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The Idea Of Swadeshi And Economic Nationalism: Historical Origins And Intellectual Foundations

¹Anjul Kumar , ²Prof. Alok Prasad , ³Pranjal Baranwal
Research Scholar , Professor , Research Scholar
Department of Medieval & Modern History,
University of Allahabad, Prayagraj

Abstract

The concept of Swadeshi, profoundly embedded in the Indian independence movement, symbolizes a significant manifestation of economic nationalism. Emerging significantly during the 1905 anti-partition movement in Bengal, Swadeshi sought to foster local industry, reject foreign products, and emphasize economic independence against British colonial oppression. This article examines the conceptual basis of Swadeshi within the larger context of economic nationalism, referencing Indian nationalist intellectuals such as Dadabhai Naoroji, Bal Gangadhar Tilak, Mahadev Govind Ranade, and M.K. Gandhi. It similarly interacts with worldwide theories of nationalism from theorists like Ernest Gellner and Eric Hobsbawm to contextualize the Indian narrative. By analysing Congress resolutions, economic critiques, and indigenous movements, this study contends that Swadeshi represented not just a reactive effort but a proactive vision of economic independence and national rejuvenation.

Key Words: Swadeshi, Economic, Congress, British, Colonial, Nationalist, Resolution, Gandhi, Khadi

Introduction

Swadeshi, originating from the Sanskrit terms swa(self) and desh(country), represents the advocacy and utilization of products made in one's own nation. As a notion, it gained political significance in India in the early 20th century, especially during the anti-partition movement in Bengal in 1905. However, its ideological and economic foundations extend further into the examination of colonial economic policies by early Indian nationalists. This study examines the connection between the Swadeshi movement and economic nationalism, contending that the concept of Swadeshi developed into a core approach for establishing India's economic autonomy and national identity.

Economic nationalism can generally be described as a collection of economic strategies and beliefs focused on enhancing national authority over economic assets. Eric Hobsbawm, in *Nations and Nationalism* since 1780, contends that "nationalism is simply no longer the historical force it once was, presenting a generally pessimistic outlook for states in the era of globalization."¹ According to Hobsbawm, international collaborations, trade entities, and multinational corporations are seizing economic authority from countries, taking their place as the primary components of the global system. Conversely, according to Ernest Gellner, "for nations to stay politically significant, the connection between 'class' and 'nation' must be upheld in the consciousness of both the elite and the broader populace of the modern nation-state."² Helleiner (2002) states that economic nationalism highlights protectionism, supports local industries, and fosters skepticism about foreign economic impact.³ In India, economic nationalism emerged as the main strategy to resist the outflow of wealth during British colonial domination, a criticism started by early nationalists such as Dadabhai Naoroji.

Naoroji's foundational book *Poverty and Un-British Rule in India* (1901) established the basis for Indian economic nationalism. His "Drain Theory" maintained that India's poverty stemmed directly from British economic exploitation via the transfer of wealth to Britain. Naoroji's position was both economic and nationalist—it highlighted that India could only thrive if it had control over its economic future.

Beginning in the late 19th century, the Indian National Congress progressively adopted resolutions that highlighted the encouragement of local industries, the decrease of imports, and the rejuvenation of the national economy. Figures such as Gopal Krishna Gokhale and Ranade advocated for state-assisted industrial development, local entrepreneurship, and protective tariffs. The Swadeshi movement provided these concepts with a widespread political foundation.

The Swadeshi movement started as a reaction to the 1905 partition of Bengal, planned by Lord Curzon. Figures like Bal Gangadhar Tilak, Bipin Chandra Pal, and Aurobindo Ghosh championed Swadeshi as a rejection of foreign products and an endorsement of domestic manufacturing. Organizations such as the Swadeshi Stores, national schools, and Bengal Chemicals were created to develop an economic alternative society.

Bal Gangadhar Tilak also made a significant contribution to the evolution of the Swadeshi idea and economic nationalism. He proposed Swadeshi as a strategy for victory in the economic war against British rule. Tilak stated:

“In Germany, France, and America, the government protects their infant industries by imposing taxes on imports. The Government of India should also have done the same, as it professes to rule India in the interest of Indians. It failed in its duty, so the people are now trying to do for themselves what the government ought to have done years and years ago.”⁴

Now Swadeshi became associated with self-reliance, protest, and productive efforts. The campaign promoted the creation and acquisition of Indian textiles, salt, sugar, and matchsticks, while opposing British products, especially Lancashire fabric.

