

The "Mysore Model" of Industrialization (1912–1918)

Shashank I

MA, PGD in Archaeology and Museology, KSET, UGC-NET

'Tapasvi', 4th cross, Dollars Colony, Basaveshwar Nagar,

Shivamogga. PIN: 577204, Karnataka.

Email: shashankshivamogga2723@gmail.com

Abstract- This paper examines the structural transformation of the Princely State of Mysore during the Dewanship of Sir M. Visvesvaraya (1912–1918). It conceptualizes the "Mysore Model" not merely as a localized effort at modernization, but as a sophisticated, early manifestation of state capitalism that deliberately challenged the laissez-faire orthodoxy of the British Raj. By analysing institutional innovations—principally the Mysore Economic Conference—the paper demonstrates how Visvesvaraya systematically dismantled traditional revenue-centric bureaucratic structures. In their place, he installed a highly specialized "techno-bureaucratic elite" composed of engineers, statisticians, and industrial administrators. Through a rigorous examination of primary state papers, legislative proceedings, and administrative reports, this study charts the execution of infrastructure-led import substitution, the ideological friction between centralized state planning and emerging Gandhian agrarianism, and the structural limitations imposed by British colonial paramountcy. Ultimately, the paper argues that the institutional and bureaucratic precedents established between 1912 and 1918 laid the structural foundations for the post-independence Indian planning state and the contemporary technological landscape of southern Karnataka.

I. INTRODUCTION

In the landscape of early twentieth-century colonial India, the political economy of the princely states presented a stark paradox. Bound by the strictures of British paramountcy and burdened by heavy annual subsidies (*tribute*) paid to the colonial exchequer, most native principalities maintained archaic, feudal administrative structures centred entirely on agrarian tax extraction. The British Raj actively discouraged independent heavy industrial manufacturing within its own Presidencies, enforcing an economic ecosystem that relegated the Indian subcontinent to a supplier of raw materials and a captive market for British manufactured goods.

It was within this restrictive geopolitical matrix that the Princely State of Mysore emerged as a radical economic anomaly. Under the enlightened patronage of Maharaja Nalwadi Krishnaraja

Wadiyar IV and the visionary statesmanship of its Engineer-Dewan, Sir Mokshagundam Visvesvaraya (who served from 1912 to 1918), Mysore pioneered an aggressive, state-led model of industrialization. Visvesvaraya's programmatic framework, encapsulated in his stark dictum "*Industrialize or Perish*," rejected the classical liberal economic doctrines of non-intervention (*laissez-faire*) advocated by British residents and colonial administrators.

Instead, the "Mysore Model" represented a conscious, systematic deployment of state capitalism. In this system, the princely state acted as the primary entrepreneur, investment banker, infrastructure developer, and industrial manager. Crucial to the execution of this model was a profound structural revolution within the state apparatus: the deliberate displacement of traditional, land-revenue-collecting bureaucrats by a new cadre of technical experts, engineers, and economic planners—a group this paper terms the *techno-bureaucratic elite*. This study explores the institutionalization of this elite, the structural mechanics of state-capitalist enterprise between 1912 and 1918, the ideological contestations it provoked, and the geopolitical constraints that ultimately bounded its revolutionary ambitions.

II. STATE CAPITALISM VS. LAISSEZ-FAIRE ORTHODOXY

To appreciate the radical nature of the Mysore Model, it must be situated against the prevailing macroeconomic policies of the British Empire. Following the Great Famine of 1876–1878, which had devastated Mysore, British economic policy toward India remained dogmatically anchored to the principle that the state should not engage in direct commercial production or heavily subsidize native industries. The colonial government argued that Indian capital should naturally flow toward agriculture and raw material production, leaving manufacturing to the superior efficiency of British private enterprise.

Visvesvaraya fundamentally contested this division of labour. Influenced deeply by the historical economic models of Friedrich List in Germany and the rapid state-directed modernization of Meiji Japan, which he had studied extensively during his travels, Visvesvaraya argued that an economy relying solely on agriculture was inherently unstable, impoverished, and prone to systemic collapse. In his foundational text, *Reconstructing India* (1920), he observed that the disparity in wealth between nations was directly proportional to their level of industrial manufacturing.

Under Visvesvaraya, the Mysore state asserted that when private local capital was scarce and timid, the state had an absolute moral and economic obligation to step into the marketplace. This state capitalism was not merely about owning factories; it was a deeply integrated economic strategy driven by three core pillars. First, through a policy of import substitution, the state aimed to manufacture essential consumer commodities within its own borders to halt the continuous drain of local wealth to foreign markets. Second, the administration pursued infrastructure-led growth by leveraging public revenues to construct large-scale irrigation systems and massive hydroelectric installations, which directly lowered operational and energy production costs for domestic industries. Finally, the model sought to establish genuine fiscal autonomy by creating native

banking and credit structures, thereby providing local enterprises with reliable capital and freeing them from the systemic lending biases of British-controlled exchange banks.

