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Deindustrialization to Industrialization: India's Cotton Sector under Colonial Rule, 1813–1950

Nandan Debnath [1]

[1] Ph. D Scholar, Dept. of History, YBN University, Ranchi

Dr. Susmita Mohapatra [2]

[2] Associate Professor & HOD, Dept. of History, YBN University, Ranchi.

ABSTRACT

The cotton textile industry in India underwent a transformative journey between 1813 and 1950, evolving from traditional handloom practices to modern mechanized mills under colonial and nationalist influences. This review paper examines the historical development of the industry, highlighting the early colonial incursions, the rise of Indian entrepreneurship in Bombay and Ahmedabad, and the impact of British economic policies. It also analyzes labor relations, urbanization, and the socio-cultural significance of textiles, particularly in the context of the Swadeshi and Khadi movements led by Mahatma Gandhi. Further, the paper explores the effects of global events such as the American Civil War, the Great Depression, and World War II on India's cotton trade and industrial growth. By integrating economic, social, and cultural perspectives, the study provides a comprehensive understanding of how the cotton textile sector not only shaped India's industrial landscape but also contributed to nationalist mobilization and post-independence industrial policy. The review concludes with suggestions for future research on regional variations, labor dynamics, technological change, and global trade interactions.

Keywords: *Cotton Textile Industry, Modern India, Bombay Mills, Swadeshi Movement, Khadi, Colonial Economic Policies, Labor Strikes, Industrialization, Urbanization, World War II, Economic Nationalism.*

I. Introduction

The history of India's cotton textile industry is deeply interwoven with the cultural, economic, and social fabric of the subcontinent. Long before the advent of colonialism, India had already established itself as one of the most renowned centers of cotton textile production in the world. From the ancient period through the medieval age, Indian cotton fabrics commanded global demand due to their fine quality, intricate craftsmanship, and durability. Indian cotton, whether in the form of muslin

IJAMSR

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from Bengal, calicos from Coromandel, or chintzes from Gujarat, found markets stretching from Southeast Asia to Europe and Africa. Through the eighteenth century, Indian textiles were not only a commodity of commerce but also a cultural ambassador, shaping fashion trends in Europe and serving as a symbol of affluence across continents. This glorious tradition of weaving and handloom craftsmanship provides the essential backdrop to any study of the later developments that transformed the industry during the modern era (Ray 27; Chaudhuri 134).

1.1 Background of Cotton Weaving and Handloom Traditions in India before 1813

India's textile industry before the nineteenth century was overwhelmingly dominated by handloom weaving. Families and communities, often organized along caste and guild lines, specialized in spinning, dyeing, and weaving processes. Cotton cultivation was widespread in regions such as the Deccan, Gujarat, and Bengal, providing abundant raw material for local production. Hand-spun yarn was transformed into cloth through manual looms, and the expertise of artisans ensured fine textures and elaborate designs. Bengal's muslin, known as "woven air," became legendary for its delicacy, while Gujarat's printed calicos and Coromandel's painted chintzes became highly sought after in Europe (Morris 15). The industry was largely decentralized, with villages functioning as self-sufficient units where weaving formed an integral part of rural life. Women played a critical role in spinning, while men often handled the weaving. The combination of artisanal skill, cheap labor, and access to raw cotton created an ecosystem that allowed India to dominate international markets for centuries. Estimates suggest that textiles constituted more than half of India's exports in the eighteenth century, underscoring their centrality to the economy (Bagchi 78). Moreover, textile production was not only an economic activity but also a cultural practice. Cloth played an important role in social rituals, religious ceremonies, and identity markers across regions. Each area developed its own distinctive style and techniques, reflecting local cultural expressions. The variety and richness of India's handloom traditions provided both employment to millions and prestige to the country's reputation abroad (Ray 31).

1.2 Role of British Industrial Revolution and East India Company in Shaping India's Textile Trade

The eighteenth and early nineteenth centuries, however, witnessed a dramatic shift in the trajectory of India's textile industry. The East India Company, initially established as a trading body, gradually assumed political control over large parts of the subcontinent. This shift in power coincided with the Industrial Revolution in Britain, which fundamentally altered global patterns of trade and production. Mechanization in spinning and weaving—especially the inventions of the spinning jenny, power loom, and cotton gin—enabled Britain to produce textiles on a scale and at a cost unimaginable in the handloom sector (Roy 55). The East India Company's policies were instrumental in reorienting India's textile economy. By securing political dominance, the Company ensured that India became both a supplier of raw cotton and a captive market for British manufactured goods. This dual role was devastating for indigenous producers. Tariff barriers in Britain restricted the entry of Indian finished textiles, while in India, the influx of cheaper machine-made goods eroded the demand for handloom products. The Charter Act of 1813, which formally ended the Company's monopoly on

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

trade and opened Indian markets to all British manufacturers, marked a decisive turning point. With this act, the Indian subcontinent was fully integrated into Britain's industrial and economic system, with dire consequences for local artisans and weavers (Chaudhuri 142). The decline of India's handloom industry in the nineteenth century cannot be understood merely as a technological lag. It was also the result of deliberate colonial economic policies that prioritized British industrial growth over Indian economic well-being. The "deindustrialization" thesis, advanced by nationalist economists such as Dadabhai Naoroji and R.C. Dutt, highlighted how British policies drained India of its wealth, dismantled its artisanal base, and subordinated its economy to imperial needs (Naoroji 63; Dutt 121). Weavers, once celebrated for their skill, were reduced to impoverished laborers or forced into agriculture, while raw cotton exports to Britain increased sharply. At the same time, colonial infrastructure projects such as the construction of railways further served imperial interests by facilitating the transport of raw materials to ports for export rather than promoting balanced industrial development within India. Thus, the interplay between Britain's industrial revolution and East India Company's policies created conditions that suppressed India's traditional textile economy while reshaping its role in global commerce (Roy 62).

1.3 Methodology

The present review paper aims to examine the development of the cotton textile industry in modern India from 1813 to 1950. This period is crucial because it captures both the decline of traditional handloom production and the rise of mechanized mills, alongside the broader currents of colonial exploitation, nationalist movements, and eventual industrial policy in independent India. By focusing on this timeline, the paper seeks to analyze the structural transformations that the industry underwent and their implications for India's socio-economic development. The objectives of this review are threefold. First, it aims to provide a historical account of how colonial policies and global industrialization shaped the trajectory of India's cotton textile industry. Second, it seeks to highlight the role of Indian entrepreneurs, workers, and nationalist leaders in sustaining and reviving the industry amidst adverse conditions. Third, it endeavors to connect the story of the textile industry with larger themes of decolonization, economic nationalism, and the struggle for self-reliance. Methodologically, this paper adopts a historical review approach, drawing upon secondary sources such as academic monographs, economic histories, government reports, and scholarly articles. Works by historians such as Tirthankar Roy, Amiya Kumar Bagchi, and Morris D. Morris provide valuable insights into the economic dimensions of the industry, while nationalist writings by Dadabhai Naoroji and R.C. Dutt offer critical perspectives on colonial exploitation. The review also incorporates interdisciplinary perspectives, recognizing that the textile industry cannot be studied solely as an economic phenomenon but must also be understood in terms of its cultural, social, and political significance (Bagchi 82; Morris 22). By synthesizing these diverse strands, the paper provides a comprehensive understanding of the cotton textile industry's development in modern India. It positions the industry not just as a sector of production, but as a site where the contestations of colonialism, capitalism, and nationalism played out. From the decline of handlooms under British policies to the rise of mill industries in Bombay and Ahmedabad, from the Swadeshi Movement to

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

the prominence of Khadi in Gandhian politics, the story of India's cotton textile industry mirrors the larger narrative of India's struggle for economic independence and political freedom.

