

Lesson No. 5

The Age of Industrialization

Summary :

- Protective Tariff - To stop the import of certain goods and to protect the domestic goods a tariff was imposed. This tariff was imposed in order to save the domestic goods from the competition of imported goods and also to save the interest of local producers.
- Laissez, Faire - According to the economists, for the fast trade a policy of Laissez Faire should be applied whereby government should neither interfere in trade nor in the industrial production. This policy was introduced by a British economist named Adam Smith.
- Policy of Protection - The policy to be applied in order to protect the newly formed industry from stiff competition.
- Imperial preference - During British period, the goods imported from Britain to India be given special rights and facilities.
- Chamber of commerce - Chamber of commerce was established in the 19th century in order to take collective decisions on certain important issues concerning trade and commerce. Its first office was set up in Madras.
- Nationalist Message - Indian manufacturers advertised the nationalist message very clearly. They said, if you care for the national then buy products that Indians produce. Advertisement became a vehicle of nationalist message of Swadeshi.

Questions :

1. Why did Britain imposed protective tariff?
2. Which policy was suggested by the economists to save industry and trade from government interfere.
3. Explain what is meant by proto-industrialization?
4. What was the aim behind establishing Chamber of Commerce? Where was it established in India first of all?
5. What is the importance of Advertisement in creating new consumers? How did Indian manufacturers send Nationalist message through these advertisements?