

## **CHAPTER-II**

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### **CONDITION OF INDUSTRIES, TRADE AND TRADING COMMUNITIES DUE TO FREE ENTRY IN THESE FIELDS**

The year 1833 was a turning point in the history of East India Company as well as of India, because in that year the historic Charter Act was passed. This Act was a landmark not only politically in the history of British India, but had great economic consequences, because this Act had completely abolished the monopolistic trade of the East India Company which was being assailed for more than a century and had already been shorn of some of its rich plumage. So, the East India Company now remained merely a political concern in Indian affairs. By this Act it was first time the principles of free trade were adopted and due to free investment the de-industrialization phase now gradually removed from the economic field of India and it also marked the beginning of the industrialization phase in India. Several Economists and Economic historians highlighted the post 1833 era a new vista for the investment of capital in India and the beginning stage of the emergence of industrialization in India.

It is a matter of discussion why by the charter Act of 1833 the British Government completely put to an end of the Company's function as a trading concern. The British Governments records and East India Company's Official papers mentioned that there was a pressure upon the Government to introduce the free trade policy in India.<sup>1</sup> It is to be noted that the historic Industrial Revolution of 1760's resulted in the growth of Surplus Capital and surplus production, created a powerful industrial and manufacturing class in England. This class increasingly got control of the state power in Britain. This industrialist capitalist class was becoming conscious of its power and interests. They wanted to participate in Indian economy and as the East India Company was still enjoying the privileges

of monopoly in Indian economic affairs, it was not possible for them to get entry in Indian economy and to wind up their business. Thus they raised the question that the abolition of monopoly would act as fetters on the full development of the new economic system i.e. the free entry of Englishmen in Indian economic fields. Thus in 1813 when the time of the renewal of the Charter was due, a strong demand was raised in the British parliament for a share of the Englishmen in the trade with India. Logically the demand was put forward in view of (i) the new economic theories of Laissez faire, (ii) and the continental system introduced by Napoleon which had closed the European ports to British trade. Further it was stated that as company's territories in India so much expanded that it should be considered whether the company could continue both the commercial and a political functionary. As a result the British Government passed the Charter Act of 1813 by which the East India Company was deprived of its monopoly of trade with India but it still enjoyed its monopoly of trade with China and the trade in tea. The twenty years intervening between the Charter Acts of 1813 and 1833 witnessed great changes in England. Cheap products of the new machines and their export overseas widened the outlook of the people and money flowed in giving birth to a new spirit of independence. At this juncture in 1830 the Whigs came into power and opened the way for the triumph of the liberal principles. The gospel of the Rights of Man was openly preached and in 1832 the great Reform Act was passed. The dignity of mankind was given due recognition and the doctrine of laissez faire was being widely accepted and finally by the Charter Act of 1833 it was passed in the British Parliament. Thus a new era had dawned as it brought the opportunity to the new bourgeoisie and capitalist to search for suitable field to invest in India. By the policy of Laissez faire the slow process of industrialization had taken place in colonial India in the post 1833 period and India was gradually connected with the global market.

It is quite pertinent to mention that the entry of the free traders, capitalists and bourgeoisie was facilitated by the two important innovations in the Act of 1833, viz., (i) removal of all restrictions on the

immigration of British subjects to India, (ii) and rights granted to Britishers to own land. The free traders, capitalists and bourgeoisie classes fully utilized the opportunity and were eager to invest in Indian economy. Besides trade, commerce and industry, they also found the scope to invest their capital in agriculture and thus a significant trend, namely commercialization of agriculture, emerged in India. Hence agriculture began to be influenced by commercial consideration for sale in the national and even international markets and it turned into a business enterprise. However, this new trend in Indian economy of the British merchants, capitalists and bourgeoisie was not for the elevation of the India's development, it was purely for the colonial needs and interests that they were interested to invest in Indian economy.

It is to be mentioned that a long debate raged among the scholars, economists and economic historians in connection with free trade policy and its impact in Indian economy. We badly defused this debate as it is not the area of our study of discussion.