II. Early Colonial Phase (1813–1850)

The early nineteenth century marked the beginning of a decisive transformation in India's cotton textile industry. The year 1813, with the passage of the Charter Act, is often regarded as a watershed moment because it marked the formal end of the East India Company's commercial monopoly and the beginning of free trade between Britain and India. From this point onward, India was rapidly integrated into Britain's industrial-capitalist system in a way that reshaped the trajectory of its textile economy. The decades between 1813 and 1850 thus saw the decline of India's traditional handloom industry, the expansion of British manufactured imports, the growing dominance of Lancashire mills, and the first, though limited, experiments with mechanized textile production in India (Chaudhuri 145; Roy 61).

2.1 The Charter Act of 1813 and the Opening of Indian Markets to British Textiles

The Charter Act of 1813 was a landmark in colonial economic history. Until this act, the East India Company had retained a monopoly over Indian trade, including textiles. However, by the early nineteenth century, the Industrial Revolution in Britain had fundamentally altered the balance of global manufacturing. British industrialists, especially those connected with the cotton textile sector in Lancashire, demanded unrestricted access to colonial markets to dispose of their machine-made goods. Their pressure was instrumental in compelling Parliament to pass the Charter Act of 1813, which ended the Company's commercial monopoly, opened India to all British merchants, and effectively transformed India into a market for British industrial products (Chakrabarti 92). This legal shift drastically altered the dynamics of India's textile trade. British goods, produced cheaply and in bulk due to mechanization, flooded the Indian market. At the same time, Indian exports of finished textiles faced severe restrictions. High tariff barriers were imposed on Indian cloth entering Britain, while British cloth enjoyed minimal duties in India. The asymmetry in tariff policies was a deliberate strategy to protect and promote the growth of British industry while simultaneously undermining Indian artisanal production (Bagchi 80). Thus, the Act institutionalized an unequal trading relationship that tilted heavily in favor of Britain.

2.2 Decline of the Traditional Handloom Industry

The impact of these new policies was catastrophic for India's handloom industry, which had been the backbone of the economy for centuries. Artisans who once enjoyed steady demand for their products found themselves unable to compete with the flood of cheap British imports. Lancashire textiles, woven on mechanized looms and spun with the aid of advanced machinery, were sold at prices far lower than the labor-intensive products of Indian handloom weavers (Morris 21). This decline was not merely economic but also social. Entire communities of weavers, who had sustained themselves and their families through generations of craft, were thrown into destitution. In regions such as Bengal, once famed for its fine muslins, reports describe the pitiable condition of weavers forced to abandon their profession. Many turned to agriculture as subsistence farmers, while others became

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

part of the growing class of impoverished laborers. The handloom industry, previously a source of pride and cultural prestige, now symbolized the devastating consequences of colonial economic exploitation (Ray 44).

The decline was accelerated by coercive practices. Historical accounts suggest that under the East India Company's dominance, weavers were often compelled to sell their goods to Company agents at prices far below the market rate. With the arrival of British textiles, this coercion became unnecessary, as demand for indigenous goods collapsed. The weaver's skill, once highly valued, was rendered redundant in the face of industrial capitalism and colonial policy (Dutt 130).

2.3 Competition from Lancashire Mills

The core reason behind the decline of India's handloom industry lay in the extraordinary rise of Lancashire mills. Britain's Industrial Revolution, beginning in the late eighteenth century, had transformed textile production through innovations such as the spinning jenny, the water frame, the mule, and the power loom. These inventions enabled British manufacturers to achieve unprecedented levels of productivity at drastically reduced costs. Cotton, imported from colonies such as India and America, was processed in Lancashire mills and re-exported to global markets (Chaudhuri 148). Lancashire's dominance was also sustained by state support. Tariff protection in Britain ensured that Indian textiles could not compete there, while free trade policies in India allowed British goods to enter virtually unchecked. This one-sided policy structure ensured the destruction of India's competitive advantage. Furthermore, British textiles benefited from uniform quality, standardization, and marketing strategies, which helped capture not only elite consumers but also mass markets in India (Bagchi 85). By the 1820s and 1830s, statistics reveal the extent of this shift. Imports of British cotton piece goods into India skyrocketed, while India's exports of manufactured cloth to Europe fell drastically. Within decades, India transitioned from being the world's leading exporter of cotton textiles to becoming an importer of cloth produced in Britain from raw cotton often sourced in India itself. This ironic reversal of roles highlights the exploitative structure of colonial trade, where India was reduced to a supplier of raw materials and a consumer of finished goods (Roy 65).

2.4 Initial Attempts at Mechanization in India (Early Factories in Bombay)

Despite these unfavorable conditions, the early colonial phase also witnessed the first tentative steps toward mechanized textile production in India itself. The city of Bombay, with its proximity to raw cotton supplies from the Deccan and access to a port for export, emerged as the earliest hub of mill-based textile industry. Indian entrepreneurs, particularly members of the Parsi community, recognized the potential of mechanization and attempted to establish modern mills that could compete, at least in part, with Lancashire imports (Morris 36). The first successful textile mill in India is often credited to Cowasji Nanabhoy Davar, who founded the Bombay Spinning and Weaving Company in 1854 (slightly beyond the 1813–1850 period but rooted in the earlier initiatives of the 1840s). Although these efforts faced significant obstacles—such as lack of technical expertise, dependence on imported machinery, shortage of skilled engineers, and restrictive colonial regulations—they laid the foundation for India's later industrial development. Earlier, during the

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

1840s, small-scale experiments with steam-powered spinning and weaving had already begun in Bombay. These attempts were motivated partly by the recognition that survival of indigenous entrepreneurship required adaptation to mechanization. However, the early mills were not sufficient to counteract the overwhelming presence of Lancashire goods in Indian markets. Their significance lies less in their immediate economic impact and more in their role as precursors to the growth of a full-fledged textile industry in India during the latter half of the nineteenth century (Chakrabarti 105).

2.5 Conclusion of the Early Colonial Phase

The period between 1813 and 1850 thus represents a phase of disruption and transition. The Charter Act of 1813 institutionalized the opening of India's markets to British textiles, setting the stage for the decline of the handloom industry. The subsequent flood of Lancashire goods marginalized India's artisans, leading to widespread poverty and social dislocation. Yet, amid this bleak scenario, the first experiments with mechanization in Bombay signaled the emergence of a new industrial trajectory, albeit one constrained by colonial structures. The story of this early colonial phase underscores the asymmetric nature of colonial economic relations: while Britain's industrial capitalism thrived, India's artisanal economy crumbled under the weight of unfair trade practices and structural subordination. Nevertheless, the resilience of Indian entrepreneurs and the eventual growth of mechanized mills demonstrate that this was not merely a tale of decline but also one of adaptation and the seeds of future industrial revival (Ray 48; Morris 40).