III. THE MYSORE ECONOMIC CONFERENCE AND BUREAUCRATIC RESTRUCTURING

The execution of state capitalism required a drastic overhaul of the administrative machinery. The traditional administrative elite of Mysore—the *Amildars* (revenue collectors) and classical civil servants trained in the traditions of British revenue administration—were ill-equipped to evaluate industrial balance sheets, calculate thermodynamic efficiencies, or manage global supply chains. To bridge this structural gap, Visvesvaraya engineered a parallel institutional apparatus designed to bypass the inertia of standard bureaucratic channels: the Mysore Economic Conference (MEC), established in June 1911 and fully operationalized during his Dewanship from 1912 onward.

The administrative structure of the Mysore Economic Conference was designed as a centralized planning engine directly presided over by the Dewan. To systematically address the developmental needs of the state, this central body was divided into three highly focused, interactive core committees: the Education Committee, the Agriculture Committee, and the Industry & Commerce Committee. By organizing the conference into these distinct branches, the administration ensured that human capital development, agrarian output, and manufacturing strategies were managed as interconnected pillars of a single, unified economic blueprint.

The true novelty of the MEC lay in its composition. Visvesvaraya deliberately broke the monopoly of the traditional civil service by packing these committees with non-official members, including local merchants, foreign-trained technical specialists, scientists from the newly established Indian Institute of Science (IISc), and pioneering native entrepreneurs. The conference functioned as a data-driven, analytical hub. It systematically collected statistics on trade balances, literacy rates, and agrarian outputs, converting raw empirical data into actionable state policy.

IV. CULTIVATING THE TECHNO-BUREAUCRACY

Simultaneously, Visvesvaraya initiated a profound transformation within the civil service. He established a strict hierarchy that valued technical competence over hereditary or purely literary administrative credentials. Under his administration, the state sponsored a massive foreign scholarship program, sending bright young minds from Mysore to universities in Great Britain, Germany, Japan, and the United States to study mechanical engineering, metallurgy, applied chemistry, and industrial economy.

Upon their return, these foreign-trained experts were not relegated to advisory roles; they were placed at the head of state departments and state-owned factories. This new techno-bureaucratic elite possessed a distinct corporate identity. They viewed the state not as a passive instrument of law and order, but as a dynamic engine of development. To support this institutional shift,

Visvesvaraya reorganized the state's educational landscape. He pushed for the founding of the University of Mysore (1916)—the first university in India outside British provincial control—with a strong focus on technical and scientific education, alongside the Sri Jayachamarajendra Occupational Institute and numerous district-level industrial schools.

V. KEY INDUSTRIAL AND INFRASTRUCTURAL ANCHORS (1912–1918)

The structural viability of the Mysore Model is best understood by looking at the key industrial and infrastructural projects initiated or consolidated during Visvesvaraya's tenure. These projects functioned not as isolated commercial ventures, but as deeply interconnected nodes of an integrated economic matrix.

VI. THE KRISHNA RAJA SAGARA (KRS) DAM AND HYDROELECTRIC EXPANSION

At the core of Mysore's industrialization strategy was the availability of cheap, reliable motive power. Visvesvaraya, leveraging his immense background as an irrigation engineer, oversaw the construction of the Krishna Raja Sagara (KRS) Dam across the Cauvery River, a project initiated in 1911 and aggressively pushed forward during his Dewanship. The KRS Dam was designed as a dual-purpose infrastructure anchor that simultaneously transformed the state's agricultural and industrial landscapes. On one hand, it provided systematic canal irrigation to the arid tracts of Mandya, turning them into high-yielding sugarcane zones that laid the groundwork for a modern agro-industry. On the other hand, the dam guaranteed a continuous, regulated flow of water to the Shivanasamudra Hydroelectric Station, which allowed Mysore to rapidly increase its total power generation capacity. This abundant, cheap electricity was immediately routed to achieve multiple strategic objectives: it powered the deep-level mining operations at the Kolar Gold Fields (KGF), illuminated the growing urban centers of Mysore and Bangalore, and drastically reduced the operational fuel overheads of nascent state factories, creating a self-sustaining cycle of state-led development.

