies have thrown new light on the extent, impact and nature of de-industrialization in India. These studies have qualified the assumptions and conclusions of the nationalist and Marxist perspectives. Recent research suggests that different regions and commodities experienced the impact of machine-made goods in different ways depending on when they came under colonial rule. Thus for example, British manufactured goods affected the economy of eastern India far more than other regions. Historians like Tapan Raychaudhury argue that the conditions of the artisans and weavers of eastern India started deteriorating soon after the battle of Plassey (1757) and their condition worsened in the 19th century. It has also been suggested that the Madras Presidency suffered less compared to Bengal and in western India, particularly Rajasthan, the poor development of transport facilities delayed the inflow of British manufactured goods. Clearly the timing of colonial intervention in a particular region shaped this pattern.

Historians also emphasize the need to distinguish between the 19th century (till about the 1870s and 1880s) and the era of late colonialism, that is, the late 19th century and the 20th century. In a series of writings Tirthankar Roy has questioned the idea of a steady long-term decline of handicrafts in India. He agrees that a decline of traditional industries did occur for most of the 19th century but also asks the question: how did many Indian handicrafts eventually survive? Roy suggests that many positive forces began to work in favour of handicrafts from the late 19th century. In the mid-19th century two types of hand-woven cloth faced competition from foreign and later Indian mill-made cloth: printed and bleached cotton cloth; and 'coarse-medium' cotton cloth. Compared to them machine-made cloth proved superior. But Indian weavers adapted by shifting to very coarse or very fine cloth with complex designs that were made according to local tastes and preferences. There were technological changes that increased productivity: the use of the fly-shuttle, power loom, new techniques of plating and polishing of brassware, use of power in the plating of the wires in **zari** production, etc. There was a greater spread of labour-saving tools adaptable to small-scale workshop and household production. Roy shows that production also increasingly shifted from industrial households to wage-labour using workshops. Handicraft production also showed a shift from rural to urban centres with growing urbanization in India. Craft-towns tried to improve the quality of their products and adapt to the needs of the mass market like Mirzapur carpets, Moradabad brass goods and Surat **zari**.

Douglas Haynes suggests that in several regions (particularly in western and southern India) agricultural growth and commercialization strengthened local demand for traditional textiles and market networks. Moreover tariff protection to the textile industries from the mid-1920s onwards also helped the handloom industry. According to Tirthankar Roy handloom production rose by 30% in the first twenty five years of the 20th century. Modern large-scale industry accounted for merely 5% of industrial output in 1900 and even in 1991

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its share was 29%. Even in 1931, more than 90% of the work-force was engaged in handicrafts. India had a comparative advantage in labour-intensive industry and craftsmen could survive because they could lower their consumption. Therefore despite adverse circumstances an overwhelming majority of Indian industrial workers continued and even now work in small-scale industry.



Figure 5.1.4: Fly shuttle

Source: <http://glimakrausa.com/wp-content/uploads/2011/04/flyattach.jpg>



Figure 5.1.5: Mahatma Gandhi with charkha

Source: http://en.wikipedia.org/wiki/File:Gandhi_spinning.jpg



Figure 5.1.6: Power loom

Source: http://en.wikipedia.org/wiki/File:Strickmaschine_im_Museum.JPG

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5.1 Summary

- Before colonial rule India had a high reputation as a manufacturing country with a share of nearly 25% of world industrial output in the middle of the 18th century. India's share fell to 2.4 in 1938. India's handicrafts, especially its textiles were demanded and traded for profit by European trading companies.
- The nationalists in the late 19th century and Marxist scholars in the 20th century argued strongly that from early 19th century the inflow of machine-made British manufactured goods, especially textiles and yarn, had an adverse impact on the Indian handicraft sector and artisans. Loss of markets and profits forced craftsmen to shift to low-paying jobs in agriculture and other non-industrial occupations. This process came to be known as de-industrialization. Colonial viewpoints asserted that India received the benefits of modern development as an industrially advanced country like Britain ruled it. The nationalists and Marxist critics of colonialism questioned this.
- The debate on de-industrialization was renewed in the 1960s. Morris D. Morris questioned nationalist assumptions but Bipan Chandra and others countered Morris's evidence and conclusions especially concerning the rise in per capita income and consequent growth in demand for textiles in India that are supposed to have absorbed British imports into India. Amiya Kumar Bagchi argued in favour of de-industrialization in the Gangetic Bihar in the 19th century based on the surveys of Buchanan-Hamilton.
- Daniel Thorner conceded that that de-industrialization may have occurred before the census period, that is, before 1872. By analyzing census figures on employment in the manufacturing and agricultural sectors he however argued that census data does not support de-industrialization between 1881-1931. Other scholars doubt the usefulness of the categories used in different census reports and questioned exclusion of data on women.
- Recent research qualifies the old de-industrialization thesis by analyzing the impact of de-industrialization depending on regional variation, type of industry and the changing nature and requirements of colonial rule. They also argue that though the number of people engaged in both modern and traditional industries may have fallen, there was some rise in manufacturing output.
- Despite differences most scholars agree that the impact of machine-made manufactured goods was harmful for India's weavers and other craftsmen for most of the 19th century. Bengal Presidency suffered the most as it was subjected to colonial domination earlier than other regions. Spinning, done mostly by women as a household activity suffered heavily. Even if there are no statistics available the evidence from contemporary descriptions is overwhelming.

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- Traditional industries in India were not totally wiped out. Weavers survived by producing very coarse or very fine textiles, adopting new technology, receiving government protection in the 20th century and the persistence of cultural preference for hand-made goods in India. Hence de-industrialization did occur but not in an unqualified, linear and uninterrupted manner. As a whole India came to have a backward industrial sector that was the result of arrested economic development under colonial rule.

