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ECONOMIC DEVELOPMENT OF THE MYSORE STATE

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ECONOMIC DEVELOPMENT OF THE MYSORE STATE

THE State of Mysore is one of the premier States of India. It stands second among them as regards population and revenue and fifth as regards area. It covers an area of 29,000 square miles. It is situated in the midst of South India, its shape resembling a triangle set in the plateau between the Eastern and Western Ghats. The sea is at a distance of about eight miles from the West Coast and about 120 miles from the East Coast. According to the 1931 Census, Mysore has a population of 6.5 millions, preponderantly Hindu in composition and spread over three large cities, 105 municipal towns and 16,483 villages. The estimated revenue of the State in 1936-37 is Rs. 378 lakhs while the total income of the people, according to the estimate made by the writer in 1923, is a little over 40 crores of rupees, or Rs. 68 per head per year.

The geographical situation of Mysore imposes upon her certain advantages as well as

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disadvantages. It is a land-locked State. The markets for her industry are within her own territory and in the neighbouring provinces of South India which impose no obstructions on its trade by tariffs. But an industrial Mysore needs much wider markets and she must sell her iron and steel, white lead, sugar and silk and presently her paper and cement all over India, but these heavy goods do not bear the cost of carriage over great distances. The railway freights between Mysore and Bombay or Calcutta are forbidding and Mysore has no sea board or a sea-port. So far as heavy industries are concerned, Mysore must, in great part, confine herself to the satisfaction of her own needs and those of her immediate neighbours, but there is no reason why, with the aid of her electric power, her people as in Switzerland or Japan, should not engage in a wide range of light industries.

The principal occupations of the people are Pasture and Agriculture, Exploitation of Minerals, Industry, Transport, Trade, Public Force, Public Administration and Professions. Of every 10,000 people, 4,554 are workers and the rest are dependants. The workers are

distributed among the various occupations, the largest number being in Pasture and Agriculture (3,474) and next in Industry (359).

As in British India, the bulk of the people are engaged in agricultural pursuits. We must study the lines on which the business of agriculture is conducted and also the methods employed by the Government and the people towards a more balanced economy and the development of industry. Agriculture, in the best of circumstances, is a hazardous occupation. It is at the mercy of the elements and the hundred and one biological ills in the shape of pests, insects and wild animals, to which land is a prey. The returns from agriculture are constantly diminishing and a recent report on South India estimates agricultural profits at a figure as low as 2 per cent. Industry, on the contrary, in normal times yields increasing returns and so long as the markets are assured, it knows no slack season, and it is perfectly independent of wind and rain, hail and frost, floods and drought. The enlightened and far-seeing administration of Mysore has been developing the industrial side of the national economy and in the interest of employment they

have been reducing the overwhelming agricultural bias of the country.

Before we consider the main lines of industrial advance in the State, we must cast a glance at the conditions of her agriculture, for agriculture is the basic employment of the people and it provides the raw material for manufacturing industries. A prosperous agriculture spells a prosperous industry and *vice versa*. They are both complementary, providing markets for each other. What is produced by agriculture is taken over by industry, while the output of industry is sold to the agriculturists in turn.

The State produces a great variety of crops. The soils, the climate and the physical features are such that there is hardly a tropical crop of any importance which is not grown within the State. Moreover, Mysore has a line of special products which are indigenous to her. The most important irrigated crop is rice; the most important dry crops are *ragi* and *jola*, *avare* and *thogari*, horse gram and Bengal gram, oil-seeds such as castor, gingelly and groundnut. Sugarcane is the most important commercial or money crop under all sources of

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irrigation, while tobacco, chillies and a number of garden crops are grown under well cultivation. The arecanut, pepper, cardamom and coffee are the peculiarly *Malnad* crops, just as the characteristic crops of the *Maidan* or the plains are cocoanut, mulberry and cotton. Mulberry is one of the unique crops in the State and it is the basis for a major industry, namely, the rearing of silk-worms and the reeling and spinning of silk. Cotton, of which two varieties are grown, flourishes in the black cotton soils. Plantation of fruit trees and trees of economic importance is another distinguishing feature of Mysore agriculture and a highly efficient Horticultural Department is busy covering the avenues and approaches with trees which bear fruits or flowers, the most notable among these being the mango, casuarina, tamarind and honkey.

The Department of Agriculture has long been considered as one of the best equipped and best organized in India. It assumed its present form in 1914, with Dr. Coleman as the Director and a large staff of experts for the different branches of agrarian economy. It would take very long even to enumerate the

achievements of the Department and show their effects upon Mysore agriculture. Just a few examples must suffice. In great part, the cultivation is carried on on dry lands with primitive implements. To increase the returns from dry farming which, in its very nature, is extensive farming, an improved plough had to be discovered. The Mysore Plough devised by the Department, and the Kolar Mission Plough devised by the Mission Institute at Kolar, have enabled the farmer to get more out of his soil than formerly. The ryot has understood the value of improved implements and he has already purchased over 10,000 of these "general purposes improved ploughs" though the cost is several times more than that of the country plough. No doubt there are still 8,00,000 ploughs of the old type to be replaced, but the change from the days when to spend anything more than a couple of rupees on a plough was thought a waste and a folly, is marked. Special attention has been paid to well-sinking, pumping and engines. *Takavi* loans are granted for well-sinking; pumps and engines are sold on the hire-purchase system; a well-boring staff has been at work

