DECENTRALISED PATTERN OF INDUSTRIAL GROWTH

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The Indian economists, right from Dadabhai Naoroji, have recognised that exclusive reliance on agriculture will never enable the country to come out of the poverty-trap. It goes to the credit of Mahatma Gandhi, however, to establish as a part of the Indian economic thinking, the need for a balanced growth of agriculture and industries.

Gandhiji wrote extensively on economic subjects. In his writings on economic subjects as also in other writings, he stressed the need for the total development of human personality. The aspects of economic life which he covered included problems of agricultural organisation, labour, level of wages, standard of living, industrialisation, ownership of wealth, swadeshi and, cottage and village industries. All these writings are scattered in various compilations. It is, therefore, welcome that as one of the leading commentators on Gandhian economics and a leading practitioner of his policies, Shri V. L. Mehta’s views on the decentralised industrial development are collected and presented in one volume. The book is a collection of essays written at various times and obviously for different types of readers. These essays are organised under different subject-heads to enable the reader to grasp the salient features of Gandhian economic thinking on decentralised industrial order. Unfortunately many a time the spirit of polemics gets the better of the cool objectivity for which the author was known during his life-time, yet it is one of the few works which can be treated as authentic expositions of the Gandhian views on decentralised economic development.

* V. L. Mehta, Decentralised Economic Development, Bombay, 1964,
For a rationale for cottage industries one has to refer to the basic tenets of Gandhian economics, namely economic equality and economic freedom. In fact, equality is considered to be a key to freedom. The exploitation of man by man, in any garb or form, is repugnant to the Gandhian way of thinking. It was Gandhi's belief in the total equality which lead him to lay emphasis on the productive labour or the 'sweat-labour' for each and every person. Also arising from these two tenets was his stress on cottage industries. He maintained that "the most propitious environment for equality is constituted by a society where the means of production are owned cooperatively, power is decentralised and, where the community is organised in self-governing groups of mutually responsible men and women".

The Neo-Gandhians, among whom we can count Shri V. L. Mehta, hold less extremist views on this subject. They realise that for the industrial development of a country, the capital goods industries will have to be given a proper place, and also, that most of these industries cannot be run either on the decentralised basis or in the cooperative form. For these industries they suggest complete nationalisation, but in such a way that there is an active participation by the workers in the management of the industries, and the structure of the industries is so evolved that it is fully responsive to the social obligations. They also recognise that there can be several consumers' goods industries which can be organised only on a large scale basis. Such industries should be run on co-operative lines either as consumers' co-operatives or as producers' co-operatives. In these industries too, as in nationalised industries, there should be adequate representation of the workers in the management and secondly, enough safeguards should be included in their constitution so that the welfare of the community as a whole is not lost sight of. But as a general rule they disapprove of the organisation of any consumers' goods industries on a centralised large-scale basis. Nor are they convinced that mere dispersal of some of the factories in the rural areas will serve the aims of the decentralised economic development. Such type of development can be prompted only by the small-scale, cottage industries most of which are run by the owner-operators or by the small co-operative societies. The reasons which have prompted them to offer this pattern of industrial growth
are not merely sentimental. There are valid economic reasons for propagating a case for the decentralised industrial development in a country like India.

The problem of poverty in our country can be tackled only by providing gainful employment to the underemployed and unemployed sections of the rural and urban population. No system of giving doles can be conceived to cover as large a mass of poor population as is represented by the lower sections of rural society. Therefore, the need for providing gainful employment to an ever-expanding number is the most important plank in the programme of rural reconstruction. Obviously, this expansion cannot take place with the help of setting up capital-intensive industries since the amount of investment which will be needed will be staggering.

A serious handicap, as evidenced in the working of heavy industries in this country, is a very weak ‘linkage’ effect. The employment generated in the heavy industries do not seem to reverberate or to have multiplier effect on employment. It becomes necessary, therefore, on purely economic grounds to advocate for labour-intensive programmes of employment in the rural areas. If employment is provided in the small scale and cottage industries sector it will have further advantage of imparting a balance to the village economy and relieving the pressure from agriculture. The additional production of consumer goods in this sector will also contain inflation and will enable the country to divert some of the resources to capital-goods industries. Upto this point one will not find much difference in the arguments forwarded by such diverse sources as the Bombay Plan of capitalists, and Prof. Mahalanobis’s Frame-work of the Second Plan on the one hand and, in the ideas advocated by the traditional Gandhian economists, on the other.