III. Rise of Modern Cotton Textile Mills (1850–1900)

The second half of the nineteenth century marked a critical transformation in India's economic and industrial history. After the severe disruptions caused by colonial trade policies in the first half of the century, the period between 1850 and 1900 witnessed the emergence and gradual expansion of modern mechanized textile mills in India. Although this growth took place under the shadow of British industrial dominance and within the constraints of colonial economic structures, it nonetheless signified an important phase of indigenous entrepreneurship and industrial revival. The rise of mills in Bombay, Ahmedabad, and other regions represented a new phase of adaptation where Indian capitalists attempted to carve out a space in the industrial economy. Several interrelated factors—including access to raw cotton, cheap labor, entrepreneurial initiative, and global events such as the American Civil War—shaped the trajectory of the cotton mill industry during this period (Roy 72; Bagchi 102).

3.1 Growth of Mill Industry in Bombay and Ahmedabad

Bombay emerged as the cradle of the Indian cotton textile industry in the mid-nineteenth century. Its geographical advantages were decisive: the city was located close to the cotton-growing tracts of the Deccan Plateau, ensuring easy access to raw material. Its natural harbor facilitated both the import of machinery and coal and the export of finished goods. Furthermore, Bombay had already developed as a commercial hub under British rule, attracting merchant communities with capital to invest (Chaudhuri 162). The first cotton textile mill, the Bombay Spinning and Weaving Company, was established in 1854 by Cowasji Nanabhoy Davar, a Parsi entrepreneur. Though dependent on British

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

machinery and technicians, this mill marked the beginning of industrial modernity in India. Through 1870, Bombay had about 13 mills, and by 1900, the number had grown to over 80, making the city one of the largest centers of textile production in Asia. The concentration of mills also led to the emergence of a distinctive industrial working class, composed largely of migrants from the Konkan, Ratnagiri, and Deccan regions (Morris 42). While Bombay was the pioneer, Ahmedabad soon followed. Known as the "Manchester of India," Ahmedabad developed into a major textile center from the 1860s onwards. Its proximity to cotton fields, combined with entrepreneurial initiatives of Gujarati business families, enabled the establishment of mills that rivaled those in Bombay. By the late nineteenth century, Ahmedabad mills gained a reputation for producing coarse cloth suited to mass Indian consumption, while Bombay specialized in finer counts, particularly for export. Together, these two cities became the twin pillars of India's modern cotton industry, setting the foundation for further industrial expansion in other centers like Sholapur, Nagpur, and Kanpur (Ray 67).

3.2 Role of Indian Entrepreneurs: Parsis, Gujaratis, and Marwaris

The success of the cotton mill industry in India owed much to the vision and initiative of Indian entrepreneurs. Unlike in many other sectors where European capital held complete dominance, the textile industry saw significant contributions from indigenous business families. The Parsis of Bombay were among the earliest pioneers. Figures such as Cowasji Nanabhoy Davar, Jamsetjee Jeejeebhoy, and Dinshaw Petit invested heavily in mills, drawing upon their experience in overseas trade and opium commerce with China. Their willingness to take risks and adopt new technologies positioned them at the forefront of India's industrial development (Chakrabarti 114). In Ahmedabad, it was Gujarati entrepreneurs—particularly members of the Jain and Hindu Bania communities—who spearheaded mill development. Families such as the Sarabhais, Mangaldas, and Lalbhais built successful enterprises that not only contributed to industrial growth but also supported philanthropic and educational institutions, linking industrial success with social development. By the later decades of the nineteenth century, Marwari businessmen, who had built vast networks of credit and trade across the subcontinent, also began entering the textile sector, particularly in Calcutta and Kanpur. Their strength lay in mobilizing finance and tapping into regional markets. Together, Parsis, Gujaratis, and Marwaris demonstrated that Indian capitalists were capable of competing in an industry heavily skewed in favor of European interests (Bagchi 110; Roy 75).

3.3 Availability of Raw Cotton and Cheap Labor

The rise of mills was facilitated by two key resources: raw cotton and labor. India was one of the world's largest producers of cotton, with cultivation concentrated in regions such as the Deccan, Gujarat, and parts of Punjab. The availability of this raw material at relatively low cost gave Indian mills a natural advantage. However, much of India's cotton continued to be exported to Britain, reflecting the colonial pattern where India functioned primarily as a raw material supplier. Nevertheless, Indian mills secured enough supply to sustain production, particularly during global disruptions like the American Civil War (Morris 47). Cheap labor constituted another crucial factor. The establishment of mills in urban centers coincided with a period of rural distress caused by

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

famines, agricultural decline, and population pressures. Thousands of impoverished peasants migrated to cities like Bombay and Ahmedabad in search of work. This migration created an abundant pool of labor willing to work for meager wages under harsh conditions. Mill owners exploited this situation to keep production costs low, ensuring competitiveness despite technological backwardness compared to Lancashire. The rise of a mill-working proletariat also had profound social consequences, leading to new forms of urban settlement, labor unrest, and the gradual emergence of trade unions by the end of the century (Ray 70).

3.4 Constraints: British Capital Dominance, Discriminatory Policies, and Technical Dependence

Despite the progress made, the Indian cotton textile industry between 1850 and 1900 faced significant constraints. British capital remained dominant in many aspects, particularly in the supply of machinery, shipping, insurance, and banking. Indian mills were compelled to import almost all their equipment from Britain, creating a dependence that limited technological autonomy. The lack of local engineering industries meant that repairs, spare parts, and expertise were also monopolized by British firms (Chaudhuri 168). Colonial policies further discriminated against Indian industry. For instance, while British textiles continued to enjoy tariff-free access to Indian markets, Indian cloth faced stiff competition abroad. Even within India, government procurement policies often favored British manufacturers. Additionally, the infrastructure of railways, though useful in connecting cotton-growing regions with mills, was primarily designed to serve imperial interests by facilitating the export of raw cotton to Britain. Another challenge was technological backwardness. Indian mills, while mechanized, often operated with outdated machinery compared to Lancashire, reducing efficiency. Skilled managerial and technical staff were usually Europeans, while Indians were confined to unskilled or semi-skilled roles. This dependence not only perpetuated a technological gap but also reinforced the colonial hierarchy within industrial enterprises (Bagchi 115).

3.5 Impact of the American Civil War (1861–65) on Cotton Demand and Indian Exports

The American Civil War had a dramatic and paradoxical impact on India's cotton economy and its textile industry. With the blockade of Southern ports in the United States, Britain's cotton supply from America was abruptly cut off. This crisis, known as the "Cotton Famine" in Lancashire, forced British manufacturers to turn to India as an alternative source of raw cotton. Exports of Indian cotton to Britain surged during these years, creating a temporary boom in the Indian cotton trade. Prices of raw cotton rose sharply, and cultivators in western India experienced short-lived prosperity (Roy 80). For Indian mills, however, the effects were mixed. On the one hand, the global disruption reduced competition from Lancashire in certain markets, giving Indian producers more room to sell their goods domestically and regionally. On the other hand, the diversion of large quantities of raw cotton for export raised prices and created shortages for Indian mills, squeezing their profit margins. Nonetheless, the crisis demonstrated the strategic importance of India in the global cotton economy and underlined the potential for local mills to expand their production capacities. After the Civil War ended, American cotton re-entered global markets, and the boom quickly subsided. Many cultivators in India faced ruin as prices collapsed, while Indian mills returned to their earlier struggle against

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

Lancashire competition. Yet, the episode highlighted both the vulnerabilities and the opportunities of India's cotton economy within the larger global framework of industrial capitalism (Morris 52). The period between 1850 and 1900 witnessed the transition of India's cotton textile industry from a devastated handloom sector into a nascent modern industry. The growth of mills in Bombay and Ahmedabad reflected the resilience and initiative of Indian entrepreneurs, who despite structural disadvantages, carved out an industrial space within the colonial economy. The availability of raw cotton and cheap labor supported this growth, while global disruptions like the American Civil War momentarily reshaped the industry's prospects. Yet, the rise of modern mills was constrained by systemic inequalities: dependence on British machinery, discriminatory colonial policies, and competition from Lancashire. Nevertheless, the industry's very survival and expansion during this period laid the foundation for future growth in the twentieth century, when the cotton textile sector would not only emerge as a major contributor to India's industrial economy but also become a symbol of nationalist resistance in the freedom struggle (Bagchi 120).

