

NOT FOR PUBLICATION

RM 19

U.S. American Consulate-General  
Bombay, India  
(written at Poona, October 31, 1947)

Dear Mr. Rogers:

When I visited Poona briefly last November, a young economist, Dr. R.G.Kakade, went with me to the village of Patas, some forty miles away, and served as interpreter for me. A short man, simply dressed, casual in manner, Kakade on sight would not be taken for a "doctor", a trained student of practical economic affairs. But as we talked to cultivators, artisans, and school teachers of Patas, the orderly investigator's mind was apparent, impatient of disjointed questions (as many of mine were) and accustomed to following through to completion on each line of thought. We got on well during our two days in Patas, and I left Poona with the hope of returning to learn more of his work and methods.

Kakade is a "Member under Training" of the Servants of India Society, but works partly under the direction of the Gokhale Institute of Politics and Economics. A brief account of his recent activities and studies, therefore, will serve to introduce these two allied organizations, which have their headquarters together at Poona. In two recent years, for example, he was in charge of a Depressed Classes Mission and school operated by the Servants of India Society in South Kanara District. As part of his work, he spent several months touring through villages carrying out a carefully planned statistical survey, typical of Gokhale Institute projects, of the economic and social conditions of the depressed classes. Later, in various periods of famine in South India during the war, he and other members of the Servants of India supervised famine relief, and toured widely in Madras, Mysore, Coorg, and Hyderabad, studying scarcity and health conditions and writing reports recommending measures for alleviation of food shortage.

At present Kakade is at home with his family on the Servants of India premises, working up the material gathered during his study of the depressed classes. Occasionally I drop in on him from the library room nearby where I read. I find him with large charts tabulating statistics, a stack of small cards prepared to be shuffled into different combinations to yield the various tables which he needs before analyzing his results and writing his report. Often several volumes of a huge old district gazeteer, or an anthropological survey, are beside his desk also. But he is usually ready for a break - he pulls his feet up into his chair and answers my questions.

Our discussion has sometimes centered on the study which Kakade did in 1939-1940 under the direction of Professor D.R.Gadgil, Director of the Gokhale Institute, as part of the Institute's socio-economic survey of Sholapur, an important rail city near the border between Bombay Presidency and Hyderabad State. About a third of Sholapur's

people are directly dependent on the cotton textile industry, most of them on handloom weaving, for their livelihood. India's handlooms, though hard hit by mill competition, still produce a quarter of her cloth output and constitute her foremost handicraft industry, providing the livelihood of 3,000,000 people. In view of their importance to India and to Sholapur particularly, the Gokhale Institute decided to devote most of its attention in Sholapur to handloom workshops and workers. Kakade conducted this detailed investigation, resulting in his doctoral thesis which has recently been published in revised form as "A Socio-Economic Survey of Weaving Communities of Sholapur". This is one of the Gokhale Institute publications which I have read to learn the methods and scope of its field investigations, and to become familiar with the characteristics of this Bombay Deccan region.

To conduct his study, Kakade first had to make a complete census of the handloom establishments and weaving families of the city. A total of 1,376 karkhanas (places of work) were recorded, containing 7,190 handlooms. The typical karkhana is the home itself, or a small tenement where several families live and work for the owner: when night comes the work is rolled up and put into a corner and the family then has space for sleep on the floor. The small size of the typical unit is shown by the fact that 1066, or 77% of the karkhanas, had less than seven looms, generally employing less than ten workers. Further indication of the industry's condition is the predominant credit and marketing "dependence" of the karkhana owners. Few can meet current production expenses without borrowing. Over 65% of the owners (the percentage is even higher among the smallest units) are permanently dependent on a larger agency for the sale of their produce: the common practice is to take yarn (and perhaps dyes) on credit from a financier-trader, under agreement to sell him the cloth produced, at a pre-fixed price.