on the countryside and cheap electric power has been furnished, along the electric power lines, to work the pumps and for the service of the rural industries. Recognising that cultivation of higher yielding varieties is an important factor in increased production, the Department has been particularly active in the work of isolating and testing pure strains and introducing them into general cultivation. Thus, *ragi*, the staple food crop of the people and the most widely cultivated grain, has been subjected to scientific treatment and analysis. The result is the improved strain which is now sown over 1,00,000 acres. An increased yield of about 25 per cent. over the local strain has been claimed for it. A new strain of cotton, with a large ginning percentage, of good white colour and of a level strong staple is displacing the local *Sannahatti* over large areas. Another notable achievement is the evolution of new varieties of sugarcane, thus improving upon the celebrated *Pattapatti* introduced in the State by Tippu Sultan. Experiments are also made in the adaptation of plants to local conditions and, as a result of these experiments, short duration crops or early maturing varieties are

introduced in areas where otherwise hardly any cultivation was possible.

The problem of crop pests and diseases is also being tackled. They take a heavy toll and the loss in the aggregate even in good years is considered to be huge. The *kamblihula*, the *weewils*, the borer, black rot, spike disease are all being attacked by the experts and considerable success has been achieved. The *kamblihula* campaign is the most notable and many a large tract in Shimoga, Chitaldrug and Kolar has been cleared of the pest and the ryot has been educated into taking proper steps whenever he is faced with an invasion of the pest.

Mysore has also recognised the tremendous significance of animal husbandry. The cow and the bullock carry on their backs the entire load of the cultivator who, in his turn, carries the weight of the country's burdens. Yet, both are liable to be neglected in the rush for the amenities of urban life. In Mysore, the cattle-rearing industry has always received attention at the hands of the Rajahs of Mysore and later under her Mohammedan rulers. The *Amrit Mahal* or Cattle-Rearing Department is a time-honoured institution with a long history behind

it. The old system of keeping herds in a state of semi-wild character has given place to rearing under domesticated conditions, although in the *Amrit Mahal* Department the old tradition is still kept up. Mysore State is the home of the finest cattle in South India and some of her breeds like the *Amrit Mahal*, *Hallikar* and *Mahadeswarabetta* are in great demand all over India. It is estimated that the sale of bullocks outside the State amounts to 25 to 30 lakhs of rupees annually and these bullocks are famed for their heavy farm and road haulage work. The cattle-breeding industry has been handicapped in Mysore, as well as elsewhere, by the prevalence of serious diseases. The experts have been working on the problem for a long time and among their contributions towards the improvement of cattle and the treatment of cattle diseases, the "serum simultaneous" method of inoculation against rinderpest has been regarded as a most effective remedy. Far-reaching experiments are also carried on for the improvement of live-stock, particularly Mysore sheep and poultry.

Mysore cattle have been much valued by the people of South India. They had acquired

such a reputation as draught animals that they were in demand in Ceylon, Java and Malaya. Even distant Brazil and Cuba made use of them. At present, however, conditions have changed. The motor has supplanted the bullock and the demand for the Mysore cattle from South India and foreign countries has fallen off. The electric motor and the oil engine for purposes of water-lifting have been displacing the bullock which for centuries had served the Mysore ryot as drawer of water. The only demand now is for ploughing. The Mysore farmer is turning his attention to the breeding of a milking strain, as there is an ever-increasing demand for milk and milk products.

In the year 1800, Dr. Buchanan published a very detailed description of the state of agriculture, arts and industries in Mysore. If Dr. Buchanan came to life again and surveyed the state of Mysore agriculture, he, impressed as he then was by the conservatism and lack of enterprise of the peasantry, would scarcely believe the extent and the revolutionary character of the changes. He would be struck by the change in the implements used by the cultivator, *e.g.*, the replacement of the

wooden sugarcane mill by the three-roller iron mill, which means that an acre of sugarcane yields now four times as much jaggery as it did a hundred years ago. Dr. Buchanan would notice a large variety of new crops known as money crops. Mulberry was introduced by Tippu Sultan into the country, but in his time and for several years thereafter, it was a little more than a curiosity and the Mysore looms were busy on the silk thread imported from the Carnatic. In modern times, mulberry and silk-worm rearing has become a major occupation and the production of silk in Mysore is estimated at over one crore of rupees a year. Dr. Buchanan, in his diary, notes with appreciation the attempts made by Mustapha Alikhan, a Sirdar of Tippu Sultan, to popularise the *Pattapatti* sugarcane. In Dr. Buchanan's time, it had scarcely obtained a foothold, but to-day it is grown everywhere, displacing the inferior varieties. For a hundred years the Mysore farmer has distilled the *Pattapatti* juice into rupees.

To Dr. Buchanan, coffee was an unknown crop. A Mahommedan saint is reputed to have brought a few berries from Arabia, the home

of coffee, and set them down in the *Malnad*. It proved to be the veritable mustard seed. It has transformed the whole of *Malnad* from a swampy and infertile region where the sparse population of Dr. Buchanan's time eked out their existence by the sale of arecanut, pepper and cardamoms into a world-famous plantation for coffee, thanks largely to the enterprise and capital of Buchanan's countrymen. He also sets down in his meticulous diary the growing of groundnuts in Siddlaghatta, not in the least anticipating the commercial importance of this crop. What was in his time a thing of minor local importance is to-day spread over an area of 1,20,000 acres. Groundnut has become an important article of Mysore commerce and it is also the basis of a manufacturing industry of considerable importance in Mysore. Dr. Buchanan was a complete stranger to the cocoanut plantation of a later day. The cocoanut palm is to-day quite a feature of Tumkur and Hassan Districts and the excellence of the Mysore copra finds a ready market for the article all over India. Dr. Buchanan would also be elated to see the fruition of the labours of the East India Company to

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acclimatise American Upland Cotton, locally known as *Doddahatti*. It has thriven on the red soil of the Mysore plateau, pushing the local variety out of cultivation over large areas. Finally, Dr. Buchanan would also observe the disappearance of the opium poppy, the indigo and the cochineal dye with its adjunct the cactus farming. All these have disappeared with no loss to the country, for, a more profitable crop has taken the place of a less profitable crop, but the same cannot be said of cactus which now that the cochineal insect is no longer cultivated, defies all attempts at extermination. Evidently, what was meat once can be poison now.

