INTRODUCTION

The role of small-scale and cottage industries as a means of providing opportunities for labour is a subject of considerable importance to all the countries that are still in the early phases of industrial development. In so far as declarations and resolutions help to illuminate the problem, it may not be out of place to recall some of them.

The Asian Regional Conference of the International Labour Organisation held in New Delhi (India) in 1947 adopted a special resolution on the subject. This resolution suggested, inter alia, the desirability of industrial production on the basis of small domestic and handicraft industries and emphasised the need for organising them "on co-operative and federated lines..."1

Official declarations on industrial policy of India show a similar line of thought. The resolution on Industrial Policy of India (6th April, 1948) states among other things that "cottage and small-scale industries have a

very important role in the national economy, offering, as they do, scope for individual, village or co-operative enterprise..." Similar declarations might be quoted from many other countries in the region, and it is important to point out that various measures are taken by the governments to organise these industries on sound lines.

In the present study on "Small-scale and cottage industries as a means of providing better opportunities for labour in India", the first chapter is devoted to the problem of migratory labour. Its object is to point out that agricultural workers constitute a vast and complex problem which has far-reaching repercussions, not only for the rural economy, but also in relation to the entire process of economic development. Their problem has been greatly accentuated by the growth of population. The result is that there is widespread unemployment and under-employment in the rural areas. It is against the background of these features that employment opportunities for labour are sought out in small-scale and cottage industries which will provide opportunities for work within the rural economy.

Chapter II deals with the 'problems and prospects' of these industries. The main problems appear to be technical
and organisational. On the technical side the main consideration lies in increasing the productivity and efficiency of such industries; while on the organisational side the chief bottlenecks are the supply of raw material, the provision of equipment and credit, and more particularly, the organisation of marketing. On all these matters there is great scope for action by Government and by organisations of representatives of small-scale and cottage industries.

Chapters III and IV deal with the organisation of industries of general consumption and industries ancillary to agriculture. It has been noted that the range of activities for these industries is immense and their potentialities have not been sufficiently explored. In the proper organisation of these industries there is wide scope for new and untried industries which would afford enormous employment opportunities for labour in India.

Chapter V deals with the role of technical education to modernise these industries. It is indicated here that modern industry requires an educated and trained working class. Although a number of training facilities have been provided for labour in small industries under the first and second plans, yet it is doubtful whether they can be effectively
related to the professions and occupations due to the lack of universal primary education. To accelerate the pace of literacy various recommendations have been made. Further, it is pointed out that despite the existence of great industrial combines the major part of British industry consists of small firms. The British system of technical education can be usefully adopted to modernise the small industries of India. Development of technical training on the lines indicated would give rise to the spirit of enterprise, so that workers would start small ventures themselves.

In the last chapter deliberate state intervention is recommended to overcome the bottlenecks that impede the development and the flow of labour into small industries. It is maintained that the intervention of the State to revitalise these industries would be an important safeguard against pauperisation of labour. In their development lies an evolutionary and democratic process of industrialisation through small-scale to medium and large-scale industries. It is maintained, however, that the price system under private enterprise should function with only those restrictions which are necessary for the protection of small-scale and cottage industries.