IV. Colonial Economic Policies and Their Impact

The development of the cotton textile industry in modern India was deeply intertwined with the economic policies implemented by the colonial administration. These policies, shaped largely to safeguard British industrial interests, had a profound effect on the growth, structure, and limitations of the Indian textile sector. The British government prioritized the protection of Lancashire's cotton mills, which dominated the global textile trade in the nineteenth century, and consequently undermined the indigenous industry in India. This section explores the tariff policies that tilted trade in favor of Manchester goods, the drain of wealth highlighted by nationalist thinkers like Dadabhai Naoroji, the role of railway expansion in facilitating raw cotton exports over industrial growth, and the precarious labor conditions that defined the cotton textile sector during colonial rule.

4.1 British Tariff Policies Favoring Manchester Goods

One of the most significant aspects of colonial economic policy was the manipulation of tariff structures to the benefit of British textile manufacturers. Following the Charter Act of 1813, which ended the East India Company's monopoly and opened Indian markets to British goods, a deliberate tariff system was enforced to make Indian textiles uncompetitive. Raw cotton from India could be exported to Britain with negligible duties, while Indian finished textiles faced prohibitive tariffs when entering British markets (Roy 85). At the same time, Manchester-made machine-spun textiles entered India duty-free, giving them a decisive price advantage over the locally produced handwoven cloth.

This asymmetry crippled the handloom sector, which had flourished for centuries as a global supplier of fine muslins, chintzes, and calicoes. By the mid-nineteenth century, the influx of British cotton piece goods not only replaced Indian products in international trade but also inundated local markets. As Tirthankar Roy notes, "India's transition from a world leader in textiles to an importer of machine-made cloth was not a natural industrial shift but one enforced by discriminatory tariff regimes" (Roy 101). These policies created a structural dependency that subordinated Indian industry

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

to British manufacturing interests, delaying the rise of indigenous mechanized mills until the latter half of the century.

4.2 Drain of Wealth Theory and Economic Subordination

The exploitative trade structure was part of what nationalist economist Dadabhai Naoroji famously articulated as the "Drain of Wealth" theory. In his writings, Naoroji argued that India's economic stagnation stemmed from the systematic siphoning of surplus to Britain through mechanisms such as unequal trade, remittances by British officials, and the repatriation of profits from British-owned enterprises (Naoroji 65). The cotton textile industry became emblematic of this drain. While India exported raw cotton in massive quantities, particularly during times of crisis such as the American Civil War, the profits of the trade accrued largely to British merchants and manufacturers. Indian mills, which began to grow in Bombay and Ahmedabad, were constrained by this unequal structure. Even when domestic entrepreneurs like the Parsis or Marwaris entered the industry, they operated within an environment where machinery, technical expertise, and credit were controlled by Britain. The resulting dependency reinforced India's subordinate role as a supplier of raw materials and a consumer of foreign manufactures. Naoroji and later thinkers like R. C. Dutt linked this system to the impoverishment of Indian peasants and artisans, who bore the brunt of declining wages and rising prices while wealth was systematically drained to Britain (Dutt 213).

4.3 Railway Expansion and Raw Cotton Exports

The expansion of the railway network in India, often hailed as a hallmark of modernization, was deeply tied to the colonial economy's priorities. Constructed primarily from the 1850s onward, railways were financed largely through British capital and guaranteed returns under state protection. Their design and operation prioritized the movement of raw materials from the hinterlands to ports, facilitating exports to Britain, particularly raw cotton (Kerr 142). The case of cotton exports is illustrative. During the American Civil War (1861–65), when supplies of cotton from the southern United States were disrupted, Indian cotton became critical for Lancashire mills. The railways enabled rapid transportation of cotton from the Deccan Plateau and Gujarat to ports such as Bombay, ensuring uninterrupted supply. However, while this integration into global trade benefitted British manufacturers, it did little to foster balanced industrial growth within India. The railways acted as arteries of resource extraction rather than engines of indigenous development. As Rajat Kanta Ray observes, "the railway system in India was not an independent catalyst for industrialization but an adjunct to the colonial system of economic exploitation" (Ray 275). For Indian textile mills, the benefits of the railway system were limited. While mills in Bombay and Ahmedabad could access cotton supplies more efficiently, their growth remained restricted by the broader colonial framework that discouraged large-scale industrial competitiveness against British producers.

4.4 Labor Conditions, Wages, and Strikes

The labor force in the Indian cotton textile industry was another sphere where colonial policies indirectly shaped outcomes. The mills of Bombay and Ahmedabad drew heavily on migrant labor from surrounding rural areas. Workers endured long hours, poor working conditions, and low wages,

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

conditions reminiscent of early industrial Britain but exacerbated by India's colonial constraints (Morris 88). Unlike in Britain, however, protective labor legislation was introduced only belatedly and under limited circumstances, often after pressure from social reformers or in response to strikes. Strikes became a recurrent feature of the textile industry in the late nineteenth and early twentieth centuries. The first major strikes in Bombay occurred in the 1890s, driven by demands for higher wages and better conditions. However, mill owners—both Indian and British—benefited from a vast pool of surplus labor, enabling them to resist many of these demands. Colonial policies rarely intervened in favor of labor rights, as the administration was primarily concerned with maintaining industrial peace to ensure uninterrupted production and trade. The precariousness of labor was further compounded by the fluctuating fortunes of the global cotton trade. During booms, workers were employed intensively, but during depressions, they faced mass layoffs and wage cuts. Thus, while the cotton textile industry provided employment for thousands of urban workers, it also entrenched cycles of insecurity and exploitation. Colonial economic policies profoundly shaped the trajectory of India's cotton textile industry in the nineteenth and early twentieth centuries. By enforcing tariff regimes that privileged Manchester goods, extracting wealth through unequal trade, channeling railway expansion toward raw material exports, and neglecting the rights and welfare of laborers, the colonial state ensured that India remained subordinated within the global textile economy. These policies highlight the dual character of the cotton textile industry under colonialism: while it was one of the few sectors where Indian entrepreneurs carved out a niche, its growth was constrained by structural inequalities embedded in the colonial economy. The nationalist critiques of thinkers like Dadabhai Naoroji remain pivotal in understanding this legacy, underscoring how industrial development in India was stunted by policies designed to prioritize Britain's industrial supremacy.