In a word, the keynote of Mysore agriculture is that the Mysore ryot, partly in response to the economic stimulus of changing times and partly in answer to the scientific efforts of the Department of Agriculture, is selecting such crops and using such methods of cultivation as will give the highest money return to his labour. He grows money crops where he formerly limited himself to subsistence farming; he is using scientific appliances in the preparation of his produce for the market

as is shown in the conversion of sugarcane into sugar and in the curing of tobacco, areca, coffee and cardamom; he adopts methods of cultivation by which he seeks to reduce the expenses and increase the yield. The transformation is not complete but the changes are so vast and drastic that a modern Buchanan would insist on calling them revolutionary.

Mysore is justly celebrated for its irrigation works. The peculiar form of irrigation which was determined for it by its geology, physiography and rainfall is the tank system. In the Kadur District, the Ayyankere tank and the Madagkere tank were constructed seven centuries ago and the entire conception of the reservoir, the bund, the anicut and the utilisation of the wastage and seepage water in the valley below the tanks is surprisingly modern. The problem of conservation of rain water has received continuous attention in Mysore and today the State is equipped with a chain of tanks utilising the available supply of rain water. There are about 25,000 tanks which works out to one tank for $1\frac{1}{4}$ square miles of the area. They conserve about 13 per cent. of the total rainfall. If these tanks were to be re-constructed

to-day, the total cost would be not less than 30 crores of rupees. Nearly 24 per cent. of the cultivated area is thus protected by irrigation. The Mysore State has almost reached the limit of irrigation through tanks and in recent times it has addressed itself to the task of constructing dams across the rivers that flow through the country. Apart from tanks, the irrigation works have brought an additional 116,000 acres under cultivation in the last ten years, much of this being land that was incapable of bearing a crop without water.

The efforts of Government and the people have for long been concentrated on agriculture. For one thing, agriculture was the predominant occupation which, from time immemorial, has sustained and nourished the people of Mysore and their Government. Secondly, until quite recent times the prevailing idea in all parts of the country was that India is a plantation on a large scale and her chief destiny is to supply raw materials for the manufacturing industries of the West and to absorb in return the output of their factories which, it was believed, she could not produce with equal convenience, cheapness and efficiency. The plantation idea

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dies hard and even now it is trotted out on occasions when India manifests her discontent at being predominantly a rural and an agricultural country. In recent times, the people of India have been developing an industrial outlook and the Government of India has, through the formation of Industrial Departments in the Provinces and through a Tariff Policy encouraged the development of industries.

The first public announcement about an industrial policy for Mysore was made by Dewan Rangacharlu in 1881. He said, "The old idea that India must confine itself to agricultural produce is giving way to the more correct theory that no country can prosper unless its agricultural and manufacturing industries were equally fostered. . . . The ordinary routine of the Administration of Government is not the only subject which requires our notice. The development of the various industries on which the prosperity of the country is dependent equally demands our consideration, and His Highness' Government will be always prepared to give every attention to any suggestions which may be made upon those subjects." In 1911, the Mysore Economic

Conference was set up. It was a consultative body and it has done much for the industrial awakening of Mysore. Sir M. Visvesvaraya was a firm believer in industrialisation and he laid down the Government policy thus: "The intelligence of the people should be developed and their earning capacity and efficiency improved. Occupations should be multiplied and every one who has capacity for work must be made to work. The use of machinery should be rendered popular and more training given in science and in mechanical and industrial pursuits."

The industrial policy has been re-shaped by Sir Mirza M. Ismail and under his administration we have emerged into an era of planned economy and co-ordinated development. Said he in 1926: "The economic question stands first among all our questions; and it will continue to receive our constant and careful attention Government will be ready to respond to any well-considered and practical suggestion for the encouragement of local enterprise either in the field of large-scale manufacture or commerce or in the field of indigenous arts and crafts." Again, in 1936, he made the

pronouncement: "In the great countries of the West, like England, the field of industry and commerce is pre-eminently one for the private *entrepreneur* and any undue incursion into his preserves is looked upon as a violation of the doctrine of *laissez faire*. On the other hand, here in India, where private enterprise is proverbially unenterprising and private capital notoriously shy, Governments have perforce to take a more active and practical interest in the problems of trade and industry than by merely passing a legislative measure regulating the hours of work here or amending the company law there." Sir Mirza M. Ismail throws his weight neither on agriculture nor on industry. He is for a balanced economy, industry as well as agriculture, contributing to the national well-being, each according to its capacity and both fostered by an informed and enlightened policy of the Government. To Sir Mirza M. Ismail is given the vision to see the parts in their proper relationships to the whole. Under his administration, every limb of the body politic is made to fulfil its proper function and thus promote the well-being of the whole.

