

The Decline of Indian Handicraft in British Period

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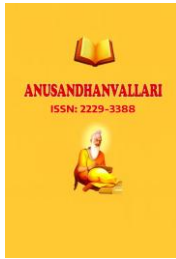
Abstract: Before British colonial rule, India was a global hub of luxury craftsmanship, sustained by strong patronage from Indian rulers. The Maratha Empire, especially under the Peshwas, actively supported artisans through state-funded workshops (Karkhanas), tax exemptions, and royal patronage, turning cities like Pune, Jhansi, Kashi, Maheshwar, Chanderi, and Baroda into centers of textile, jewelry, and craft excellence. This patronage model was mirrored by other Indian dynasties, creating a self-sustaining economy where wealth stayed within the region. After the British East India Company's decisive victory in 1818, this system collapsed. Colonial policies dismantled royal courts, ended artisan patronage, imposed one-way free trade favoring British goods, levied heavy internal duties on Indian products, and built railways designed to extract raw materials while flooding villages with factory-made imports. This led to the destruction of India's handicraft industry, mass deurbanization, artisan unemployment, and increased pressure on agriculture, deepening rural poverty. The paper argues that colonial economic policy, not lack of skill, caused this decline, a memory later revived through the Charkha during India's freedom movement.

Keywords: Indian handicrafts, Maratha economy, Peshwa patronage, Karkhana, colonial deindustrialization, one-way free trade, drain of wealth, artisan decline, railways in India, rural poverty, Swadeshi, Charkha

The true turning point of India's economic destiny occurred in the year 1818, when the British East India Company broke the military and political backbone of the subcontinent by defeating the Great Maratha Confederacy in the Third Anglo-Maratha War. In seizing control from the Marathas, the British did not just inherit vast territories or strategic fortresses; they took over an empire that was actively reconstructing and fuelling India's age-old handicraft backbone. Before British legislative sabotage and structural extraction choked these industries into submission, the Marathas and other regional Indian rulers had re-established the subcontinent as a premier luxury manufacturing workshop of the world.

Under the Maratha Empire, political sovereignty was viewed as entirely inseparable from economic self-reliance. When the political center of the empire shifted to Pune under the leadership of the Peshwas, the city transformed from a modest military garrison into a sprawling commercial metropolis driven by courtly luxury. The Peshwas and their confederate houses recognized that investing in local artisan guilds kept capital fluid, decentralized, and entirely within the borders of India. Agrarian taxes were collected locally and spent entirely within the regional economy. This structural design ensured that the wealth generated by the land continuously stimulated local manufacturing hubs rather than being drained across oceans to enrich a foreign metropole.

The Peshwas established an extensive network of state-financed workshops, known as Karkhanas, and actively used royal decrees to foster elite craftsmanship. Peshwa Madhavrao I and the visionary statesman Nana Fadnavis famously issued special tax exemptions, land grants, and royal protections to relocate master weavers to Yeola and Paithan. These state workshops provided premium raw materials and guaranteed buying power, spinning pure silver and gold threads, known as Zari, into magnificent sarees and ceremonial turbans. Simultaneously, the Peshwas transformed Pune's Raviwar Peth and Budhwar Peth into internationally renowned jewelry hubs. They financed specialized Zaveris, or jewelers, and Shroffs, who were traditional bankers, from Gujarat and Rajasthan to set up massive lapidary units, commissioning intricate, gem-studded ornaments, pearl necklaces, and embellished royal weaponry to celebrate state triumphs.



This model of aggressive artistic backing was duplicated by other Maratha houses and independent kingdoms across India, turning specific cities into legendary production epicenters. The northern cities of Jhansi and Kashi stood as world-famous hubs for exquisite, hand-knotted pile carpets and breathtaking gemstone jewelry. Kashi, deeply revered by the Peshwas and local kings, was heavily patronized for its elite Banarasi gold-brocade silks and its incomparable lapidaries that carved precious stones for religious and royal durbars. Jhansi's rulers similarly fostered a massive hub for luxury metalwork, fine carpets, and ornamental brassware. In Central India, the Holkars of Indore established an enduring legacy of craft patronage under Devi Ahilyabai Holkar in the late eighteenth century. She personally established and financed the Maheshwari saree industry, bringing master weavers from Surat, Varanasi, and Mandu to her capital city of Maheshwar. She provided them with free housing, completely waived their taxes for the initial years, and personally purchased their initial inventory to give as state gifts to visiting royals and foreign dignitaries.

Further east, the Scindias of Gwalior heavily subsidized the weavers of Chanderi, ensuring their ultra-fine, sheer cotton-silk blends with intricate gold borders became the official, protected attire of the Central Indian nobility. Meanwhile, the Gaekwads of Baroda, sitting on the wealthy trade routes of Gujarat, patronized the complex geometric Patola silk weavers of Patan. They also built legendary royal treasuries, famously commissioning magnificent treasures like the gem-encrusted Baroda Carpet, which was woven entirely with millions of natural pearls, rubies, and diamonds. In Bengal, the Nawabs of Dacca and Murshidabad presided over a legendary textile empire where the ultra-fine muslins of Dacca, often poetically described as woven air, and the ivory carvers and silk weavers of Murshidabad thrived under direct courtly subsidies. The Indian artisan was not a marginalized day-laborer; they were the celebrated backbone of a global manufacturing powerhouse.

When the British East India Company achieved total political dominance after 1818, British industrialists back in Manchester and Lancashire viewed India's millions of highly skilled artisans not as potential trading partners, but as a dangerous, existential threat to their newly automated textile mills. The Industrial Revolution in Britain had created a massive capacity to produce machine-made cotton goods, but British factories lacked both the raw materials and the captive markets necessary to sustain their growth. To turn India from an exporter of finished luxury goods into a passive consumer base, the colonial administration executed a calculated, multi-phased economic sabotage.