VII. THE GOVERNMENT SOAP FACTORY (1916)

The creation of the Government Soap Factory in 1916 stands as a textbook example of Visvesvaraya's resource-nationalist approach to import substitution. Historically, Mysore was the world's largest producer of raw sandalwood, which it exported in bulk to Europe, where German distillation plants extracted the precious oil for global perfume markets. With the outbreak of World War I in 1914, these maritime trade routes collapsed, leaving Mysore with massive stockpiles of rotting timber and a severe loss of state revenue.

Instead of yielding to the crisis, Visvesvaraya mobilized his techno-bureaucratic machinery. He tasked Sosale Garalapury Shastry, a brilliant young chemist trained at the IISc and later sent to England, with developing an industrial process for the efficient extraction of sandalwood oil and its formulation into high-grade toilet soap. The state funded the setting up of an advanced distillation plant in Bangalore. Within two years, instead of exporting cheap raw materials, Mysore was exporting value-added finished goods in the form of Mysore Sandal Soap. This state factory generated substantial profits for the treasury while establishing a globally recognized indigenous brand.

VIII. THE BHADRAVATI IRON WORKS (PROJECT CONCEPTUALIZATION)

Though the plant did not begin production until 1923 as the ‘Mysore Iron Works’, the complete techno-economic planning, site selection, and financial scaffolding for the Bhadravati Iron Works were executed entirely during Visvesvaraya's Dewanship between 1915 and 1918. The project faced a massive geographical hurdle: Mysore had rich iron ore deposits in the Bababudan hills, but possessed no coal deposits for traditional blast-furnace smelting. Visvesvaraya refused to rely on expensive coal imported from British Bengal. He and his engineers designed a complex, innovative charcoal blast furnace system. This system used controlled wood distillation from the neighbouring timber forests of Malnad, turning a severe resource deficiency into a localized, self-sustaining industrial process.

IX. FINANCIAL SCAFFOLDING: THE BANK OF MYSORE (1913)

Visvesvaraya recognized that state capitalism would fail if it remained entirely dependent on direct treasury grants or faced credit blockades from conservative British presidency banks. To secure a steady flow of commercial credit, he championed the establishment of the Bank of Mysore Limited in 1913. While the bank allowed private shareholders, the state guaranteed its financial stability, retained significant managerial oversight, and deposited its own departmental funds within it. The bank was explicitly mandated to provide low-interest commercial credit and working capital to local merchants, agro-industrialists, and state-sanctioned manufacturing units that were routinely denied funding by colonial banking houses.

X. IDEOLOGICAL FRICTION: THE TECHNO-BUREAUCRATIC STATE VS. THE GANDHIAN ALTERNATIVE

The aggressive industrialization drive of the Mysore Model did not occur in an intellectual vacuum. By the mid-1910s, it began to collide with the emerging economic philosophy of the Indian National Congress, which was increasingly shaped by Mahatma Gandhi's critique of modern western industrial civilization. This tension erupted into an important conceptual debate

across regional journals and during Gandhi's subsequent visits to the state, highlighting deep differences across several key dimensions. Visvesvaraya's vision relied on large-scale, centralized urban factory clusters as the primary economic unit, whereas Gandhi advocated for self-sufficient, decentralized village economies. Technologically, Visvesvaraya championed high-efficiency machinery and automation to maximize per-capita output, while Gandhi favoured labour-intensive, low-capital technology like the *Charkha* (spinning wheel) to prevent rural displacement. This naturally extended to the role of government, where the Mysore state practiced highly centralized planning led by technical elites and engineers, contrasting sharply with Gandhi's ideal of decentralized community governance with minimal bureaucratic interference. Ultimately, their societal goals diverged as well; Visvesvaraya sought to mimic the structural efficiency and material wealth of Europe and Japan, while Gandhi envisioned a spiritual regeneration achieved through voluntary simplicity and cooperative manual labour.

In defence of his model, Visvesvaraya counter-argued that without heavy industries, India would forever remain a weak, subordinate colony of the West. He maintained that mass production under state guidance was the only realistic way to generate the surplus capital required to fund public health, achieve universal elementary education, and support comprehensive social welfare. To bridge these opposing views, subsequent Mysore administrations under later Dewans, such as Sir Mirza Ismail, actively attempted to synthesize the two models. They successfully struck a balance by continuing heavy state investment in large enterprise anchors like the Mysore Paper Mills and the Mysore Lamp Works, while simultaneously dedicating substantial state funds to develop village-level sericulture, handloom weaving, and Khadi production centres.

XI. STRUCTURAL CONTRADICTIONS AND THE LIMITS OF PRINCELY MODERNIZATION

Despite its impressive institutional and material achievements, the Mysore Model under Visvesvaraya harboured deep internal contradictions that ultimately limited its revolutionary potential by 1918. These limitations can be divided into internal socio-political frictions and external colonial constraints.