Mysore took the lead in the industrial

advance of India and entered on a programme of hydro-electric works and pioneering enterprises. There could be no modern industry without power resources and the principal resources are coal and oil. Mysore was lacking in both, but she discovered that nature had endowed her with waterfalls which could be converted into power.

The foundations of the modern industrial system in Mysore may be said to date from August 16th, 1902, when Lord Curzon opened the hydro-electric installation at Sivasamudram on the Cauvery. The project seemed marvellous to everyone in India, and there were grousers who believed that it showed more valour than discretion on the part of Mysore. The enterprise was mainly due to the initiative and foresight of Dewan Sir K. Seshadri Iyer. "This power has hitherto run to waste, and the Durbar's scheme to utilize it is calculated to develop industrial enterprise throughout the State." These were his prophetic words and what in his time was intended as a project, whose immediate object was to supply 4,000 h.p. to the Kolar Gold Mines, has now developed into an all-embracing enterprise, supplying

energy to the Kolar Gold Fields, Bhadravati Iron and Steel Works, Mandya Sugar Factory and the Rural Electric Schemes, and also for working and heating installations in the large towns, for lighting of cities, for irrigation pumps and for a large number of factories in Bangalore and Mysore. At the time of its initiation in 1902, the Cauvery Power Scheme was not only the pioneer scheme for high-tension transmission in India, but also, with its 92 miles of transmission between Sivasamudram and Kolar, it was one of the leading long-distance transmission lines in the world. In 1935-36, the gross annual output of electric energy was 200 million units, or 30,000 h.p., and the total capital expenditure on the works was in the neighbourhood of Rs. 300 lakhs on which there was a net return of 34 lakhs, or 12 per cent.

In the early part of the present century, it was discovered that there was more demand for power than could be generated by the flow in the Cauvery. The river in the hot weather thins out into a mere stream and the capacity for generating electricity is thereby limited to the flow in the hot weather. In Mysore, it is

peculiar that the hour produces the man, and Sir M. Visvesvaraya took upon himself the immense task and responsibility of constructing a dam across the Cauvery at a place nine miles from Seringapatam. The storage reservoir would ensure a regular flow of water in the river throughout the year, independent of the seasons. Sir M. Visvesvaraya had to contend with immense difficulties not only in engineering but also in overcoming the opposition of vast irrigational interests in the waters of the river in British India. The Krishnaraja Sagara, as the project is called, is a dream come true and the riverside drive, the picturesque terrace gardens and the fantastic play of illuminated fountains preserve the dream-like aspect of the project.

A word or two may be said about the dimensions of the dam and what it means for the agriculture and industry of the State. The length of the dam is 8,600 feet and the height 120 feet, the impounded water covers an area of 50 square miles, the reservoir can irrigate 120,000 acres and the works represent a total investment of Rs. 325 lakhs. Knowing the ryot's haphazard and wasteful methods of

cultivation, the Government have, in his best interest and in the interest of public revenue and also in the interest of economic utilization of water, adopted the block system under which a triennial rotation of crops is carried on. Sugarcane, paddy and garden crops take their turn and the result is that in a three-year cycle the farmer's returns will be at a maximum. The farmers, left to themselves, would just have grown paddy, as in the case of the great irrigation systems of the Madras Presidency. The Government also recoups its outlay sooner under the three-crop system than under a one-crop system—Rs. 500 per acre of sugarcane, Rs. 80 for paddy, Rs. 50 for garden crops in all for three years, as against Rs. 80×3 if paddy only were cultivated.

The necessity for supply of power led Mysore to the construction of the dam across the Cauvery; the construction of the dam led them to the necessity of introducing a crop like sugarcane, which could bear the cost of constructing and maintaining the dam; the growing of sugarcane on an extensive scale in an area, which was formerly completely dry, led them to the creation of a new industry

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altogether which can be converted the cane into sugar. The economic chain is thus complete and there is a complete integration of industry from the raw material to the factory. The solution of economic problems by the method of interlocking industries is a characteristic feature of Mysore. Sugar provides the most telling example.

The cultivation of sugarcane meant the establishment of a sugar factory. The Agricultural Department established a farm in the locality and 200 acres of cane were available as seed in the planting season of 1933. The farmers being new to sugarcane-growing, the Government had to assist them and persuade them into it. Thus, loans for the purchase of seeds, implements, fertilizers and draught cattle were sanctioned to the farmers. Government undertook to purchase all the sugarcane grown in the area at a fixed price. As a result of these measures, a new crop is grown where it was never grown before and a new industry has been created.

The Government of India, at the nick of time as it were, imposed a protective duty on sugar imports into India. Mysore immediately

took advantage of the protective duty and set up a sugar factory at Mandya in 1934. Within a year's time, the capacity of the factory was doubled. The enterprise was a success and in the very first year there was a profit of over Rs. 3 lakhs and in 1935-36 it yielded a return of 11 per cent. The Sugar Factory is worked by a Joint Stock Company with a capital of Rs. 20 lakhs, of which the Government has subscribed 60 per cent. and the public 40 per cent. There is also a Debenture Loan of Rs. 16 lakhs. On the Board of Management, there are four Government representatives, of whom one is appointed the Chairman of the Board.

A chief feature of the industrial development of Mysore is the co-operation between Government who have the capital and the enterprise, and the people whose capital is shy and whose enterprise generally stops short of small-scale production. If the Government left industrial development to the initiative of the people, there would be but little economic progress while, on the contrary, it may be contended that it is none of its business, as Government, to start, finance, control and manage the industries of the country. The Mysore policy is

one of fostered industrialism—a policy suited to the circumstances of the country, a policy which is capable of extension in Mysore as well as in British India. The Government realises a direct benefit by its industrial policy, for, thereby it increases the income and taxable capacity of the people as is shown by the realization of a sum of about Rs. 5 lakhs as the excise duty on sugar.