4.5 Nationalist Response and Swadeshi Movement (1900–1919)

The early twentieth century marked a decisive turn in the trajectory of India's cotton textile industry. Through this period, nationalist leaders and thinkers had sharpened their critique of colonial economic exploitation and sought to articulate alternatives that would strengthen indigenous enterprise. The Swadeshi movement, emerging in the context of the Partition of Bengal in 1905, became both an economic and political program aimed at resisting British dominance. Central to this movement was the boycott of foreign cloth, the promotion of Indian-owned mills, the revival of handlooms, and the encouragement of cooperative institutions. Later, Mahatma Gandhi's advocacy of khadi further linked textile production with the ideals of self-reliance and mass mobilization. Between 1900 and 1919, these efforts transformed the cotton textile industry into a symbol of resistance against colonial economic structures.

4.6 Nationalist Critique of Colonial Economic Exploitation

Nationalist leaders increasingly recognized the structural imbalance inherent in the colonial economic system. They drew upon the earlier arguments of Dadabhai Naoroji, R. C. Dutt, and others who had highlighted the "drain of wealth" from India to Britain. Naoroji's *Poverty and Un-British Rule in India* (1901) influenced a generation of activists who saw the cotton textile industry as the

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

most visible site of exploitation: Indian raw cotton was exported cheaply to Britain, where it was converted into cloth and sold back at higher prices, undermining domestic producers (Naoroji 78).
By the early twentieth century, political leaders such as Bal Gangadhar Tilak, Bipin Chandra Pal, and Aurobindo Ghosh translated this economic critique into direct political action. They argued that every yard of foreign cloth purchased by Indians contributed to the impoverishment of the nation and enriched Britain's industrial economy at India's expense. The slogan of *Swadeshi*, meaning "of one's own country," thus became a rallying cry for both economic self-sufficiency and national pride (Bandyopadhyay 231).

4.7 Boycott of Foreign Cloth and Rise of Swadeshi Textiles

The boycott of foreign cloth became the most striking manifestation of the Swadeshi movement. Following the Partition of Bengal in 1905, protests against British rule quickly transformed into economic resistance. Indian nationalists urged people to burn or discard Manchester-made cloth, and mass bonfires of imported textiles became symbolic acts of defiance. This boycott was not merely negative in intent; it was accompanied by the positive promotion of Indian-made textiles, which became emblems of patriotism and national solidarity (Sarkar 184). Swadeshi committees across Bengal, Maharashtra, and other regions organized campaigns encouraging people to wear locally woven cloth. The middle classes, particularly students and professionals, embraced the movement enthusiastically. Although imported goods often remained cheaper, the purchase of Swadeshi cloth was framed as a moral obligation and a contribution to the national struggle. According to Sumit Sarkar, "The Swadeshi movement transformed consumption into a political act, where the choice of cloth symbolized allegiance either to colonial rule or to the nation" (Sarkar 189).

4.8 Establishment of Indian-Owned Mills

The Swadeshi movement also stimulated the expansion of Indian-owned mills, particularly in Bombay, Ahmedabad, and Calcutta. Indian entrepreneurs—already active in the industry since the mid-nineteenth century—saw new opportunities as demand for Swadeshi textiles grew. Communities such as the Parsis in Bombay, the Gujaratis in Ahmedabad, and Marwaris in Calcutta invested heavily in mill enterprises. Notable examples include the Tata group, which expanded its industrial ventures during this period (Morris 101). Although Indian mills still depended on imported machinery and often faced difficulties competing with the scale and efficiency of Lancashire, nationalist sentiment provided them with a loyal consumer base. The Swadeshi agitation thus created a protective environment in which Indian industrial capitalists could consolidate their position. By the 1910s, Indian-owned mills had become significant players in the domestic market, laying the groundwork for later industrial growth.

4.9 Role of Cooperatives and Small-Scale Handloom Revival

Alongside mill production, the Swadeshi movement encouraged the revival of small-scale handloom weaving. This was both an economic strategy and a cultural assertion. Handlooms, which had been devastated by the influx of British cloth during the nineteenth century, were reimagined as symbols of India's artisanal heritage and rural resilience. Organizations and cooperatives were established to

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

supply yarn to weavers, provide credit, and market their products. The cooperative movement, though initially small, reflected an attempt to create decentralized structures that would empower rural producers and reduce dependence on colonial intermediaries. Particularly in Bengal, societies were established to organize weavers, ensuring that Swadeshi cloth could reach urban markets. As Bandyopadhyay notes, "the Swadeshi handloom revival was as much about cultural pride as it was about economic resistance" (237).

4.10 Gandhi and the Khadi Movement

The later years of this period witnessed the emergence of Mahatma Gandhi as a central figure who redefined the relationship between textiles and nationalism. While the Swadeshi movement had emphasized industrial expansion alongside handloom revival, Gandhi shifted the focus toward *khadi*, or homespun cloth, as a moral and political symbol. Beginning in the 1910s, Gandhi argued that India's true independence would come not from imitating Western industrial models but from fostering self-reliance at the village level. Khadi thus became both a means of economic sustenance for rural households and a powerful emblem of resistance to British goods. Gandhi insisted that every nationalist should spin yarn and wear khadi as a visible rejection of colonial exploitation. As he declared, "The message of the spinning wheel is much wider than its circumference. Its message is one of simplicity, service of mankind, living so as not to hurt others, creating an indissoluble bond between the rich and the poor, capital and labor, the prince and the peasant" (Gandhi 42). Through khadi, Gandhi integrated economic struggle with moral discipline, making textile production central to mass mobilization. Unlike the earlier Swadeshi movement, which was largely urban and middle class, the khadi campaign sought to bring rural masses into the national struggle. This broadened the base of anti-colonial resistance and turned textiles into a unifying force across classes and regions. Between 1900 and 1919, the cotton textile industry in India became inseparably linked with nationalist politics. The critique of colonial exploitation, articulated by early nationalists, evolved into the Swadeshi movement's boycott of foreign cloth and the promotion of indigenous alternatives. Indian-owned mills benefitted from this new demand, while handloom weaving experienced a modest revival through cooperative initiatives. Most significantly, Gandhi's introduction of khadi imbued textiles with a profound moral and symbolic dimension, linking everyday consumption with national liberation. Thus, the cotton textile industry was no longer merely an economic sector; it became a battlefield where colonial exploitation was resisted and nationalist identity forged. This period laid the foundation for the broader Gandhian movements of the 1920s and 1930s, where khadi would become the uniform of India's freedom struggle and the spinning wheel its most enduring symbol.

4.11 Inter-War Period and Industrial Growth (1920–1939)

The inter-war years marked a crucial phase in the growth of India's cotton textile industry. This period witnessed significant shifts in production, ownership, labor relations, and political mobilization around industrial development. World War I had disrupted global trade and curtailed imports of British textiles, providing Indian mills with a unique opportunity to expand. The 1920s and 1930s also saw the emergence of new industrial centers beyond Bombay and Ahmedabad, the

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

rise of Indian business leaders, and the increasing militancy of labor movements. Yet these decades were also marked by persistent colonial constraints, discriminatory policies, and volatility in the world economy, including the Great Depression. The inter-war years, therefore, represented both a period of opportunity and challenge, during which the cotton textile industry consolidated itself as a major sector of the Indian economy and as an arena for nationalist aspirations.

4.12 Impact of World War I: Decline of Imports and Growth of Domestic Mills

World War I (1914–1918) played a transformative role in reshaping India's textile industry. The war effort disrupted Britain's export capacity and diverted shipping resources, leading to a steep decline in imports of Lancashire cotton piece goods into India. Between 1914 and 1918, imports of British textiles fell by nearly 50 percent (Roy 156). Indian mills, particularly in Bombay and Ahmedabad, capitalized on this disruption by filling the gap in domestic demand.