Kakade selected at random 107 units representative of both smaller and bigger karkhanas, and made an intensive study of their labor structure, techniques and equipment (finding that ignorance and lack of funds prevented most artisans from using the latest weaving devices), cost structure now and in the past, capital structure and sources of credit, marketing facilities, work and wage conditions. Ascertaining growth and decline over the past five years, he studied the relationship between size, economic status, and survival position. The statistics analyzed did not, in Professor Gadgil's opinion, establish an optimum number of looms for economic operation. They did, however, indicate that the smaller units had greater survival chances if under "dependent" status. Even though their share of the selling price might be low if permanently working for a large financier-trader, his regular provision of yarn and acceptance of their cloth enabled them to exist over the years. By temperament, Kakade says, even the small owners prefer to be "independent" entrepreneurs, to buy yarn and sell cloth themselves. Mill competition and over-supply during the 1930's, however, were against these small "independents". None of them was "prospering" (adding more looms to his shop), while an excessive proportion of them were being forced to sell looms and reduce operations.

In the whole handloom industry, similarly, competition was forcing a significant number of karkhanas to reduce their size. Some weavers

were "deserting" the handloom and going into mills where they could earn more per day. In the handloom shops, piece-wages for weaving sarees were roughly 50% lower than in 1925, the decline even since 1933 being plainly measurable, though governed partly by the quality of saree. Not a few of the weavers are held almost in bondage by the larger karkhana owners: having gone into debt to their employers, they are not permitted to leave. If they do return to their native villages for holiday, their wives and children are held by the owner as hostages, to guarantee their return.

Almost more interesting to me than the analysis of the industry's economy were the related chapters on the weaving communities' social life. Nearly all the 9,779 weaving families enumerated were of traditional weaving castes, over 80% being of the Padmasali caste, who had migrated from Telegu-speaking districts of Hyderabad State in the last half-century, since rail transport made Sholapur an important textile center. To study the Padmasalis, Kakade first toured their native districts, learning that there they had generally been in an impoverished and weak condition, due to poor nutrition, the sedentary and debilitating nature of their work, and habits of drink. Few have markedly improved their lot on moving to Sholapur. But there, amid strangers, they have largely retained their solidarity as a caste (or community, to use a word which is perhaps more suggestive of the positive social ties within the group). In a region of Marathi-speaking peoples, Telegu continues to be the language of the Padmasalis' home and workplace, and if children attend school they wish instruction in Telegu. Most Padmasalis retain the old gods and modes of worship, the inherited customs - some harmless, some costly, some degraded - the sacraments and rituals of life's changes, the standards of the community, and the consciousness of belonging to it.

It seems true, Kakade found, that those Padmasalis who have left the traditional handloom profession and taken work in Sholapur's mills are shedding some of the grip of community influence. Their incomes are slightly higher, they are more literate, more informed, more mobile and active, perhaps less bound to the group. But among handloom weavers, individualism has not appeared widely. Under the weight of poverty and the past, "his universe limited to the tenement house" where he lives and works, the handloom weaver, in Kakade's words, is "completely passive" in the social life of the community, "blindly conforming...to communal standards of life and thought".

"Sympathy...fellowship...and direct help to each other in times of need" seem to be positive forces perpetuating community consciousness. The uniting bonds of community and custom are still stronger, in Kakade's opinion, than disuniting differences of economic status. A poor weaver may still, by heredity, be the chaudari or headman who administers the caste code of custom and morals. The karkhana owner or the rich yarn and cloth dealer join the bonded worker or dependent weaver at caste dinners. Thus far, cleavages within the caste have been factional, rather than economic. "There were", Kakade found, "a few literate and well-to-do people in the community who took an active part in running the communal organisations and in starting new ones. These were the people who moulded public opinion in whatever manner they liked. Their personal greatness, interests, rivalries, etc., were

reflected in the communal organisations". But the opposing factions and separate organisations were still within the community tradition. Only in recent years had a few younger men within the community, and a few Communists within and without, succeeded in arousing a degree of class consciousness, though it was still slight, which conflicted with community solidarity.

Even though he felt after lengthy contact with the Padmasalis that he knew much of their customs and ways, Kakade now considers an even longer study period essential. "For true sociological study and understanding of a people or group", he says, "you must go and live completely among them for at least a year, speaking their language well".