In India, where private initiative is confined to the production of handicrafts and goods on a small scale and where indigenous capital is either insufficient for financing large enterprises or reluctant to undertake the risks of what is called roundabout production, the Government must play, on occasions, the rôle of the *entrepreneur* as well as that of a pioneer. In Mysore, the Government serves as the “Managing Agency” for the people, dividing with them the risks and profits of industry, *e.g.*, The Mysore Sugar Company and the Mysore Paper Company. Naturally, a Government in business gets little credit for its successes and more than its meed of discredit for its failures, for, the general maxim seems to be “more business in Government and less Government in

business". The Mysore Iron Works at Bhadravati illustrates this tendency.

The Mysore Iron Works has had a chequered career. The external circumstances have been too much for it. It has had to contend with one difficulty after another, difficulties which could not have been anticipated when the project was contemplated. The iron and steel industry has been in a depressed condition ever since the War, and there is no competing with Japan on reasonable terms, for the conversion of pig-iron into cast-iron pipes undertaken as a measure to improve the returns of the factory was of no avail against Japan. As the Indian Tariff Board remarked in 1933-34, "If the prices of Japanese imports continue at their present level, the Indian industry will incur serious losses". Much reliance was placed on the sale of by-products from wood distillation, but the market for these by-products collapsed altogether due to the cheaper synthetic substitutes. The Government, not acknowledging defeat, have entered upon a further stage, namely, the production of steel. A steel-making plant, at a cost of Rs. 21 lakhs, is being installed and the power to work the plant is being

transmitted from the Cauvery scheme. To keep up the hopes of Mysore in a concern on which it had taken just pride and in which it had invested in one form or another a sum of Rs. 300 lakhs, there was, last year, a small profit on the production of iron. The future is bright, as the market for steel is more promising than that of iron, and the subsidiary and complementary industries of Paper and Cement which are being started in the vicinity and for which raw materials are available within an economic distance and the engineering and technical facilities are available in the iron foundry and factory, will eventually make of Bhadravati a remunerative enterprise. The bright promise might be redeemed after all, and Bhadravati, with its riches of minerals and fuels and timbers, might become the Birmingham of South India. Bhadravati, with its allied and associated enterprises, is a fine example of localisation of industries.

The silk industry is an important feature of Mysore economy. In normal times, the industry provides an occupation for about 200,000 people over a tract of country equal to about one-third of the area of the State. The

annual production of Mysore silk is about 1.5 million pounds valued at well over a crore of rupees. Mysore and Kashmir are the most important silk-growing areas of India, and of these Mysore has about four times the output of Kashmir. The combined production of the whole of India is about equal to that of Mysore.

Sericulture is very much in the nature of a national industry for Mysore. It is organized from the very first stage of mulberry cultivation and cocoon-rearing through the subsequent stages of spinning, weaving and dyeing to the marketing of the finished product. It is very largely a cottage industry and it is fitted to be a subsidiary and spare-time occupation for the farmer. The Government, through its Department of Sericulture, promotes the welfare of the industry, *e.g.*, the provision of disease-free seed from the grainages, the granting of loans and subventions to aided rearers, the supply of appliances like the Mysore Domestic Basin—an invention of Mr. N. Rama Rao, a former head of the Department—on reduced terms and on a hire-purchase system, the maintenance of a model farm, the training of apprentices in

sericultural schools and finally the construction of a Government Filature where all the processes, from reeling to dyeing, are carried out, and georgettes, *crepe de chines* and similar high quality fabrics are turned out on a commercial scale.

With the inauguration of the Mysore Spun Silk Mills, Ltd., the integration and union of the various processes has been complete. The business of the Mills is to manufacture spun silk yarn from silk waste which used to be exported to foreign countries and re-imported as spun silk yarn. Silk reelers' profits consist largely of the realisation from silk waste and these profits are scanty whenever the produce is exported and in times of depression when the demand for silk waste from foreign countries falls off, the profits sink to zero.

Of late, the Mysore Silk Industry has been passing through a crisis. The trade depression which has reduced the purchasing power of the people and Chinese and Japanese competition which, thanks largely to their depreciated currencies, can underbid Mysore silk in its own home, has been responsible for the present plight of the industry. The production of silk in

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Mysore declined from 1,160,000 pounds in 1927 to 740,000 pounds in 1932 and the value declined from Rs. 116 lakhs to 45 lakhs.

One thing and one thing only can save the industry from total extinction. Since it is a national occupation, a heroic measure is called for and that is tariff protection to the extent of destroying all effective competition from China and Japan. But Mysore has no voice in the determination of the tariff policy of the Government of India. Mysore has certainly a claim to be heard as it contributes a sum of nearly a crore of rupees to the Imperial exchequer in the shape of customs duties on goods destined for consumption in the State. The Government of India did order an enquiry by the Tariff Board and the Tariff Board did recommend a scale of duties on foreign imports which, though not high enough to stop the havoc caused by Chinese and Japanese competition, might have given the industry a breathing time and a chance of revival. But the Government of India granted what turned out to be inadequate protection and the imports of silk have been on the increase. Mysore has taken all possible steps to re-organize the industry and

to increase its competitive strength and it is even starting a Spun Silk Waste Factory to add to the resources of the silk producer who, at present, throws away the "waste" which could be turned to account. But silk industry illustrates the difficulties of a land-locked state which has no right of protecting its producer and sheltering its market against dumping. Under the Federation, Mysore will have a voice in the determination of tariff policy and her industries will not then be entirely at the mercy of foreign competition. The Mysore case will not go unrepresented even though it may not always achieve its object.