5.1: Exercises

Essay questions

- 1) What do you understand by the term 'de-industrialization'?
- 2) Do you think the arguments of Morris D. Morris have no basis?
- 3) Evaluate Amiya Kumar Bagchi's methodology for analyzing de-industrialization in Gangetic Bihar.
- 4) 'The data from the census operations does not indicate de-industrialization in India'. Do you agree with this statement?
- 5) What circumstances and factors enabled some types of handicrafts to survive in India in the colonial period?

Objective questions

Question Number	Type of question	LOD
1	True or False	1

Question

- a) European traders came to sell spices and textiles in India.
- b) The industrial revolution first occurred in England.
- c) Census operations started in India in the 20th century.
- d) The prices of British yarn imported into India fell at higher rate than prices of

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imported machine-made cloth.

Correct Answer / Option(s)

- a) False
- b) True
- c) False
- d) False

Justification/ Feedback for the correct answer

a): India was famous for its textiles and spices hence European traders could not bring them from any where and sell in India. Instead they bought textiles and spices in India to sell elsewhere for profit.

b): In the second half of the eighteenth century a number of factors led to the mechanization of industrial production in England. This meant that goods made by artisans with hand were increasingly made with machines in factories that used steam power to run machines. Scientific and technological growth combined with socio-economic changes in England led to the first industrial revolution.

c): Census operations began in India from 1872. Every ten years data on population was gathered which is a very important source of tracking changes over a period of time.

d): Cheap machine-made yarn and cloth flooded Indian markets from the early decades of the nineteenth century. However data shows that the price of machine-made cloth fell at a higher rate than the price of machine-made yarn. Therefore in spite of using cheaper yarn Indian weavers' cloth found it difficult to compete with cheaper machine-made cloth.

Resource/Hints/Feedback for the wrong answer

a): Till the conquest of Bengal European traders bought spices and textiles from India primarily with bullion.

b): Industrial revolution first occurred in England and happened in other countries later on.

c): Census operations started in India in 1872 and were done every ten years subsequently.

d): If yarn had been cheaper than machine-made British cloth then Indian weavers could have made cheaper cloth with it to compete with British cloth.

Reviewer's Comment:

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Question Number	Type of question	LOD
2	Match the following	2

Question

Match the following:

- | | |
|---------------|----------------------------|
| a) Bullion | i) <i>IndiaToday</i> |
| b) Bandanna | ii) Mirzapur |
| c) R. P. Dutt | iii) Precious metals |
| d) Carpets | iv) coloured printed scarf |

Correct Answer / Option(s)

- a) and iii)
- b) and iv)
- c) and i)
- d) and ii)

Justification/ Feedback for the correct answer

- a): Bullion refers to precious metals like gold and silver.
- b): The word Bandanna is derived from the Hindi word *bandhna* which means tying and is used for coloured printed scarf.
- c): R. P. Dutt was a Marxist living in Britain where he wrote *IndiaToday* (1940) that is one of the first books on modern India with a Marxist perspective.
- d): Mirzapur is a district in the state of Uttar Pradesh which is famous for its carpet industry. It is close to Varanasi district.

Resource/Hints/Feedback for the wrong answer

Other combinations are false.

Reviewer's Comment:

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Question Number	Type of question	LOD
3	Multiple choice question	3

Question

- 1) Mercantilist ideas were dominant in Europe in: (a) 20th century (b) 10th century (c) 4th century B.C. (d) 16th to 18th century
- 2) The conquest of Bengal by East India Company led to: (a) colonization of India (b) industrial revolution in India (c) stoppage of all exports from India (d) the rise of other European trading companies in India
- 3) The living conditions of spinners in India during the British period: (a) improved substantially (b) deteriorated (c) became better because they turned agriculturalists (d) improved because they migrated to Britain

Correct Answer / Option(s)	1) and d) 2) and a) 3) and b)
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Justification/ Feedback for the correct answer

- 1): Mercantilism is a term that refers of a set of beliefs and practices in the economic sphere with the aim of making the country politically and economically strong between the 16th and 18th century in Europe. Mercantilists equated the wealth of a country with the amount of precious metals it possessed.
- 2): The victory of East India Company in the battle of Plassey in 1757 led to the conquest of Bengal that paved the way for the colonization of India.
- 3): As British machine-made yarn and cloth started coming into Indian markets from the early nineteenth century spinning in India done mostly by women lost out. As a result the condition of spinners declined.

Resource/Hints/Feedback for the wrong answer

- 1): Mercantilist ideas accompanied the rise of absolutist states in Europe in the 16th century. They were dominant till the 18th century and declined with the

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advent of industrial revolution and capitalism.

2): The conquest of Bengal did not stop all exports from India. It eliminated competition from other European trading companies and was not directly responsible for the industrial revolution in England.

3): Spinning in India suffered due to the influx of British machine-made yarn and cloth. Spinners' income fell and they lost livelihood while the burden on agriculture increased as it had to support more people. Thus spinners' condition could not have improved nor could they have migrated to England.

Reviewer's Comment:

5.1 Glossary

Demography: Study of changes and trends in population

Fly Shuttle: Invented by John Kay in 1733, this device improved the quality of cloth and doubled the amount of work that a weaver could do - the weaver pulls a cord that triggers hammers to propel the shuttle left, then to the right across the width of the cloth

Monopoly: Sole power, or privilege in dealing with anything; exclusive control of the market

Zari: A type of thread made of fine gold or silver wire used in traditional Indian and Pakistani garments. This thread is woven into fabrics, primarily made of silk to create intricate patterns. It is believed this tradition started during the Mughal era

5.1 Further readings

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