On the economic side, he believes that the more efficient handloom workshops should be strengthened. He suggests possible improvements in their business operations and techniques. He also advocates two regulatory government measures: the setting of a floor under weavers' wages, and a subsidy toward owners' marketing operations combined with a duty on mill products to protect the handloom output. In making these recommendations, he is aware of the difficulty of fairly enforcing wage and work standards, or administering subsidies, among so many small units. (He suggests Trade Boards, drawing on British experience). He is also aware of the broad economic implications of handicapping mills, perhaps thus retarding their expansion. Nor does he wish to preserve permanently uneconomic units. But many of the units are efficient enough to survive if enabled to get on their feet; and the people in the less efficient ones need aid until alternative employment is available. Weavers' incomes reveal the seriousness of the problem. The average annual family income of several hundred carefully studied families, representative of the major industry of their region, was Rs. 147 (roughly \$12.00 per capita annually). Kakade calculated the minimum costs, at Sholapur prices, required to provide a basic nutritional standard and the other essentials of life. Eighty-nine percent of the families did not have an income sufficient to meet those costs.

Reading Kakade's pages, one comes to some awareness of the problems of small-scale industries: too small, often, to help themselves; too numerous and complex for easy governmental assistance. Other statistics of the Gokhale Institute further bring out the significance in India of small producing units, so important in the aggregate. For example, a census in Poona City in 1937 of all "industrial" establishments - wood, metal, leather, fiber and paper works, printing presses, weaving shops, processors of food, and others - revealed that the city's 1565 productive establishments employed 7324 workers. But of these, 60% employed only 1 or 2 workers, another 20% only 3 to 5. Only 108 of the 1565 workunits employed over 10 workers, thus falling under the scope of the Indian Factory Act.

Both in industry and agriculture, the minute, detailed problems of such small production units, complicated further by the geographical and social diversity of India, will require for solution a high degree of regional and local initiative and ingenuity, as well as nationwide attention. The Gokhale Institute is an example of such local initiative, applying itself to detailed study of unspectacular, routine - and for that reason critical - factors in the economy. Food, crops, health, family budgets, family size: these concrete realities claim its attention. "Fruit Marketing in Poona", "Farm Business in Wai Taluka", "Benefits of

Irrigation on the Goda-Pravara Canal System", "Lapse into Illiteracy", and "Motorbus Transport in the Bombay Presidency" were some of the early subjects tackled. More ambitious in scope have been the Institute's socio-economic studies of such urban centers as Poona and Kolhapur. A major project now underway is a five-year study of the Bombay Deccan famine tract, which will deal intensively with 32 representative villages.

What was the origin of this spirit of inquiry ? How has it affected the life of the community ?

Briefly, it may be said that the humanitarian and scientific outlook of the last century toward society and its problems was the original and guiding spirit of the Gokhale Institute and its parent organization, the Servants of India Society. During the 1880's, principles of moderation and liberalism gained firm footholds in Maharashtra, the extensive Marathi language area which has Poona as its historical and cultural center. Here a self-reliant belief in constructing one's own future was put into practice by a patient, industrious group of educators, publicists, judges and political leaders who set out to earn freedom by equipping their people to handle its problems. The newspapers started in those years are still in existence; the schools have developed into colleges, and will soon be brought together in the new University of Maharashtra, the future pride of Poona.

Gopal Krishna Gokhale, founder of the Servants of India Society, was an outstanding representative of this liberal tradition. In a truly scientific spirit, he sought to base public policy on thorough study of facts. He also sought men who loved their country, and worked to increase the number and strength of such men. "The Servants of India Society", he wrote in the preamble to its Constitution in 1905, "will train men, prepared to devote their lives to the cause of the country.. in the spirit in which religious work is undertaken, and will seek to promote, by all constitutional means, the national interests of the Indian people..without distinction of caste, religion, or community". One of the Society's objects was "to organize political education and agitation, basing it on a careful study of public questions". "Much of the work", Gokhale emphasized, "must be directed towards building up in the country a higher type of character and capacity than is generally available at present, and the advance can only be slow".