Again and again in the history of Mysore, the Government has shown great courage in undertaking industrial responsibility, courage not unmixed with sound economic wisdom and sagacity. The best example of it is found in the fortunes of the sandalwood-oil industry. Sandalwood is a monopoly of the Government. Mysore produces over three-fourths of the total supply in India. Until the Great War, the practice was to sell the wood by auction and to export it to Germany for distillation. The Government realized a sum of Rs. 22 lakhs on

an average by the sale of sandalwood which, to Mysore, is an endowment of nature. With the outbreak of the War, the export to Germany came to a sudden stop and so also the revenue thereof. Sir Alfred Chatterton, the then Director of Industries, conceived the idea of converting the sandalwood into oil in Mysore itself—an idea which then seemed hardly capable of fruition. Experiments were conducted in the Indian Institute of Science and the practicability of distilling oil of a quality equal to that produced in Germany was demonstrated. As machinery could not be imported from Europe, the whole of the plant was manufactured in India, under the supervision of the Director. The factory set to work in 1916-17, and thereafter it has been distilling the sandalwood into a handsome revenue for the State. At present, partly on account of the trade depression and partly because of the competition from Australian sandalwood, the market has greatly contracted.

The Department of Industries and Commerce, organized on modern lines by Sir Alfred Chatterton, has been responsible for fostering industrial enterprise in the State. It has

many-sided activities—pioneering, experimenting, advising, investigating and disbursing the State funds to the aided industries. It has a fine record of work to its credit and it has served the Government in carrying out the industrial policy of the State. But a Department of Industries with a local habitation and with activities confined to the State, was handicapped in studying foreign markets and in pushing its wares wherever they could fetch a good price. Hence, the appointment of a Trade Commissioner in London. He is charged with the development of the export trade of the State. He not only sells Mysore produce like sandalwood oil in Europe and America, but supervises the purchase of stores required by Government. Among his recent achievements are the creation of a market in London for Mysore granite and kerb-stone and the sale of those arts and crafts which are a speciality of the Mysore craftsman.

Mysore has benefited greatly by the facilities offered by the Indian Institute of Science. It was the wisdom and foresight of Sir Seshadri Iyer who, when Dewan of Mysore, induced the Board of Control to establish the Institute in

Bangalore. The Government of Mysore provided the site and undertook to make an annual grant towards the maintenance of the Institute. Mysore owes its White Lead Industry, the Sandalwood Oil Distillation and Soap Manufacture to the pioneering experiments carried on in the laboratories of the Institute.

The list of Government and quasi-Government concerns in Mysore is impressive. Even a bare mention of these enterprises would suffice to show the active rôle of the State in the pioneering and promotion of industrial enterprises. But official and semi-official businesses must not blind one to the fact that a very large number of industries, small as well as large, have been developed and successfully operated by private initiative.

Dr. Buchanan's journal mentions but few industries. In the early part of the nineteenth century, Mysore was no more than an agricultural tract with a few industries of the 'cottage' type and occupations subsidiary to the main business of cultivation. It was more or less a mediæval economy and many European countries were not much in advance of Mysore. The Industrial Revolution had just commenced

in England but it was sometime before France, Germany, Italy and the United States of America adopted the English methods of mechanical and large-scale production. Dr. Buchanan describes the industries that fell within his observation. The making of date-palm jaggery seemed to be a flourishing occupation. Few would realize that the date-palm, which is to-day the mainstay of the excise revenue, was then the basis of a very useful industry. From jaggery of Buchanan's time we have progressed to toddy of our own time. Buchanan also writes of the sugar industry. The local sugar was of a good quality and the processes of its manufacture were kept secret. The sugar factory at Palhalli was well-known and the Palhalli brand came to be known as *astagram*. There were sugar-making establishments in several parts of the country. By the close of the nineteenth century, Mysore sugar was eclipsed by cheap foreign imports and Mysore sugar became a little more than a memory. But the wheel of time has strange surprises, for, to-day Mysore has again established its name as a sugar producer possessing the largest sugar-making establishment of the factory type in

India. Buchanan describes the spinning and weaving activities of the people, especially the manufacture of *Kamblies* from the wool produced locally. Sunhemp, he says, was grown extensively and the fibre was converted into bags and cordage. The crop has now gone out of cultivation, for the local product is displaced by the Bengal jute bags and cordage.

If Dr. Buchanan resumed his travels after about a century and a half, he would notice revolutionary changes. He would be impressed by the proud array of successful Government and semi-Government establishments. Having imbibed the *laissez faire* doctrine of Adam Smith and the free trade traditions of England, he might not be too pleased with the Government rôle in national industry, but, on closer scrutiny, he would justify Government enterprise under the peculiar circumstances of the country. After all, the Industrial Revolution was a spontaneous movement only in England, and there too, in recent times, the State has shed its non-interventionist attitude in trade, industry and agriculture. In France, the Industrial Revolution was initiated by Government, in Germany it was fostered by Government, and in Japan it

was almost entirely a creation of the Government. Mysore need not look about for justification of the intervention of the State in economic affairs. In fact, the whole trend of modern states is to do for the people what private enterprise will not do with equal justice and efficiency.