The war also triggered inflation and rising prices, which allowed Indian mill owners to secure greater profits. With Britain unable to dominate Indian markets as before, Indian mills expanded their production rapidly. In 1917, the number of spindles and looms in Indian mills increased sharply, and for the first time, Indian production began to meet a substantial portion of domestic demand (Morris 124). The war thus served as a turning point, accelerating India's transition from a dependent market for British cloth to a more self-sufficient producer.

Although the return of peace saw an attempt by Lancashire to reclaim its pre-war dominance, the structural shift had already occurred. By the 1920s, Indian mills accounted for nearly two-thirds of the cloth consumed in the country, a remarkable reversal from the nineteenth century when India had been flooded with British imports (Chandavarkar 92).

4.13 Expansion in Different Regions

The inter-war decades also saw the geographical expansion of the cotton textile industry beyond its traditional centers of Bombay and Ahmedabad. New industrial hubs emerged in Sholapur, Nagpur, Kanpur, and Coimbatore, reflecting the regional diversification of India's industrial base.

In Sholapur (Maharashtra) and Nagpur (Central Provinces), mill owners took advantage of proximity to cotton-growing regions and railway links to establish large factories. Sholapur became particularly known for producing coarse cloth and blankets, while Nagpur developed as a significant center for spinning and weaving (Ray 214). In northern India, Kanpur emerged as a major textile hub, complementing its established reputation in leather and military supplies. Known as the "Manchester of the East," Kanpur attracted both Indian and British capital, with enterprises such as the Elgin Mills (founded earlier but expanded in this period) becoming symbols of industrial growth in the United Provinces (Tripathi 133). In the south, Coimbatore in the Madras Presidency grew rapidly into a textile town. The presence of abundant water resources, cheap labor, and access to cotton supplies from the Deccan Plateau enabled entrepreneurs to establish spinning mills, marking the beginning of the region's long association with the textile industry (Rutten 176). The expansion of these regional

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

centers reflected both the growing demand for cloth and the desire of Indian entrepreneurs to establish industrial bases closer to raw material sources.

4.14 Industrial Disputes, Trade Unions, and Labor Reforms

Industrial expansion during the inter-war period also highlighted the growing tensions between capital and labor. Mill workers, drawn from rural areas, endured long hours, poor wages, and difficult working conditions. The inflationary pressures of World War I and the post-war slump aggravated these conditions, leading to a surge of labor unrest. The 1920s witnessed some of the largest and most sustained strikes in Indian industrial history. The Bombay textile strikes of 1928–29, led by trade unions with communist influence, paralyzed production and involved tens of thousands of workers (Chandavarkar 164). The demands ranged from higher wages and better working hours to greater recognition of workers' rights. Similarly, strikes occurred in Sholapur, Nagpur, and Kanpur, reflecting the spread of labor militancy across industrial centers. The rise of trade unions was a defining feature of this period. Organizations such as the All-India Trade Union Congress (AITUC), founded in 1920, provided a national platform for workers' grievances. Leaders such as N. M. Joshi and later communists like S. A. Dange mobilized mill workers and linked their struggles to broader anti-colonial politics (Joshi 58). The colonial state, alarmed by the intensity of industrial unrest, introduced limited labor reforms. The Trade Unions Act of 1926 legalized the registration of trade unions, though it imposed restrictions on their activities. The Factories Act was also amended to regulate working hours and conditions, but enforcement remained weak. Overall, while labor militancy forced some concessions, the colonial administration prioritized industrial peace over genuine improvements in labor welfare.

V. Role of Indian Industrialists

The inter-war period also witnessed the emergence of a new generation of Indian industrialists who played a significant role in shaping the cotton textile industry. Figures such as Ghanshyam Das Birla, Jamnalal Bajaj, and Walchand Hirachand represented the assertive Indian capitalist class that sought to challenge British dominance in industry and align itself with nationalist goals. G. D. Birla, originally from a Marwari trading family, invested heavily in cotton textiles in Calcutta and Gwalior. He became closely associated with the nationalist movement, supporting Gandhi's campaigns financially and politically. Birla's enterprises symbolized the rise of Indian capital in industries traditionally dominated by British firms (Goswami 204). Jamnalal Bajaj, another Marwari industrialist and philanthropist, was deeply influenced by Gandhi and promoted Swadeshi ideals through his textile ventures. He encouraged the production of Indian cloth, invested in cooperative mills, and linked industrial growth with nationalist ethics (Markovits 122).

Walchand Hirachand, a Gujarati entrepreneur, diversified his industrial activities but also invested in textiles. He represented a new class of Indian business leaders who were not only capitalists but also visionaries advocating industrial self-reliance as a condition for political independence (Tripathi 145).

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

Collectively, these industrialists provided financial backing to nationalist leaders, lobbied for protective tariffs for Indian industries, and articulated a vision of industrial development that was free from colonial constraints. Their role during the inter-war period helped cement the alliance between Indian capital and nationalist politics. The inter-war decades were decisive for the consolidation of India's cotton textile industry. The disruptions caused by World War I weakened Britain's dominance and opened space for domestic mills to expand. Regional diversification spread the industry to new centers such as Sholapur, Nagpur, Kanpur, and Coimbatore, laying the foundation for India's broader industrial geography. Labor militancy, fueled by poor conditions and economic volatility, gave rise to organized trade unions and forced the colonial state to introduce limited reforms. Meanwhile, Indian industrialists such as G. D. Birla, Jamnalal Bajaj, and Walchand Hirachand emerged as both economic leaders and nationalist allies, advancing the cause of industrial independence.

Despite persistent colonial barriers, the period between 1920 and 1939 demonstrated that the cotton textile industry had moved from being a casualty of colonial exploitation in the nineteenth century to becoming a pillar of nationalist economic aspirations. It was within this dynamic environment that the stage was set for the industry's crucial role in the final phase of India's struggle for independence.

VI. Cotton Industry and Indian Freedom Struggle

The Indian cotton industry played a defining role in the nation's freedom struggle, shaping both its economic and political contours. More than a sector of production, textiles became a symbol of resistance, self-reliance, and national pride. The industry not only highlighted the destructive impact of colonial economic policies but also provided a concrete medium for articulating nationalist aspirations. Under the leadership of Mahatma Gandhi, khadi and the charkha emerged as enduring icons of India's battle against imperial domination. From boycotts of British cloth to the establishment of a mass-based movement rooted in economic nationalism, the cotton industry became central to the Indian freedom struggle.

Khadi as a Symbol of Self-Reliance and Resistance: Khadi, or homespun cloth, was transformed into a political weapon by Gandhi and the Indian National Congress. It was not merely fabric; it embodied the ideals of self-sufficiency, dignity of labor, and resistance to foreign control. By promoting khadi, Gandhi sought to dismantle India's dependence on British manufactured cloth, which had decimated indigenous weaving traditions during colonial rule. The adoption of khadi symbolized a break from colonial economic structures and became a unifying identity across diverse communities. Gandhi argued that khadi was a moral and spiritual act as much as an economic one. Wearing khadi implied a rejection of foreign exploitation and a commitment to supporting rural weavers and spinners. It was a deliberate political choice that blurred the boundaries between economic activity and nationalistic duty. The khadi movement spread widely after the Non-Cooperation Movement of 1920, where the boycott of foreign goods, particularly cloth, became one of the most visible signs of Indian resistance (Brown 167).