With an average membership of thirty men, pledged for life service at low salaries, the Servants of India Society has continued its constructive work in this spirit, supported by public donations. Each member works in fields suited to his talents and choice, which range widely over society's needs. Kakade's work, as a junior member, I have described. H.N.Kunzru, now President of the Society, is one of India's most respected elder statesmen, a member of the Constituent Assembly, Chairman of the Committee on Indianization of the Armed Forces. The Society's Vice-President, A.V.Thakkar, is the nation's senior worker for the uplift of aboriginals and Harijans. K.G.Sivaswamy, of Madras, a lifelong student of rural problems, is presently serving as special adviser on village development to the Government of Cochin State. Organization of agricultural laborers and publicity of the needs of the illiterate cultivator are two of his major activities. In Bombay, the Society's members have taken part in trade union organization. Elsewhere in central and southern India, other Servants of India are active

in journalism, education, boy scout organization, social welfare of various types, and are ready for relief work in days of flood, riot, or famine.

To utilize the fine library which Gokhale had started and which the Society had maintained after his death in 1915, and to provide more satisfactorily for that "Careful study of public questions" which he had required of his juniors, it was decided in 1930 to establish the Institute of Politics and Economics now named for him. Two factors made this possible. An endowment of Rs. 100,000 was given by a Poona citizen, and an imaginative yet rigorously trained student of public affairs, Professor D.R.Gadgil, was secured as Director. With the teaching aid of other Poona colleges, the Gokhale Institute prepares graduate students for the M.A. and the Ph.D. of the Bombay University. Its main purpose, however, is the planning and conducting of research projects such as those named above.

Operating until 1944 on an average annual expenditure of only Rs. 11,000 (less than \$4,000) to support the Director, his assistant, a statistician, and field investigators, as well as clerical staff, the Institute has indeed been small, and of a pilot nature. As it is something of a pioneer in India of socio-economic investigations, not all of its reports have completely covered their topics. Nor have they always suggested remedial measures for the social ills revealed. They have, however, shown new problems, new lines of inquiry and method for more complete study, which are taken up in subsequent projects. They have also provided a fund of data which either private business or government could make good use of in working out policy. Two of its studies were done at the request of the Government of Bombay, for use in shaping future irrigation and educational policy. To what extent the others have actually met the needs of the public and been used, is hard to say - but a sound start has been made. Sufficiently sound to attract a 5-year grant from the Sir Dorab Tata Trust Fund for the famine tract project now underway.

Meanwhile, Professor Gadgil has variously served on permanent and ad hoc government committees on economic questions, both local, provincial, and national. In 1943 and 1944 he published a vigorous critique of the then Government of India's war economic policy. In 1945 and 1947 he published searching analyses of the country's political situation. I hope to refer to these in a later letter.

Before closing, I must indicate briefly the characteristic political stand of the Servants of India and Gokhale Institute group. From the Society's early days, it was foreseen that its leaders would be active in national politics. Gokhale himself was at one time President of the Indian National Congress. When M.K.Gandhi returned from Africa to India at the time of World War I, Gokhale was one of the leaders to whom he particularly turned for guidance in Indian politics. The mutual respect and affection of the two men has been recorded by both. But by the end of the War, Gokhale was dead. Inter-war forces brought a new and more strenuous pace of political action. Gandhi's non-cooperation and jail-going were its new weapons, increasingly dominant in each major struggle beginning with 1920. Thenceforth, the "constitutional means" and "slow advance" of the Servants of India Society and its fellows in the Liberal Party were recessives in the developing Indian national movement. Their leading members served in the legislatures which Congress boycotted; their journals, such as "The Servant of India", cogently

advocated the evolutionary process, but reached only a restricted circle while Congress leaders were stirring millions. The liberals maintained their strong independence, their careful analysis of developments, and commanded the respect of nearly everyone. More vociferous and forceful political organizations received the votes.

Judging from the past, and from recent public statements of both Pandit Kunzru and Professor Gadgil, it can be expected that these two small but significant groups will continue their independence of outlook. In coming years, their pronouncements will frequently be critical of Congress and governmental policy. They will, at least, be the result of careful consideration, and their objectives will be the creation of timely and constructive state policy to attack the social and economic ills of India's millions.

Sincerely yours,

A handwritten signature in cursive script that reads "Richard Morse".

Richard Morse