Gandhian Reinterpretation: Swadeshi as Constructive Programme

Mahatma Gandhi renewed and redefined Swadeshi during the Non-Cooperation Movement (1920–22) and subsequently during Civil Disobedience. For Gandhi, Swadeshi transcended economic aspects; it encompassed moral and spiritual dimensions. The law of swadeshi demands that one should not take more than required to discharge the legitimate obligations towards the family. In swadeshi there is no space for selfishness and hatred. It is the highest form of altruism and acme of universal service in the Gandhian scheme. In the light of the above understanding and after much thinking and reflection, Gandhi defined swadeshi as the “spirit in us which restricts us to the use and services of our immediate, to the exclusion of the more remote.”⁵ This definition is perhaps the best explanation of his concept.

Gandhi’s charkha (spinning wheel) emerged as the emblem of economic independence and national pride. Khadi was raised as both a material and conceptual tool in India’s fight for independence. The concept of Gram Swaraj (self-reliance in villages) represented the larger economic vision of Gandhi.

Why Did Gandhi Adopt the Idea of Swadeshi?

In European countries, the Industrial Revolution led to the decline of indigenous industries, but modern factories absorbed the displaced workers. In India, however, indigenous industries were intentionally suppressed by imperial rulers, and no alternative modern industrial infrastructure was established. As a result, the artisans and workers of these traditional industries were left unemployed and impoverished. This, Gandhi believed, was a major reason for adopting Swadeshi.⁶

Gandhi held the view that India should formulate economic policies suited to its own conditions. He warned that:

“If industrialization in India proceeds in the same manner as in England, it would lead to destruction.”⁷

Gandhi asserted that British imperialists plundered India’s riches, particularly gold and silver, and sent it to England—what he called the “drain of wealth.” The British hindered industrial progress in India to guarantee that it continued to serve as a provider of raw materials and a market for their manufactured products.

Gandhi and Mechanization: A Radical or Balanced View?

After understanding why Gandhi promoted Swadeshi, it becomes necessary to examine another question: Did Gandhi oppose mechanization entirely, or was his approach more nuanced?

In his pamphlet *Hind Swaraj*, Gandhi took a reactionary stance against mechanization, which led many critics to describe his views as radical and anti-modern. However, scholars such as B.R. Nanda offers a different perspective. In *Gandhi and His Critics*, Nanda wrote:

“Gandhi welcomed rural electrification and the introduction of tools and instruments in village crafts, as long as they lightened the burden of labor and reduced fatigue.”⁸

However, Gandhi was firmly against any kind of mechanization that displaced useful labor or concentrated capital in the hands of a few. He believed that machines should assist human effort, not replace it. He famously stated that machines must not harm the “living machines”—a reference to the villagers in India’s 700,000 villages.

As recorded in *Gandhi Vangmay*, Vol. 33:

“His opposition was not to all machine-operated industries, but only to those that caused the decline of the economy and the moral well-being of the people.”⁹

This discussion indicates that Gandhi's perspective on mechanization was not completely inflexible. Although sometimes inconsistent, his method facilitated a flexible and open-minded interpretation of Swadeshi. He did not dismiss mechanization completely but stressed that its use should be ethical and inclusive.

In this regard, Gandhi's perspectives on mechanization served as a safeguard for Swadeshi, stopping it from descending into ideological radicalism while permitting practical development.

While Indian leaders initially advocated for Swadeshi as a crucial measure to reduce industrial reliance, by 1920, under Mahatma Gandhi's guidance, Swadeshi evolved into a dual-purpose tool—serving both political and economic purposes—against British imperialism.

It is well known that the Indian National Congress adopted non-violent resistance as the guiding method of protest when it launched the Non-Cooperation Movement in 1920. However, by the end of 1921, several incidents of violence had taken place. For example:

- On November 17 and January 31, incidents of violence occurred in Bombay and Madras.
- In early February 1922, in Gorakhpur, a mob killed at least 22 policemen who were attempting to suppress the unrest using physical force.

Gandhi and other INC leaders viewed these violent acts as breaches of the fundamental principles of non-violence that the Congress committed to maintaining. Consequently, Gandhi chose to halt the Non-Cooperation Movement.

During the Congress Working Committee gathering at Bardoli on February 11–12, 1922, the INC, led by Gandhi, officially decided to halt the movement. Gandhi expressed that the nation was not completely ready for non-violent resistance.