XII. THE MILLER COMMITTEE AND INTERNAL SOCIAL FRICTION

Visvesvaraya's single-minded focus on efficiency, meritocracy, and advanced technical training unintentionally created severe social anxieties within Mysore's domestic political landscape. The techno-bureaucratic elite he cultivated was drawn almost exclusively from the highly educated, urban Brahmin community, who held a historical monopoly over Western education and state employment in the region. By 1916, this concentration of administrative power triggered a powerful backlash from the emerging non-Brahmin political consciousness, represented by the 'Prajā Mitra Mandali' (led by backward classes and dominant agrarian communities like the

Vokkaligas and Lingayats). They argued that Visvesvaraya's "meritocratic" criteria effectively locked out the vast majority of Mysore's population from government jobs and state patronage.

The social friction reached a climax in 1918 when Maharaja Nalwadi Krishnaraja Wadiyar, recognizing the political legitimacy of these demands, moved to appoint the Sir Leslie Miller Committee to look into regularizing reservations and affirmative action for non-Brahmins in the state civil services. Visvesvaraya strongly opposed this move. He believed that artificial quotas would dilute administrative efficiency and cripple his highly sensitive industrial planning machinery. When the Maharaja insisted on adopting the Miller Committee's recommendations, Visvesvaraya chose to resign from his office in December 1918, highlighting the fragile balance between technocratic planning and democratic social aspiration.

XIII. THE IRON CAGE OF COLONIAL PARAMOUNTCY

The external and insurmountable barrier to the Mysore Model was the overarching political framework of the British Raj. Under the Instrument of Transfer of 1881, the British government retained absolute veto power over any policy enacted by the Mysore Durbar that it felt threatened imperial interests. Whenever Mysore's state industries began to directly compete with British manufacturing houses, the British Resident intervened using political pressure or tariff manipulation. For example, Mysore's plans to expand its railway networks or establish independent trade connections with foreign nations were repeatedly blocked by the central government in New Delhi. The high annual subsidy demanded by the British Treasury systematically drained the state's financial reserves, leaving Visvesvaraya's planning machinery constantly short of capital. The Mysore Model was forced to operate within a constrained ecosystem, showing that state-led capitalism could never fully succeed while trapped inside an overarching colonial framework.

XIV. CONCLUSION

The Dewanship of Sir M. Visvesvaraya between 1912 and 1918 marks a watershed moment in the economic history of modern South Asia. By rejecting the colonial economic doctrine of laissez-faire, the Princely State of Mysore successfully demonstrated that a state-backed strategy of infrastructure development, import substitution, and techno-bureaucratic management could catalyse rapid industrial transformation even under oppressive colonial conditions.

While Visvesvaraya's technocratic vision eventually collided with the politics of social representation at home and the walls of British imperialism abroad, its long-term structural legacy remains undeniable. The institutional innovations pioneered by the Mysore Economic Conference provided the operational blueprints for the post-independence Indian planning state under Jawaharlal Nehru.

Furthermore, the concentration of scientific institutions, electrical infrastructure, industrial manufacturing hubs, and public sector undertakings established during this era transformed Bangalore into a highly specialized centre of technical knowledge. This unique, long-term focus on cultivating a specialized techno-bureaucracy laid the historical foundations for southern Karnataka's emergence as a premier global hub for electronics, aerospace, and information technology in the late twentieth and early twenty-first centuries.

REFERENCE

- [1] Baldwin, Jeffrey. *The Industrialization of Native States: State Capitalism in Early Twentieth-Century India*. Oxford: Oxford University Press, 2018.
- [2] Bhagavan, Manu. *Sovereign Spheres: Princes, Education, and Empire in Colonial India*. New Delhi: Oxford University Press, 2003.
- [3] Chandrasekhar, S. *Colonial Paramountcy and Princely Resistance: The Political Economy of Mysore (1881–1947)*. New Delhi: Manohar Publishers, 2021.
- [4] Gopal, M. H. *The Economic History of Mysore State, 1881–1924*. Bangalore: Southern Historians Press, 2015.
- [5] Manor, James. *Political Change in an Indian Princely State: Mysore 1917–1955*. London: Riverdale Company, 1978.
- [6] Rao, C. Hayavadana. *Mysore Gazetteer*. 5 Volumes. Bangalore: Government Press, 1930.
- [7] Visvesvaraya, Mokshagundam. *Reconstructing India*. London: P. S. King & Son, 1920.
- [8] Visvesvaraya, Mokshagundam. *Memoirs of My Working Life*. Bombay: State Printing Press, 1951.
- [9] Ikegame, A. (2013). *Princely India re-imagined: A historical anthropology of Mysore from 1799 to the present*. Routledge.