Dr. Buchanan will not fail to observe the very large number of industrial establishments which have been developed by private initiative and capital, *e.g.*, oil-pressing and decorticating, cotton ginning and pressing, coffee curing, tea manufacture, rice and flour milling, brick and tile factories, tanning of hides and skins, engineering works, spinning and weaving of cotton, wool and silk, both on a small scale in individual establishments and in factories using power machinery. In fact, prior to 1913, there were few organized industries in the country. In 1935 the number of private establishments using power and employing on an average 20 or more persons per day was 209.

The most significant feature of the industrial development of the State is the manufacture of textiles. The first mill was started in the year 1884 and a second mill was set up in

1887. Both these mills were financed by local capital and large concessions were given by the Government in the shape of suitable sites and facilities for water-supply. The Government also subscribed towards the share capital. The textile industry has flourished from these humble beginnings and Bangalore has become an important manufacturing and distributing centre in South India. At present, about 4,800 bales of cotton are consumed annually by the Mysore mills. There are four cotton weaving and spinning mills employing a labour force of 8,000 persons per day. The handloom industry flourishes side by side with the factory industry. There are about 40,000 handlooms in the State of which 30,000 are used for cotton and silk weaving, and 10,000 for weaving wool. The use of electric power is not uncommon and in places like Bangalore, Mysore, Kolar and Dodballapur there are 375 power looms. The handloom industry gives employment to 83,000 persons and produces goods of the value of Rs. 2.5 crores.

There is a welcome tendency to convert the agricultural produce into a finished or semi-finished article before exporting it. A good

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deal of cotton, silk and wool produced locally is thus utilised in manufactures in the State itself. Similarly rice milling, coffee curing and tea manufacturing are done in Mysore, Kadir, Shimoga and Hassan where these crops are grown. Mysore is rich in its resources of oil-seeds such as gingelly, castor and groundnut. Formerly, the oil-seeds were exported as so much raw-material, but now more and more of the produce is converted into oil within the State. There are 16 oil mills, 42 oil expellers and 13 decorticators. Most of the oil concerns are situated in the groundnut areas of the Chitaldrug District.

In a country where agriculture is the chief occupation of the bulk of the population, cottage industries play an important rôle in the national economy. For a very large number of cultivators there is no work on the fields for a considerable part of the year. It is very necessary that there should be subsidiary occupations to fill up the spare time of the agriculturist. In Mysore, there is a large line of Cottage Industries which are carried on in the homes of the workers with their own tools and appliances. The raw materials are obtained locally and the

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products are generally sold in the local market. The principal cottage industries are spinning and weaving, carpet and drugget, dyeing and printing, tape making, net making, knitting and tailoring, coir and rope, mat and basket, sheep-rearing, cotton ginning, jaggery making, poultry farming, flour milling, carpentry, cart making, toy making, lacquerware, extraction of oil and bee-keeping. It may also be noted that electric power is being used in several of these concerns.

Private initiative and enterprise is not merely content with the starting of enterprises in the physical environment prepared by a bounteous nature and in an economic environment created by a paternal Government. It has built up an industrial structure and equipped the economic life of the State with financial and commercial institutions. The Bank of Mysore is a premier financial institution with a distinguished record for assisting the industries and trade of the country. The probity and capability of the management of the Bank may well stand comparison with any one of the London institutions though, of course, we are comparing big with small. There are also

Co-operative Credit Banks which feed and nurse the minor industries. In a word, financial facilities are supplied by the Government, the banks and private merchants. There are also institutions and associations for each type and grade of industry, *e.g.*, Arecanut Growers Association, Mysore Silk Association, Coffee Planters Association and Co-operative Societies of small-scale producers of which the most notable is the Handloom Weavers Society. At the head of the industrial pyramid stands the Mysore Chamber of Commerce, organized to serve the needs of Mysore industry. It makes itself felt particularly in the economic policy of India and espouses the cause of Mysore industry and trade whenever it is exposed to ruthless foreign competition.

At one time the composition and character of the external trade of Mysore offered no features distinguishing it from the neighbouring Provinces. Mysore fully shared with British India the dubious distinction of being an exporter of raw material and foodstuffs and an importer of manufactured goods. Large quantities of paddy, oil-seeds, coffee, hides and skins, bones, cotton, silk and mineral ores were

taken from the State and subjected to further industrial processes in British India or in foreign countries and then either sent back to Mysore or sold in markets outside Mysore. While the exports of Mysore consisted of articles mainly unmanufactured, her imports consisted principally of manufactured articles like oils, yarns, textiles, chemicals and manufactures of several kinds for the production of which there were facilities within the State. In recent times, owing largely to the vigorous industrial policy of the Government, there is a distinct tendency in the reverse direction. There is a change in the character of Mysore exports, a change from raw-materials and foodstuffs *in toto* to a larger and larger measure of finished articles. The change from agriculture to industry is particularly marked in the export of cotton goods, tanned skins, milled rice, soaps, chemicals, sandalwood oil and oil from the various seeds. Mysore is becoming industrial in the sense that she is working up her raw materials into finished or partly finished goods.