It is important to recognize that even though Congress halted the Non-Cooperation Movement, it did not give up on endorsing Swadeshi. In contrast, the INC chose to initiate a constructive plan focused on enhancing the country's socio-economic conditions and maintaining opposition to colonialism through non-violent methods.

The programme included the following initiatives:

- Enlisting one crore members into the Indian National Congress
- Promoting khadi (khaddar) and the use of the spinning wheel (charkha)
- Establishing national schools based on Indian/nationalist principles
- Organising and uplifting the depressed classes
- Launching a temperance campaign to reduce alcohol consumption
- Organising village and town panchayats to resolve private disputes
- Creating a social service department to promote social unity
- Continuing the Tilak Memorial Swaraj Fund collection, which required each Congress worker or sympathizer to contribute 1/100th of their income for the year 1921

In Resolution 3 of the same meeting, the Congress proposed:

“To popularize the spinning wheel and to organize the manufacture of hand-spun and hand-woven cloth (khaddar), all Congress workers and office-bearers should wear khadi. It is further recommended that, in order to set an example, they should themselves learn hand-spinning.”¹⁰

Congress Resolutions and Institutionalization of Swadeshi

The month of December 1920 was crucial in the history of the Indian National Congress. At this time, the non-cooperation and peaceful resistance policy was officially recognized and authorized by the Congress. This validation motivated Swadeshi workers with revived passion and vigor, further reinforcing the national mission.

During the same session, the Congress urged every individual in the nation to offer the greatest possible act of selflessness to the national cause. It called for a gradual boycott of foreign commerce and supported the advancement of hand-spinning and hand-weaving.

To deter the influx of foreign products and ensure fair prices for domestically produced goods, the INC released additional guidelines. It encouraged its members to observe the actions of Indian mill owners, especially those engaged in selling imported products. The statement mentioned:

“In order to advance the cause of Swadeshi and to check the importation of foreign cloth, deputations should wait on Indian mill owners with a view to securing reduction of the present high prices.”¹¹

Even though the Indian National Congress encouraged the citizens of India to embrace Swadeshi and don hand-spun fabric, there was, at that moment, a lack of charkhas (spinning wheels). To tackle this problem, the Congress chose to hand out charkhas to the public. A resolution was made by the All-India Congress Committee (AICC), which declared:

“Introduction timely into the villages and houses 20 lakh charkhas (spinning wheels) in good working condition before the 30th of June. Each province is to introduce the number of charkhas in proportion to its population.”¹²

Promotion of Khadi and Swadeshi through Organisational Reforms

In 1923, during the Coconada Session, the Indian National Congress acknowledged the importance of forming a Central Board to promote Khadar and Swadeshi. As a result, the All India Khadi Board was established, appointing Jammalal Bajaj as its Chairman. This board was given the responsibility of managing and coordinating Khadi-related initiatives throughout the nation. It was additionally tasked with raising and gathering funds and loans to promote the distribution of Swadeshi and Khadi.

Congress announced that no member could participate in the delegate election unless they donned hand-spun and hand-woven Khadi. These stipulations were included in the Constitution of the Indian National Congress as per Article 7. The piece asserted:

“Every person, not disqualified under Article 4, and paying a subscription of four annas in advance or submitting 2,000 yards of evenly spun yarn of his or her own spinning shall be entitled to become a member of a primary organisation controlled by a Provincial Congress Committee.”¹³

Progress of the Swadeshi Movement and Boycott Campaigns

During the Guwahati Session of the Indian National Congress, the group made a significant advancement in opposing colonial authority. The Congress urged Swaraj Party members to firmly avoid all government establishments and any actions linked to British governance. During this session, the Congress passed the subsequent resolution:

“This Congress reiterates the general policy that Congressmen in the Assembly and various councils shall adopt one of self-reliance in all activities which promote the healthy growth of the nation, and of determined resistance to every activity, governmental or otherwise, that may impede the nation's progress towards Swaraj.”¹⁴

Simon Commission and Renewed Boycott Strategy

The establishment of the Simon Commission by the British authorities deepened nationalist dissatisfaction. Despite being established to assess the political reforms of the Government of India Act, not one Indian representative was appointed, which many viewed as a display of imperial arrogance.