It is, however, in the unit of planning, the selection of industries and, the nature of technology, that the difference becomes sharp and considerable disagreement among various people ensues.

On the unit of planning the orthodox Gandhian approach strongly advocates village self-sufficiency. This idea is mooted in a tacit distrust in
market, which is made synonymous with an exploitative arrangement. The later Gandhians are much more relaxed in this regard. The acceptance of Naya Mor (a new turn) which envisages the self-sufficiency within a group of villages is a step forward. In the same scheme it is envisaged that the direction of the economy should rest with community comprising of a Gram-Ekai which is constituted by 4 to 5 villages. The latest trend in the academic thinking on rural development also favours a basic unit comprising of Gram-Sevak circle (normally constituted by 4 to 5 villages) for planning several activities of rural reconstruction. Incidentally, it is maintained in some quarters that one of the lacunae in the three-tier Panchayati Raj system is that there is no organic unit between a village and a taluq or tehsil. This suggests the closing up of gap between the Gandhian thinkers and others on this subject.

The same, however, cannot be said in regard to the choice of industries. The Gandhian economists, including Shri V. L. Mehta, do not exclude the new lines of decentralised manufacture, although, they strongly advocate for concentrating attention in those fields where in the past production was carried out on a decentralised basis.

Among the decentralised consumer-goods industries highest stress is laid on hand-spinning and the production of Khadi. In fact, Gandhiji described Khadi as a ‘sun around which other planets of village industries rotate.’ The major economic arguments for stressing the development of hand-spinning are that the work can be taken up intermittently so as to fit into the daily or seasonal routine. It can be taken up and left at one’s convenience. It is easy to learn and can be pursued with the aid of implements which are cheap and can be produced locally. In most parts of the country the raw material, namely cotton, is available locally. Finer counts of yarn can be spun out of short and medium varieties of cotton which mills often reject. Lastly, capital outlay involved is extremely small, being 12 paise for every lb. of yarn against one rupee for yarn produced in the mills.

There is, however, the other side of the picture which makes it difficult to support the hand-spinning and khadi as kingpin of the whole scheme. In the first place, hand-spinning does not necessarily
fulfil the primary test of self-sufficiency with which Gandhiji was greatly enamoured. Cotton is not cultivated universally nor are the cotton-trees grown all over the country. In fact, a large number of institutions which manufacture Khadi, purchase cotton from long distances. Same, though to a lesser extent, is the case in respect of other raw materials which are needed for processing the yarn into cloth.

Leaving apart the controversial aspects of village self-sufficiency, on purely economic grounds there are three or four important reasons why the production of Khadi does not offer a solution to the problem of fuller employment or the better incomes in the rural areas.

Firstly, while selecting the cottage or small scale industries a choice should be made in favour of the industries which are capable of bridging the gap in efficiency which the traditional technology is bound to have to start with. More than 30 years of experience has shown that the hand-spinning does not possess this advantage even when one takes into account the invention of Ambar Charkha. The fate with which the movement for popularising Ambar Charkha, which is considered to be a major break-through in the hand-spinning technique, has met is too wellknown to need elaborate account. In the textile production the machine spinning has a greater advantage compared to the machine weaving. Secondly, the products of the selected industries should have fairly elastic demand or should be such as can be subjected to a greater degree of product-differentiation. Neither of these two requirements the Khadi industry can meet. Thirdly, the skills which are developed in an industry should be such that they have a wider market for the operators and thus enable him to have a choice of various industries in which he can be suitably employed. Lastly, the argument of suitability of hand-spinning for intermittent adoption loses much of its force when the objective is to give full-time gainful employment to the workers. The full-time employment has the advantage that it enables the workers to develop necessary skills as well as insight in the problems of the industry. All these facts point out to a more careful selection of the industries to be sponsored and supported in any programme of rural industrialisation.