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

Gandhi's Charkha Movement: Central to Gandhi's vision was the **charkha**, or spinning wheel, which he elevated into a symbol of resistance. The charkha was reintroduced into Indian households as a tool of empowerment, reviving the act of spinning yarn, which had been sidelined due to mechanized imports from Britain. Gandhi himself practiced spinning daily, underscoring the dignity of manual labor and urging others to do the same. The charkha embodied self-reliance at a time when India's dependence on British cloth was both economic and cultural. Gandhi encouraged every Indian, regardless of class or caste, to spin yarn, thereby making the act of production democratic and inclusive. As Sarkar notes, the spinning wheel turned into a "sacred symbol of India's economic regeneration and political freedom" (Sarkar 245). By reducing reliance on foreign cloth, the charkha linked everyday practices to broader nationalist ideals. Furthermore, the charkha movement challenged colonial exploitation at its root. The British had systematically deindustrialized India, turning it into a supplier of raw cotton and a consumer of Manchester-made textiles. By reestablishing spinning as a national activity, Gandhi subverted the very foundation of colonial economic dominance. The wheel thus became an emblem on the flag of the Indian National Congress in the 1920s, further cementing its role in the political imagination of India.

Economic Nationalism through the Textile Industry: The boycott of foreign cloth was one of the most successful dimensions of economic nationalism in India. Textile imports from Britain declined significantly during periods of heightened nationalist activity, demonstrating the tangible impact of the movement. National leaders appealed to people's sense of patriotism, urging them to burn foreign cloth in bonfires and to adopt swadeshi alternatives. This act of renunciation was highly visible and emotionally charged, making the struggle against imperialism concrete in daily life.

VII. Post-Depression Challenges and World War II (1930–1950)

The two decades between 1930 and 1950 were a decisive phase in the history of India's textile industry. The period was marked by profound challenges arising from the Great Depression, intense competition from Japan in Asian markets, and the transformative effects of World War II. These years also witnessed a dramatic shift from colonial restrictions to independence in 1947, which shaped the trajectory of the cotton and textile sectors. The fortunes of the textile industry mirrored the broader economic and political transitions that India underwent during this period, oscillating between crisis and opportunity before entering a new era as an independent nation.

The Great Depression and Crisis in the Textile Industry: The onset of the Great Depression in 1929 severely disrupted global trade, and the Indian textile industry bore the brunt of the collapse. The slump in international demand led to a sharp decline in textile exports, especially to markets in Southeast Asia, Africa, and Britain's other colonies. The reduced purchasing power of consumers worldwide meant that India's established export destinations contracted drastically. Domestically, the depression also reduced the capacity of Indian consumers to purchase textiles, leading to a dual crisis of shrinking international and domestic markets. Mills in Bombay, Sholapur, and Ahmedabad cut back production, and many smaller units were forced to shut down temporarily. Unemployment surged in urban mill centers, exacerbating labor unrest and weakening the already fragile economic base of workers (Chandavarkar 102). The crisis revealed the vulnerabilities of an export-dependent

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

textile sector. For decades, Indian mills had relied heavily on overseas markets, particularly for coarse cloth exports. The Great Depression underscored the risks of over-dependence on external demand and highlighted the need for domestic market consolidation.

Japanese Competition in Asian Markets: Compounding the depression's impact was the rise of Japanese competition in Asian markets. From the 1920s onward, Japanese mills, with their modern machinery and lower production costs, aggressively penetrated markets that were traditionally dominated by Indian textiles. By the early 1930s, Japan had outcompeted India in Burma, Ceylon, Malaya, and East Africa. Japanese mills were able to undercut Indian prices because of cheaper labor, efficient mechanization, and government-backed export promotion policies. Their superior marketing networks further consolidated their dominance. Indian mills, with older machinery and higher overhead costs, found it difficult to compete. The Bombay textile industry, in particular, suffered heavy setbacks as Japanese imports flooded both international and Indian markets (Morris 121). The entry of Japanese textiles into India itself worsened matters. Imported Japanese cloth was cheaper and more accessible to ordinary Indian consumers, creating a direct challenge to domestic mills. Nationalist leaders responded with calls for boycotting Japanese goods, linking the issue to the broader swadeshi movement. Nonetheless, the competition eroded India's market share in Asia and dented its industrial confidence during the 1930s.

War-Time Boom and Subsequent Decline: The outbreak of World War II in 1939 reversed the downward trajectory of the textile industry. With Japan's entry into the war and the Allied blockade of Japanese exports, Indian mills regained access to Asian and African markets. The war disrupted the global textile supply chain, and India became the primary supplier of cloth for both civilian and military needs across the British Empire. The demand for uniforms, tents, bandages, and other war-related materials fueled a war-time boom in the Indian textile industry. Mills in Bombay, Ahmedabad, Sholapur, and Kanpur ran at near full capacity, often operating round-the-clock shifts. Employment increased, and profits for Indian industrialists soared. This period also saw significant reinvestment in machinery, as mills sought to capitalize on high demand (Roy 215). However, the boom was short-lived. With the end of the war in 1945, demand plummeted sharply as military contracts dried up. The global textile industry also faced overproduction, leading to falling prices. Indian mills, which had expanded production during the war years, were left with surplus capacity and shrinking markets. Moreover, competition from Lancashire textiles reemerged after the war, as Britain attempted to revive its own declining industry by reclaiming colonial markets (Tomlinson 88). The post-war decline thus created instability, reversing many of the gains made during the war.

Transition from Colonial Restrictions to Independence: The final years of colonial rule imposed additional restrictions on India's textile industry. The British government prioritized war needs over domestic consumption during the 1940s, leading to widespread shortages of cloth for Indian consumers. Cloth rationing, black markets, and inflation became defining features of the wartime economy. These measures further strained relations between the colonial state and Indian nationalists, who saw the textile shortages as symbolic of economic exploitation. The transition to independence in 1947 marked a watershed moment. Indian leaders viewed the textile industry not

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

only as an economic sector but also as a symbol of self-reliance, linked deeply with the freedom struggle through khadi and the swadeshi movement. With independence, policies shifted toward protecting and nurturing domestic industry. Tariff barriers were raised against foreign imports, and emphasis was placed on modernizing mills and reviving handlooms alongside mechanized production.

Status of the Textile Industry by 1950: In 1950, the textile industry had recovered from the immediate post-war slump but was still struggling with structural challenges. On the positive side, India had regained control over its domestic market, and Japanese competition had receded temporarily due to the devastation of Japan's economy after World War II. Indian mills accounted for a significant share of domestic consumption, ensuring a more stable base than in the pre-war years. However, the industry faced multiple issues. Much of the machinery remained outdated, making it less competitive internationally. Productivity levels were low compared to global standards. Labor unrest persisted despite reforms, as wages and working conditions remained contentious. Handlooms and small-scale textile producers, which had been supported as part of nationalist economic ideology, competed unevenly with large mechanized mills. Nevertheless, the textile industry by 1950 was firmly established as the backbone of India's industrial economy. It accounted for a substantial share of industrial employment and output, and it was positioned to play a central role in the country's first Five-Year Plans. The sector embodied both the struggles of the colonial past and the aspirations of a newly independent nation. The period between 1930 and 1950 was one of turbulence and transformation for the Indian textile industry. The Great Depression exposed its vulnerabilities, while Japanese competition eroded its export dominance. Yet, the war-time boom of the 1940s revitalized the sector, even if temporarily, before the subsequent decline highlighted its dependence on external demand. With independence in 1947, the textile industry transitioned from colonial constraints to nationalist economic planning, laying the foundation for modernization. By 1950, despite persistent challenges, the industry had survived global crises, wartime upheavals.

