

**HISTORICAL ANALYSIS OF INDUSTRIALISATION
AND
ITS IMPACT IN THE SOCIETY WITH SPECIAL REFERENCE TO ERNAKULAM
DISTRICT**

The history of a village is the history of the globe in a microcosm. The shockwaves of every major tremor in any part of the world reach every country and hamlet in the world. This study deals with the metamorphosis of a somnolent agrarian village in Ernakulam district in Kerala, India, into a throbbing industrial hub and how it transformed the lifestyle of its people as well as how it re-drew the economic and cultural map of the Kerala.

The process of industrialisation, which began in England in the second half of the 18th century, heralded a new age of production, which resulted in fundamental changes in the traditional mode of production. It effected far-reaching changes in the methods and organisation of industrial production. The new mode of production gradually spread to all continents along with the colonial trade. As a corollary of it, the Princely States of Travancore and Cochin and the British Malabar made a leap into the process of industrialisation. The King of Travancore, His Highness Sri Chitira Tirunal Balarama Varma with the support of the Diwan Sir C.P. Ramaswamy Ayyar took the initiative in this. Eloor was chosen as the laboratory for industrialisation.

Through this work the researcher is attempting a cartographer's task of drawing a **Historical Analysis of Industrialisation and its impact in the society with special reference to Ernakulam District**. The beginning of modern industries in Ernakulam started in Eloor, a

village in the erstwhile Kingdom of Travancore, in the Ernakulam District. Eloor is situated about 17 km away from the Cochin city; three metres above sea level, with longitude 76⁰20' E and latitude 9⁰45' N. It is situated between Choornikara Panchayath in the north, Cheranelloor Panchayath in the south, Kalamassery Municipality in the east and the Varapuzha Panchayath in the west. Being not far from the coastal area, it has moderate climate. The average annual rainfall is 3235mm, varying between 2157mm and 4525mm. The normal temperature in the area ranges between 20⁰c and 38⁰c. Eloor was part of the Varapuzha Panchayath before it became a Panchayath on its own in 1976. In 2010, Eloor became a Municipality with 31 Divisions within the Kalamassery Assembly Constituency, 'the largest Industrial Belt of Kerala'.

'Eloor' derived its name from a compound word "Elen" and "ur" where "Elen" is a synonym of Lord Vishnu and "ur" denotes an impoverished village. In the context of Kerala "ur" generally denotes a Brahmin Settlement. Hence Eloor was possibly a place where the Vaishnavites lived in segregate clusters. The first worship centre of Eloor, the Shri Krishna temple dedicated to Lord Krishna, was built by the Brahmins.

Eloor, an island in its own right, is surrounded by the river Periyar, which, flowing from the east, bifurcates at a place called Choornikara and one branch flows straight to the west and the other to the south-west. The island Eloor is enclosed on two sides by the river Periyar, (*Edamulayar* or *Eloorpuzha* & river *Muttar*) and the triangle is completed when it joins at *Varapuzha Kayal*, near the Eloor Ferry. Eloor is often called 'the Gift of the river Periyar'. It is known as the 'Land of Bridges' and also 'the Land of Chimneys'.

Eloor with its fertile alluvial soil had been an agrarian village in the pre-industrialised era. In 1897, it had a population 3110 from 545 families. Nearly 95 per cent of the people lived by

agriculture. With the introduction of industries in 1930's and 40's a paradigm shift took place, from an agro-based culture to an industry-based culture. Today, 301 factories work in the Eloor-Edayar region. This study purports to examine historical and scientific analysis of industrialisation in Eloor and its impact on the people of Eloor.

Some studies have been done on Eloor. However, these studies were generally focused only on the adverse effects of the industrialisation, on environment, shying away from the more significant aspect of culture and economic activities consequent upon industrialisation of the region. There is hardly a comprehensive and analytical study of Eloor with its focus on a historical analysis of industrialisation, so far. This study encompasses all aspects of development of Eloor as a result of industrialisation. It focuses on the socio-economic, political, cultural transformation and environmental changes due to industrialisation.