It is germane to say at this stage a few words on technological change. The considerations like the use of locally available raw-materi-
als, markets and skills are unexceptionable, but the growth potential of the small scale and cottage industries will depend to a large extent on their capacity to initiate and absorb innovations. It is true that the rate of technical change cannot be accelerated without keeping in view the social conditions of a country. A belief in the inevitability of technological change regardless of social consequences is not justified even in the large scale industries. However, it is the attitude towards the change which is more important in this connection.

It is a general criticism against the protagonists of the cottage industries that they are reluctant to welcome any change in the methods of production. This criticism is not wholly correct because there are certain changes which have been introduced in the cottage industries sector in recent years. For instance, the replacement of throw-shuttle by the fly-shuttle looms, the introduction of the take-up motion attachment in looms, the use of power for some of the finishing processes for hand-loom cloth and, lastly, the introduction of Ambar Charkha in place of traditional Charkha can be cited as some of the examples of technical improvement. All the same an impression is created that in their eagerness to avoid technological or frictional unemployment, many of the protagonists of the cottage industries weaken their capacity to correct the more serious malady of structural unemployment.

This is reflected most keenly in their attitude towards mechanical power. There are various factors responsible for the disparity in cost of production between cottage industries and large scale industries such as easier access to the sources of raw materials, to wider markets and, to credit agencies, enjoyed by the large-scale industries. But most important factor is the difference in techniques and physical limitations under which animal power or human power operates. It is on their views on the use of mechanical power that some of the protagonists of cottage-industries including the author of the present work suggest a degree of caution bordering on obscurantism. Instead of encouraging the research in decentralised techniques with the help of power, for which apparently enough scope exists, they have taken, at best, an ambivalent attitude towards the use of power. They
are more keenly concerned to protect the cottage-industries with the
traditional techniques of production from the competition of the large-
scale organised industries. Various measures suggested for meeting this
objective include preferential treatment in the allocation of resources,
restriction on the expansion of some of the large-scale consumer-goods
industries, common programme of production, subsidies and rebates,
and preferential treatment in the purchases by the state. These measures
unfortunately lead to a tendency of dependence and resistance against
change.

Nor do they help in fulfilling the social obligations of the small-
scale or cottage-industries. An example in point is provided by the
hand-loom industry. On the one hand, the hand-loom weavers are
reluctant to use hand-spun yarn because they find it, compared to the
mill yarn, inferior, on the other hand, they are highly vocal against
the spread of the power looms. The same tendencies will be repeated in
other cottage industries if from the very beginning the objective of
transforming traditional cottage industries to the improved, modern but
decentralised industries is not kept in the forefront.

This is not to deny the existence of more forward looking people
among the protagonists of cottage industries. Their solution for improving
the techniques of production takes two diverse courses. A more influential
and vocal section has started arguing in favour of what has come to
be known as ‘intermediary technology’, which is a half-way house
between traditional techniques and the techniques pursued by modern
large scale industries. The other section favours a more selective approach
of the ‘operational research’. It advocates adoption of different levels
of technology for different operations of an industry so as to maximise
the gains or at least to minimise the loss. It must be admitted that still
much research is needed to suggest the level of technology suitable for
cottage industries.

There is a strong case both on the economic as well as welfare
grounds for the protection and the spread of the cottage industries,
provided enough care is taken in the organisation of the industries, in
the inclusion of the particular industries under the programme of
decentralised industrial development and, the level of technology to be adopted at various stages of growth. We have been provided with the rationale of the cottage—industries in India's economic growth by the constructive workers of Gandhian School; it is now up to the economists and the technologists to take the cue and suggest measures to make this programme as much economically viable as it is socially desirable.

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हस्ताक्षर नवमिथथी माधीने व्णा बांतीय अर्थसाधनाची गौरवेची रोल गेली हॅम किती सधा. शारीरचे व्यवसायीकरण हेतु घटन खूप तेंग नस्ले. अतीताचे विशेषतः समस्ती विश्वासाचे काहर बांतीय अर्थविषयक विकासाची गौरवेची लेखनी त्या आराम गेली हॅम किती नस्ले.

अम्बिकेल्या विरुद्धसाती बालक्षण अथवाचे अर्थार्थकरण अनेकातील पण्यांना सुविद्या सिध्दते, आम्ही त्यात आयाम रुपसाधनाचा वेगळा द्वर आहे.