The achievements of Mysore in the economic sphere are certainly great — great absolutely but greater still relatively speaking—

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for Mysore has been labouring under severe political handicaps. She pays annually a subsidy of Rs. 24.5 lakhs, a payment universally recognised to be harsh and invidious, but the Imperial Government has not yet seen its way to write it off. To think that every year a sum of Rs. 24.5 lakhs would have gone directly or indirectly into the industry of the State through one form or another of public expenditure or what amounts to the same thing, the Government and the people would have at their command an additional purchasing power of Rs. 24.5 lakhs! It is not, as it were, Mysore does not bear her fair share of Imperial burdens, for, apart from subsidy, she makes a handsome payment to the Imperial revenues through customs, salt, excise and profits on currency and coinage, a sum which is estimated at Rs. 140 lakhs. The revenues of the State, judged by Western standards, are inelastic and inexpandible and all too insufficient to meet the demands of a progressive State. Industrialization is pushed on with all the resources at the disposal of the Government and industrial profits will by and by increase the taxable capacity of the people; but the pace of industrialization itself

is limited by the paucity of financial resources. Scrapping of the subsidy will afford an immense relief to the Mysore exchequer and make a considerable sum available to finance the industrial and other activities of the State.

Instead of giving an ordered account of the economic development of the State, we have discussed general principles underlying the changes in the structure of Mysore economy in recent times. These general principles have revealed themselves to us in our study of particular developments in Mysore agriculture and industry. It is futile to look for a conscious purpose or for a predetermined plan in the progress of Mysore. Economic planning, worked out on scientific lines, is a new method altogether, popularised by Soviet Russia and the Fascist countries. The Mysore method has all along been one of adjustment to the changing needs and circumstances of the country.

The Mysore Constitution is peculiarly fitted to promote the economic development of the country. It may be considered as a major factor in the economic progress of Mysore. It serves as an instrument to develop the resources of the State in men, money and material.

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In Mysore there is no conflict between the rulers and the ruled. On the other hand, there is a complete identity of the people with their Government. It is the oneness of aim that has inspired so much of official and non-official effort, the one drawing its strength and inspiration from the other. The close association of the people with powers-that-be in all matters of national concern and the numerous organs wherein the people meet the executive on equal terms exchanging views and giving point and precision to national thinking and an objective and direction for national effort is the secret of the progress of the State. There is no liberal, no conservative and no labour, no white and no black, no Hindus and no Muslims—all, in fact, are united under a single banner under the Ruler of the State. No one has better expressed the spirit that animates public effort in Mysore than His Highness the Maharaja on the occasion of inaugurating the reconstituted Representative Assembly and Legislative Council in 1924: "You will find yourselves exercising a considerable, frequently a decisive, influence upon the policy of Government. Not merely your resolutions, but all that you urge

in debate, will be of high importance. I would have you apprehend with mind and heart this vital fact, that the interests of Government and people are identical. The happiness of people is both the happiness and vindication of Government. Any difference of opinion between the executive and yourselves—and such differences naturally occur in all lands and all along the road to progress—can refer only to the means, never to the end. You can count upon responsiveness and goodwill in Government, just as they certainly count upon them in you.”

Too much is made nowadays of “Responsibility” or “Responsible Government” in the hope that the executive will thereby become responsive to the wishes and aspirations of the people and will faithfully reflect the general will. But history of democratic States has shown again and again that such Responsibility may fail of its purpose and an executive chosen by democratic machinery may and often does find its way to complete irresponsibility with the result that they make the general will reflect their own particular standpoint and party purposes. The end sought after is responsiveness; and Responsibility is a means—not always a

dependable means—to that end. Mysore, under high auspices, has developed a political medium by which complete responsiveness is achieved. One is reminded of the Bell of Justice in the courtyard of the Hindu Kings of old—he who had a grievance against anybody had only to ring the bell and his grievance would receive prompt attention and justice will be meted out where justice is due. Through the press and the platform, through the Representative Assembly and the Legislative Council, through a Civil Service largely recruited on competitive and no-party principles, through an Economic Conference and Boards of Agriculture, Industries and Education, through autonomous local bodies such as District Boards and Municipal Councils, and a hundred and one ways by which the people are brought into almost daily and intimate contact with the administration, a real responsiveness to the people is generated. A day may come when Mysore will establish a Parliamentary Government as in England, but there is no guarantee that it will give them as much happiness, as much assurance that Government is non-sectarian and non-denominational, as much

consciousness that the bell of justice is within everybody's reach, as under the present system of Government.

In Mysore, the rigid and doctrinaire forms of democracy may be lacking, but the active principle of democracy is perpetually at work. It is Government in the best sense of the term, namely, Government responsive to the ascertained wishes of the governed and one in which, in a real sense, the governed are participants. In a "political" democracy, the executive has constantly to nurse its constituency and keep its party in good humour and thus for ever distract its attention from the main business of promoting the commonweal. In the Mysore Constitution, the appurtenances and the outward forms of a democratic State may be incomplete but the executive, relieved from the pre-occupations of party and politics and of keeping themselves in power, can pursue the single aim of the nation's good. The Mysore constitution is unique in the world. It cannot be fitted into the recognized classifications of States. It is *sui generis*. Its principal characteristic is that it is, in the main, 'unwritten' and its greatest virtue that it

is designed to advance the economic welfare of the people.

Professor C. R. Fay, Chairman of the Horace Plunkett Foundation, thus sums up his impressions of Mysore:

“In Mysore State, I was the guest of the Government and attended the Dasara celebration there in early October. I gave the opening address at the Mysore Provincial Co-operative Conference, at which Sir Mirza M. Ismail, the Dewan of Mysore—surely one of the most liberal and able statesmen of our day—presided; and I was taken around various centres of Co-operative activity, particularly in Mysore City, being everywhere garlanded as their kindly custom is. I was motored out to see the official opening of an electric light installation in a small town north of Bangalore; and as the villagers, at each halt, gathered around our car to present their requests to the Dewan, I saw democracy in action, lively, good-tempered and remarkably frank.”

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