Prior to the formation of *Aikyakeralam* on 1st November 1956 (United Kerala), Kerala was divided into three political units - Travancore, Cochin and the British Malabar. History of industrialisation of Kerala dates back to the reign of late His Highness Sri Chitira Tirunal Balarama Varma (1931-1949), the King of Travancore and his Diwan Sir C.P Ramaswamy Ayyar. The Kingdom of Travancore took the lead in many fields of development and growth such as the beginning of the Postal System in 1861, change in the ownership of land or the *Pandarapattom* Proclamation of 1865, establishment of Government Arts College in 1866, The Travancore Land Mortgage Bank in 1932, Commissioning of Pallivassel Hydro-Electric Power Project in 1935, the formation of Public Service Commission in 1935, the Temple Entry Proclamation of 1936, the beginning of Travancore University in 1937, Travancore Village Union Act of 1939, the beginning of various industries and the State Transport Service, to

mention a few. These helped to establish Travancore as a strong political entity in Kerala, prior to the Aikyakeralam. Industrialisation of the State was given top priority by the powers that be. Factories like Travancore Rubber Works in Trivandrum, The Ceramic Factory at Kundara, The Plywood Factory at Punalur, The Sri Chitira Mills at Kalamassery, Indian Aluminium Company at Kuttikattukara, Eloor, The Fertilisers And Chemicals Travancore Ltd at Udyogamandal, Eloor, The Standard Potteries at Alwaye, The Cement Factory at Kottayam etc were begun during this period. The industrial areas like Punalur, Kundara and Eloor owe their present industrial development to the policies pursued during the reign of His Highness Sri Chitira Tirunal Balarama Varma and his Diwan Sir C.P. Ramaswamy Ayyar.

The commissioning of Pallivassel Hydro-Electric Power Project in 1935 ushered in an effort for the utilisation of electricity, paving the way for new industries in the Kingdom of Travancore. It is to be mentioned that the Pallivassel Hydro-Electric Power Project was the real beginning of modern industries (industrialisation) in Kerala. Ernakulam District, particularly Eloor (Udyogamandal), was the apt place for the erection of various factories due to the following reasons.

1. Availability of water from the river Periyar.
2. Water transport facility.
3. An elevated area close to the Cochin Port.
4. Very low density of population.
5. Availability of Government land.
6. Closeness to the Malayattoor Forest.
7. Availability of the hydro-electric power from Kalamassery.

The socio-economic conditions created by the Bengal Famine of 1943 and the Second World War led to poverty and starvation all over India and particularly in the Kingdom of Travancore situated in the extreme south of India. His Highness Sri Chitira Tirunal Balarama Varma and His Diwan decided to overcome the poverty of the subjects by increasing agricultural production, especially the paddy. They exhibited the earnest effort to sort out the problem by applying chemical fertilisers in the paddy fields. With this end in view, the first indigenous chemical ammonium sulphate fertiliser factory was set up in Eloor under the banner of The Fertilisers And Chemicals Travancore Ltd. (FACT). It played a vital role in the growth and development of agriculture in Kerala as well as outside the state. The attitude of the Eloorians changed with the beginning of this factory and it became the centre of employment. Nedungattukunnu, where the FACT is situated was renamed as Udyogamandal or the Companipadi. Udyogamandal became the centre of the cluster of industries like Indian Aluminium Company (IAC), FACT, The Travancore Cochin Chemicals Ltd (TCC), The Hindustan Insecticides Limited (HIL), Indian Rare Earths Limited (IRE), Bombay Suburban Electric Supply Kerala Power Limited (BKPL) etc later on. All aforesaid factories are on the eastern banks of the river and there are some factories on the western banks of the river as well. It is calculated that 301 industrial units are working in and around Eloor-Edayar industrial belt. The material progress of the Kingdom of Travancore was guaranteed by the industrialisation. The Kingdom of Cochin and the British Malabar also followed and started industries in their jurisdiction.