In response to this discriminatory policy, the Indian National Congress declared a complete boycott of the Simon Commission. It was decided that demonstrations would be organised across India on the day of the Commission's arrival. Additionally, the Congress urged private legislative members not to cooperate with the Commission or provide any evidence before it. The Provincial Congress Committees were instructed to organise a complete boycott of selected British goods.”¹⁵

1928 Kolkata Session: Swadeshi Gains Renewed Focus

At the Kolkata Session of 1928, the Congress gave prominent place to the idea of Swadeshi. A resolution adopted at the session stated:

“The Indian National Congress shall vigorously carry on the propaganda for boycotting all foreign cloth in general and British goods in particular.”¹⁶

1929: Appealing to Merchants and Trade for National Duty

In 1929, the Indian National Congress turned its attention to merchants and dealers of British goods. It urged them to align their actions with the national interest. At an All India Congress Committee meeting held on 3rd and 4th February 1929, the Congress adopted the following resolution:

“This Committee desires to draw the attention of all importers and dealers of foreign cloth to the program laid down by the Calcutta Congress, wherein special emphasis was placed on the boycott of foreign cloth. The Committee trusts that, in the best interests of the country, these merchants will refrain from placing new orders for foreign cloth and cancel any such orders already placed, wherever possible.”¹⁷

Swadeshi, Civil Disobedience, and Congress Policy

By 1930, the foundation for starting a civil disobedience campaign had been established. Up until that point, the constitutional proposals put forth by Indian leaders had not been approved by the colonial authorities. Additionally, the British government provided no guarantee concerning the awarding of Dominion Status to India. These elements played a role in the choice to launch the Civil Disobedience Movement in 1930.

Within this framework, the Congress Working Committee convened at Sabarmati between February 14th and 16th, 1930, and adopted a resolution to initiate the Civil Disobedience Movement. The resolution indicated:

“In the opinion of the Working Committee, the Civil Disobedience Movement should be initiated and controlled by those who believe in non-violence as a means of achieving Purna Swaraj as an article of faith. As the Congress consists in its organization not merely of such men and women but also of those who accept non-violence as a policy essential under the existing circumstances in the country...”¹⁸

The Indian National Congress held that effective boycotts would require persistent efforts in rural areas, especially by encouraging the use of khadi. It stressed that during the promotion of khadi and the organization of protests against foreign cloth shops, neither violence nor road blockages would be accepted. Between 21st February and 6th March 1931, the Congress Committee provided detailed guidelines to its members participating in the picketing of foreign cloth stores:

“The conduct of picketers must be courteous toward both dealers and buyers. Burning of effigies of foreign cloth dealers or buyers will not be allowed. No boycott should lead to depriving anyone of the necessities of life. Greater effort should be made to enlist the services of women in the boycott campaign, and as far as possible, volunteers should be drawn from the local neighbourhood.”¹⁹

In 1931, during the Karachi session of the Indian National Congress, the economic importance of khadi was re-emphasised. The resolution stated:

“People have given up the spinning wheel and consequently khadi, and have resorted to buying foreign cloth or cloth made in indigenous mills, causing a double drain from the villages—first, the loss of fruits of their labour, and second, the price paid for cloth. This double drain can be avoided only through the exclusion of foreign cloth and its substitution with khadi.”²⁰

Swadeshi and Economic Nationalism in Comparative Perspective

The Swadeshi model in India had common characteristics with various other nationalist economic approaches:

The Sinn Féin movement in Ireland advocated for Irish products and avoided English commerce.

Economic nationalism was embraced by Meiji Japan to modernize and maintain sovereignty. In the late 19th century, Germany sought economic autonomy and tariff protection under Bismarck.

In contrast to these instances, Indian Swadeshi faced not only economic dominance but also colonial oppression, transforming it into both a political and cultural declaration.

Conclusion

Swadeshi serves as a significant milestone in India's fight for independence, symbolizing the most prolonged and deliberate attempt at economic nationalism. It transcended a simple boycott of British products; it cultivated a profound sense of independence, revitalized local industries, and rallied the populace in extraordinary manners. Swadeshi encouraged not only financial self-sufficiency but also cultural dignity and ethical obligation, connecting everyday economic actions with the broader political aim of liberation. It created a strong vision of national identity based on Indian traditions, while also encouraging contemporary concepts of decentralization and grassroots empowerment. As a movement, it motivated future resistance and development strategies, and its legacy still provides deep insights into how economic decisions can influence national fate. Swadeshi continues to be fundamental to Indian nationalism, offering lasting insights into the essential links between politics, economy, and culture in striving for a just and independent nation.

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