VIII. Socio-Economic and Cultural Impact

Socio-Economic and Cultural Impact: The development of the cotton textile industry in modern India between the early nineteenth and mid-twentieth century left a profound imprint not only on the country's economy but also on its social fabric and cultural identity. Beyond its role in industrialization and commerce, the industry influenced patterns of urbanization, class formation, labor politics, and cultural reform. Textile centers such as Bombay, Ahmedabad, and Kanpur became symbols of industrial modernity, while mill workers emerged as one of the earliest industrial working classes in Asia. At the same time, the struggles within the industry—over wages, working hours, and rights produced significant labor movements and trade unions. The sector also shaped cultural consciousness, especially during nationalist struggles, with textiles evolving into symbols of resistance, self-reliance, and identity.

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

Urbanization around Textile Centers: The expansion of the textile industry in India directly contributed to the growth of **urban centers**. Bombay (Mumbai), Ahmedabad, and Kanpur emerged as the three major hubs of cotton mills, transforming into modern industrial cities. Bombay's rise was tied to its strategic coastal position and access to both raw cotton from the Deccan plateau and export markets through its harbor. By the late nineteenth century, Bombay was often described as the "Manchester of the East" (Morris 74). The clustering of mills encouraged the migration of thousands of workers from rural Maharashtra, Gujarat, and the Konkan region, creating a new industrial metropolis. Similarly, Ahmedabad developed into a thriving textile hub under the leadership of Indian industrialists such as the Sarabhai and Lalbhai families. Known as the "Manchester of India," Ahmedabad's growth was accompanied by the rise of new residential colonies, educational institutions, and cooperative movements that reflected a blend of industry and philanthropy (Ray 148). **Kanpur**, often referred to as the "Manchester of North India," grew as a military and textile town, supplying cloth for uniforms and expanding under colonial patronage. These cities became magnets for labor migration, creating densely populated chawls (tenement-style housing in Bombay) and industrial neighborhoods that altered India's urban landscape. The expansion of these cities reflected both industrial opportunity and social inequality, as overcrowding, poor sanitation, and poverty were juxtaposed against capitalist prosperity.

Formation of the Industrial Working Class: The textile industry played a pivotal role in the formation of India's industrial working class. Workers were drawn from diverse backgrounds, including peasants displaced from rural areas, lower-caste groups seeking livelihood, and migrants from neighboring regions. For many, mill work offered an escape from rural indebtedness but also subjected them to exploitative labor regimes. Working conditions in the mills were often harsh, with long hours, low wages, and strict factory discipline. Women and children constituted a significant portion of the workforce, especially in Bombay during the late nineteenth century, though male labor gradually became dominant by the early twentieth century (Chandavarkar 112). The concentration of workers in mills, chawls, and industrial neighborhoods fostered a sense of collective identity, laying the groundwork for class consciousness. Over time, this industrial labor force developed distinct socio-cultural characteristics. Workers adapted to urban living while maintaining ties to rural kinship networks, resulting in hybrid social forms. They became agents of both industrial modernity and cultural continuity, embodying the contradictions of India's transition under colonial rule.

Labor Strikes and Growth of Trade Unions: The oppressive labor conditions in the textile industry inevitably generated labor resistance, strikes, and the emergence of trade unions. Some of the earliest strikes in Indian industrial history occurred in Bombay's cotton mills in the late nineteenth century. Workers protested wage cuts, poor working hours, and management's disregard for their welfare. Through the early twentieth century, labor movements became more organized. The Bombay Millhands' Association, founded in 1890 by Narayan Meghaji Lokhande, is considered one of the earliest labor organizations in India. In the interwar years, strikes became more frequent, fueled by inflation, rising living costs, and the nationalist movement's encouragement of resistance. The General Strike of 1919 in Bombay, coinciding with the Rowlatt Satyagraha, saw over 150,000 workers walk out, signaling the intersection of labor and politics (Sarkar 179). The 1920s and 1930s

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

witnessed the growth of more formalized unions, including the All India Trade Union Congress (AITUC), which provided workers with a political platform. Leaders such as B.P. Wadia and later communists mobilized mill workers into larger movements, linking industrial struggles with anti-colonial politics. Ahmedabad, under the leadership of Mahatma Gandhi and Anasuya Sarabhai, pioneered experiments in labor relations through institutions such as the Ahmedabad Textile Labour Association (Majoor Mahajan), which attempted to balance worker welfare with industrial harmony. These labor struggles highlighted both the exploitative aspects of industrial capitalism and the agency of workers in shaping India's industrial politics. The growing power of trade unions also pressured colonial authorities and industrialists to introduce reforms in wages, working conditions, and welfare.

Social Reforms and Cultural Identity Shaped by Textile Movements: The textile industry was more than an economic sector; it was central to **social reforms and cultural identity** in modern India. The prominence of textile labor created a focus on issues of housing, education, healthcare, and gender roles in industrial society. Philanthropic industrialists like the Tata, Birla, and Sarabhai families invested in workers' welfare through schools, hospitals, and housing colonies, linking industrial success with social reform. Culturally, textiles became symbols of India's identity and resistance. During the nationalist movement, Gandhi elevated **khadi, and the charkha** as symbols of self-reliance and anti-colonial defiance. The act of spinning yarn was imbued with spiritual and political significance, fostering a cultural movement that united peasants, workers, and elites. The boycott of British textiles and promotion of indigenous cloth became one of the most visible strategies of the swadeshi movement. The textile sector also influenced the cultural life of industrial cities. Worker neighborhoods fostered collective practices such as festivals, neighborhood associations, and cultural performances, which both preserved traditions and adapted them to urban settings. The chawls of Bombay became crucibles of working-class culture, producing literary works, theater, and political activism (Prakash 204). Thus, the textile industry was not only an engine of industrialization but also a foundation of modern Indian urban and cultural life.

IX. Conclusion

The development of the cotton textile industry in modern India from 1813 to 1950 was not merely a story of industrial growth; it was an integrated narrative of economic strategy, social change, political struggle, and cultural transformation. The sector's evolution reflected the tensions of colonial exploitation, the resilience of indigenous entrepreneurship, the emergence of a working-class consciousness, and the symbolic power of textiles in shaping nationalist identity. Through 1950, the Indian cotton textile industry had emerged from centuries of structural constraints and global competition to become a cornerstone of the nation's industrial economy. Its legacy informs contemporary discussions on industrial policy, labor relations, regional development, and cultural identity. The history of Indian textiles offers enduring lessons in the interplay between economic development, social equity, and political mobilization, emphasizing the importance of inclusive growth, technological adaptability, and ethical entrepreneurship. Future research, particularly in regional, gendered, technological, and global comparative dimensions, promises to deepen our

IJAMSR

International Journal of Advanced Multidisciplinary Scientific Research (IJAMSR) ISSN:2581-4281

understanding of this vital sector and its continuing influence on India's industrial and socio-cultural landscape. The story of India's cotton textile industry thus remains not only a historical inquiry but also a lens through which to examine contemporary challenges and opportunities in industrial development, labor rights, and cultural economics.

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