After the Independence, the Union Government decided to have a strong industrial base for ensuring material progress. The first Industrial Policy was declared in 1948 which envisaged the

mixed economy. It was on 7th April 1948 the Resolution of Industrial Policy was adopted by the Government laying down the broad objectives of the Government's policy in this field and demarcating respective spheres of private and public sectors. In 1951, the State Financial Corporation Act was passed to enable State governments to set up their own Industrial Financial Corporation to assist medium and small scale industries. A Statutory Tariff Commission was formed for regulating industries as a part of planned development. The main thrust of Second Five Year Plan was to ensure economic progress through the industrialisation and it allotted a large share for the promotion of industries. Ernakulam district was also benefitted by the industrial policy announced by the Government of India. FACT, TCC, HIL and IRE became Public Limited Companies whereby the Government introduced different types of diversification, which benefitted the society.

The result of industrialisation was dawn of a new socio-economic and political order in Ernakulam District in general and Eloor in particular. The areas of cultural and economic activities which witnessed dramatic change were: a) the formation of the Local Self Government b) the beginning of new Schools c) New Roads and Bridges d) Market Centres e) Banks f) Co-operative Societies g) Worshipping Centres h) Fitness Centres i) Youth Cultural Clubs j) Library k) Sports Clubs l) Dance Schools m) Theatre Clubs n) Housing Colonies etc. It is quite obvious that Eloor has benefitted materially, thanks to industrialisation.

Eloor became the centre of industries whereby the pre-industrial (feudal) culture was replaced by a new culture of equality. The Post-industrial culture of Eloor became more cosmopolitan. Economically, people of Eloor benefitted from the new kind of employment opportunities and their purchasing power improved far. Many people came forward to involve in

political activities, initially through associations of workers and through the trade union movements later on.

However, ironically industrialisation also paved the way for the disruption of the eco-system of Eloor. Eloor has been identified as one of the “toxic hot spots” filled with heavy metals and pollutants. The environment of Eloor -its soil, water and air- became highly polluted by the discharges/effluents from the factories in the absence of adequate waste treatment facilities. Hence, incidents of destruction of aquatic creatures in large numbers are common in Eloor. It is feared that the entire flora and fauna in and around Eloor are on the verge of collapse and imminent extinction. However, due to various protests against the industries and against the attitude of the inept Kerala State Pollution Control Board, the authorities have now begun to control and monitor the disposal of the effluents from the factories.

The period of the study of the work is from 1939 to 2010. In other words, this study traces the progress from the establishment of the first industrial organisation Al-Can in Kuttikattukara, Eloor in 1939, to the elevation of the Eloor Panchayath into a Municipality in 2010.

The methodology followed in this work is as per the MLA Handbook for Writers of Research Papers, written by Joseph Gibaldi. Lack of sufficient literature had been a major challenge during the process of this study. Many details/information were collected from various interviews with the people of Eloor and the leaders closely associated with the socio-cultural and political realms. Along with this, a lot of materials have been collected about Eloor through a personal survey. From the random survey the researcher has inferred that the former Panchayath Ward Nos. I, II, III, IV, V, VI, VIII, XIX and XX were highly affected by industrialisation, and hence a special effort is taken to sketch the problems faced by the residents of these wards.

The present study is divided into seven chapters, including the Introduction and the Conclusion.

The **First** Chapter, **Introduction**, gives the background of the study, statement of the problem, objectives of the study, hypothesis, scope and significance of the study, methodology, area of the study, scheme, review of literature and the limitations of the study.

The **Second** Chapter, **Eloor, toddling to Industrialisation**; deals with the genesis of Eloor, topography, geography, the history of local self-government from 1954 to 2010, demography, pre-industrial and post-industrial growth. This Chapter also deals with the history of industrialisation in general, starting from the concept, evolution and growth. Here a detailed analysis of the origin of industries in Kerala and in the Ernakulam District is taken up. It examines the pre and post-industrial era of Eloor in the light of evidences, including published literature. It traces the process of industrialisation in Eloor in which an earnest effort is made to spot-light history of the industrialisation in Kerala and in Ernakulam District with special reference to Eloor. It gives basic ideas of the processes of industrialisation and its different stages of development in Kerala.