The first step in this strategy was the forced eradication of native elite demand. By annexing independent kingdoms or trapping them within the administrative cage of the Subsidiary Alliance system, the British effectively dissolved the native royal courts. When the Peshwas were exiled to Bithoor, the royal treasuries looted, and the durbars of Jhansi, Nagpur, and Oudh systematically dismantled, the primary domestic consumers of luxury handicrafts vanished overnight. The newly installed British bureaucracy actively boycotted local artisanal products, choosing instead to import English-manufactured furniture, apparel, and luxury goods from London, thereby forcing a sudden, catastrophic shift in elite consumer patterns across the subcontinent.

With the domestic nobility disarmed and economically neutralized, the colonial state implemented its most lethal legislative weapon, a policy known as One-Way Free Trade. This asymmetric policy allowed mass-produced, machine-made goods from British factories to flood into India completely free of import duties, or with purely nominal charges. Concurrently, if an Indian merchant tried to export their superior, hand-loomed textiles, carpets, or jewelry to Britain, they were hit with protectionist customs duties as high as 70 to 80 percent. The playing field was artificially tilted to strangle Indian competitiveness.

Furthermore, the British levied heavy internal transit duties on Indian merchants moving goods within their own country. A weaver trying to send a gold-bordered saree or a carpet from Paithan or Jhansi to Kashi faced multiple taxation checkpoints and exorbitant tolls along the way, whereas British goods bypassed internal customs entirely. Unable to afford pure precious metals under artificial colonial pricing and heavy domestic taxes, master craftsmen



were forced to replace pure gold and silver Zari with cheap copper alloys, causing a sharp decline in the quality, value, and reputation of their traditional crafts.

To complete the economic strangulation of the interior, the British introduced the railway network. While colonial history textbooks often paint the railways as a benevolent gift of modernization and connectivity, a closer look at their layout reveals a far more extractive design. The iron tracks were purposefully routed to connect the deep agrarian hinterlands directly to major maritime ports like Mumbai, Kolkata, and Chennai, completely bypassing the traditional internal trade routes established by native rulers. The railway network served a predatory, two-way colonial purpose.

First, it allowed for the rapid, mass transportation of raw cotton, silk, wool, and indigo out of remote Indian villages directly to the ports, ensuring that British factories across the ocean had an uninterrupted, cheap supply of raw inputs. This artificial scarcity caused local raw material prices within India to skyrocket, leaving local weavers unable to afford the essential components for their own craft. Second, on the return journey, the trains carried massive crates of finished, foreign factory clothes and accessories, dumping them into the remotest rural corners of India and completely shattering the self-sufficient village economy that had stood resilient for millennia.

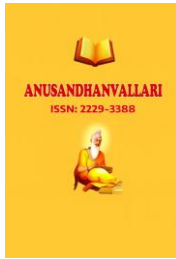
The collapse of the handicraft sector triggered a devastating domino effect across the demographics of the subcontinent. As ancient manufacturing hubs like Dacca, Murshidabad, Surat, and the rich artisanal pockets of Jhansi and Kashi saw their primary industries systematically dismantled, these bustling urban production centers began to decay, initiating an unprecedented wave of deurbanization. Population levels in major manufacturing cities plummeted as workshop after workshop was forced to lock its doors. The vibrant, self-sustaining urban structures built under the patronage of the Marathas and regional kings dissolved into economic dead zones.

Millions of highly skilled weavers, carpet makers, lapidaries, metalworkers, and shipbuilders suddenly found their livelihoods entirely erased. Because the colonial government intentionally blocked the development of modern, native heavy industries within India to avoid creating competition for British firms, these millions of displaced artisans had no industrial safety net. They could not transition into modern factory workers because those factories were intentionally kept in Britain.

Consequently, they were forced to migrate en masse back to their ancestral villages, desperate to survive on agricultural labor. This created an unprecedented, catastrophic pressure on the land. Small family farms were subdivided into increasingly unsustainable, tiny plots to accommodate the massive influx of returning laborers. Agriculture became unsustainably overcrowded, driving down rural wages and completely destroying the economic cushion of the rural populace. Stripped of their artisanal income and dependent entirely on highly volatile monsoons, millions of families fell into deep, systemic poverty, rendering the country tragically vulnerable to the devastating famines that plagued the late nineteenth century.

The decline of Indian handicrafts was a profound tragedy that completely altered the destiny of a nation. It transformed India from a proud, self-reliant exporter of highly sophisticated finished products into an impoverished exporter of raw materials and a passive consumer of foreign goods. The age-old economic roots of the country were intentionally severed to nurture the growth of the Industrial Revolution in the West, transferring wealth systematically from the durbars of the subcontinent to the banks of London.

The ultimate tragedy of this colonial strategy lies in its historical irony. The very people who possessed the skills to weave the finest fabrics, tie the most intricate carpets, and craft breathtaking gemstone jewelry in hubs like Pune, Jhansi, and Kashi were reduced to landless laborers on their own soil. Their displacement fractured the ancestral chain of knowledge, causing many ancient techniques of metallurgy, dye-making, and weaving to be lost to time forever.



However, the memory of that economic independence was never completely erased from the consciousness of the nation. When the freedom struggle gained momentum in the twentieth century, it was no coincidence that the humble spinning wheel, the Charkha, became the ultimate symbol of national resistance. By spinning their own cloth, the people of India were not just making a political statement; they were actively attempting to mend the broken threads of a magnificent economic heritage that had been shattered a century prior. Reclaiming that spirit of self-reliance, celebrating indigenous craftsmanship, and building robust internal manufacturing capabilities remain vital, defining missions for the nation's modern economic landscape today.

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