अपराधना अनुमानाची (कर्मची श्री. धीरेंदुराचे मोठातील सामील कहीं शक्य) नव विमाने आयुष्य जिद्दाम नस्ले. तेंशा अशी अपाल करत होती कि त्या अथवाताचे विकास भागे मुली—विविधांत ची श्रीमान अस्थायी वेळीचे, अनेक आम्नानी श्राक्षेप. किती विविधाता विविधानी मारे तेंशा. स्पष्टतः शारीरिकचे सुविद्या होते. ते की साठी साठी विविधानी आयुर्विज्ञानाचा काम आहे. पण्यांनी पण्यांनी आले होते. प्रत्येक व्यायामात विविधानी मारे, त्या विविधाता विविधानी मिळते. पण्यांनी पण्यांनी आले होते. प्रत्येक व्यायामात विविधानी मारे, त्या विविधाता विविधानी मिळते.
हेतु पूर्व कारण अन्य अन्य शाहरी विद्यालयों के अन्य शाखाओं के साथ पूर्वे संपर्क निर्माता शाक्षरी बेचकर आपकी माँग प्राप्त करें। आप को किसी भी विभाग के पूर्व नेता की ओर से संपर्क करके मांग। शाक्षरी बेचकर आपकी मांग प्राप्त करने के लिए कंपनी के पूर्व नेता की ओर से संपर्क करने की जरूरत है।
ભાલે સમાચ તો કણ હોય છે કે, અંતર્નારુ અને શ્રમચ અંતા તણે એ નાતની નિશ્ચળતા મળી તે નાતત્ભ છે. ભાવુક પરસ્પર કેરી ઉધારદારી પેટાર આની રિષતરસભર નથી નારે ખોટા કે કેટલા પેટાર નીચાની કાયદાની અધિકારી હતા. જાણકારીઓ આ જિલ્લામાં પૂર્વી પાડ્રી શકે નહીં. ઉપરાતા સુરક્ષા સાથે કારીને આણણ વસાય ત્રણબારી જેવાં આખી છે, તે કાયદાની લાલેખા કાયદા સ્તર આ આખી ભયાનને મોટો મોટર કાયદાની પરસ્પર તસ્સ તપાસ અભાવપૂર્વક નથી આપવું લખાયો.

કાયદાનની પ્રથમ પરિણામ આપવાની છે. સમાનતા થતી ખાતી માટે ઉપયોગ કરે સમાન સાધનશિંદેની ઉપયોગ કરે ગુણકુલખોની સાથે વાતી હોતી શકે નહીં પણ નાતા અને ગુણકુલખોની વિદાય તમી રહે અંગે નથી શાક્ય આપવાની શકે આવના મેર રહે છે.

અંગે આપવાની ગાણત બાળક શિક્ષણના પરિસ્થિતિ ચકાસ છે. જીન રાતાક કરીને સાહી નાતા અને ગુણકુલખો અને મોટી ઉપયોગ થયા નાતા અને મોટી સાધન થતા એ અંગૅનું ચકાસ પ્રતયે શિક્ષણ પાસ ભાવણ સાહિત્ય અને ગુણકુલખો અને મોટી હોય તે સાહી વિદાય નાતા પાસ રહે છે. આ વાત વધારે પણ ઉપયોગ કરી નાતા પાસા પણ જિલ્લા સ્તર અનાથ રહે છે. અને તે બાદ અનાથ પાસા પણ જિલ્લા સ્તર અનાથ રહે છે. કાયદાનની આ વાત પ્રથમલોકી આધાર રાખવાની અંગે પરિપત્રન સાથે વિદાય શરીર શકે છે.

રાતાક અનવિકલ સમાચ ચરાવા લખાયો. વધારાનાની કણા-કાયદાની વિનાદ કરે છે, તે જૂની વિચાર પાલનથી આ વધારા પડતીઓ વનમેળું સપાટ સામાનય છે. તને જતા અને કાયદા ચકાસ કે ગુણકુલખો નાતા અંતરુન ઘાણ કહેવા નકારી કરી અનાથ પાસ ગણ સ્પષ્ટથી કરવા જારી શાક્ય સંશોધનોતી શકે છે.