The **Third** Chapter, **Growth of Industries**, deals with the pioneering industries in the Alwaye Industrial Belt and the principal industries of Eloor like Indian Aluminium Company (Al Can/INDAL/IAC/HINDALCO), The Fertilisers and Chemicals Travancore Limited (FACT), The Travancore Cochin Chemicals (TCC), Hindustan Insecticides Limited (HIL) and Bombay Suburban Electric Supply Kerala Power Limited (BKPL). This chapter gives a general idea of the functions of the factories and its various outputs.

The **Fourth** Chapter, **Shifting Culture of Eloor**, examines the impact of the industrialisation in Eloor. It is about the gradual transformation of Eloor from an agrarian to an industrialised society, and how the changes in the mode of production resulted in the change in the mode of life and manifestations of culture in the Eloor society. The new culture has given more importance to the industrial economy, secondary sector. As a result of the progress and growth of industries there is an increase in the per-capita income and change in standard of life. The increase in the per-capita income coupled with the national income helped in alleviating many problems in the society. The urge for progress was materialised with the beginning of the industries. It also revolutionised agrarian system which automatically uplifted the standard of living. The development of industries led to the gradual growth of trade and commerce, and banking business which have been considered as the signal contribution of industrialisation. In Eloor, there was no banking business prior to the commissioning of industries. The dimension of the trade drastically changed since the coming of industries which resulted in rapid trading activities in Eloor. This automatically accelerated the improvement of the infrastructural facilities.

The **Fifth** Chapter, **The Growth of Trade Unions**, elucidates the organisation of labour unions in Eloor as the result of the industrialisation. The Trade Unions which had been working for the welfare of the workers of the different companies catalyzed the formation of workers' association since its formation. The Trade Unions played a vital role in enhancing the service conditions and welfare of the workers. The trade Unions have contributed many leaders to the socio-economic-political-cultural life of the state as well as Nation in general. The society was benefitted by the activities of the Trade Unions and often the Unions resorted to strives for ensuring their rights and privileges with the support of the Political Parties.

The **Sixth** Chapter, **Impact on Environment & Health**, presents the most adverse results of industrialisation in Eloor society. A thorough analysis is made on the quality of the environment of Eloor in its pre-industrialised and post-industrialised periods. The change in the mode of life there had considerable implications on the health of the people of the area. With the beginning of the industries, the whole area was polluted which caused the spread of various types of diseases, some, even fatal. A thorough analysis was made about the deleterious impact of industrialisation on the environment. It was observed that the entire atmosphere is adversely affected by pollutants of the industries in Eloor region - a phenomenon which demands urgent solutions. The Eloorians welcomed the industries and industrial workers in its initial phase, later many factors compelled them to relocate to other places due to the toxic atmosphere created by the gigantic industries. A detailed study is done about the health of Eloorians based on the survey. A detailed scientific analysis is done on the environment-water, soil and air- which is an eye-opener to everyone. Door to door survey was conducted for getting first-hand information from the people directly. Many employees were interviewed for having a balanced version about the health of the people. In general, majority of people were affected by one or two types of diseases.

The **Seventh** Chapter, **Conclusion**, being the last chapter deals with the findings and observations based on the analysis. Industrialisation helps in breeding a new culture, economic and social upliftment of the people and in general the progress of the country. There are many problems caused by the industrialisation but we can tide over them with proper vision and planning. The study also puts forward certain suggestions to tide over the problems faced by the people due to the change in the environment.

The study helps to analyse the advantages and disadvantages of the industrialisation in Eloor. Indeed, it helps to improve the local economy as well as the economy of the nation and increases the standard of living of the people. It also paves the way for the cultural transformation. Yet, industrialisation which disregards environmental problems can be disastrous for any region. It calls for cautions about the rapid, blatant industrialisation without caring for the primary sector. The primary sector is the cardinal ingredient to all industries in general. Therefore, unbridled progress leads to uneven development of the society. Industrialisation alone doesn't satisfy all the needs of man and other living organisms. 'Development' has meaning only when it is the integral development of the society, so that every societal sector should have equal share of growth.

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