Upto 1833 the period is roughly called the era of de-industrialiion.<sup>2</sup> Amalesh Tripathi writes, "The Charter of 1833 had opened the way for import of capital from England, so necessary for economic development..... The time seemed ripe for an industrial Revolution in Bengal under British management, financed by the joint resources of British and native capitalists....., divert capital from land to industry."<sup>3</sup> In the post 1833 period the history of internal and external trade of India as well as Bengal was one of the opening of a vast market and India was drawn into the world capitalist market. Consequently a new avenue was opened for trade, industries and there emerged bourgeoisie and trading classes in India – all these were the by product of Colonial rule. Because prior to the advent of British and more specifically prior to the introduction of free trade policy by the British Government one did not find such type of Commercial Revolution or economic transformation in India and the involvement of Indian traditional trading caste and the emergence of non-trading caste in trade, commerce and industry in India

as well as in Bengal. Thus it is to be noted that from the post 1833 period a process of economic transformation began in India. In the second half of the nineteenth century developmental works were undertaken by the Colonial Government centering round the construction of railways, roads and bridges, ports and docks, telegraph, irrigation works etc. Though this policy was dictated by the commercial and strategic needs of the Colonial interest, a special type of colonial economy emerged by this policy which was reflected in the striking features of restricted industrialization under the patronage of the colonial predatory state. The construction of Railways not only promoted internal and external trade but it also heralded a new industrial age in India. It is to be noted that Governor General Lord William Bentinck was a practical minded man who encouraged the development of trade and industry in India.<sup>4</sup> As a result India now entered into trade and industries in the post 1833 period. In this connection it is quite pertinent to mention that the process of industrialization was confined to certain areas of the country and the entire India did not reap the benefit of industrialization. It is found that most of the industrialization occurred in Western and Eastern India particularly in Maharashtra and Bengal region. The British investors strictly under their ownership started to establish different industries in India. Pursuing the Britishers the Indians also became investors in different industries, trade and commerce. In this context it is quite relevant to mention some remarkable features of the European entrepreneurs in India. Viz., (i) the British industrialists never wanted the development of heavy industries in India because that would be causing damage to their interest, (ii) further they never encouraged such type of industries that may compete with the industries of England because the free traders, merchants and capitalists were always afraid of losing control over Indian markets and raw materials. These were the circumstances that they invested more and more in the production of consumer goods and in the raw materials for the industries of their homeland. However, some industries developed in Bengal viz., Auckland Jute Mill (1855) at Rishra in the district of Hoogly, followed by paper

industry Bally Paper Mill (1870) on the bank of the river Hooghly and the Bengal Iron Works Company (1874). It is already mentioned that the Act of 1833 had given the opportunity to the Englishmen an easy entry in trade, commerce and industry by removing all restrictions on the immigration and also permitted them to own lands. As a result a new type of industrial development was started, though it can not be called in true sense an industrial venture. This was the plantation industries of indigo, tea and coffee which were started at large scale in India. In this context it is to be mentioned that commercialization trend reached the highest level of development in the plantation industry.

The most lasting impact of the colonial rule in the area under study especially in the post 1833 period was the growth and development of plantation industry particularly the tea industry in the Northern North Bengal (Darjeeling, Terai and Jalpaiguri). Apart from the tea plantation industry a boom in the production and trade of commercial crops like jute, tobacco, cinchona, cardamom, orange etc. were also started in the districts of North Bengal. Further production and trade of raw silk, paddy and rice also increased in the southern North Bengal (Malda and Dinajpur). Besides these, a striking feature was the timber trade which was developed in the Northern North Bengal. But before going into the history of the impact of the free entry on trade, commerce and industry of North Bengal, it is quite relevant to mention the economic condition prior to 1833 of the area of our study. On the basis of British sources and travellers account it is to be mentioned that prior to 1833 period and even upto the second half of the nineteenth century except Malda and some portions of Dinajpur (undivided) no significant or remarkable commercial intercourse or commercial activities were there in the area under study.<sup>5</sup> It is true that Malda as a district is a British creation. But the growth and development of Malda as a flourishing trade centre was started from Sultanate period due to geographical reason and royal Patronage. The river Ganges helped a free commercial intercourse between Bengal and the outer world since the 13<sup>th</sup> century and helped the emergence and prominence of Malda. However, the frequent changes in the courses of the

river Ganges and her tributaries made the drainage condition worse for which Malda in the recent historical period lost its former importance. As a flourishing trade centre Malda was also referred by several foreign travellers who visited the city various times during the 17<sup>th</sup> and 18<sup>th</sup> century. From the description of Alexander Hamilton and Walter Hamilton it is found that Malda was well inhabited and frequented by merchants of the different nations and was a place of great trade and silk production.<sup>6</sup> English merchants and travellers mentioned Malda was the main shopping centre in North Bengal throughout the 17<sup>th</sup> century and during that period the chief trade of Malda was conducted by the merchants from Agra, Gujrat and Benaras.<sup>7</sup> Silk as a commercial item had great demand in European markets and outside India. W.W. Hunter mentioned that in the sixteenth century one Shaikh Bhik set sail for Russia with three ships laden with silk cloths of Malda.<sup>8</sup> The reputation of Malda's silk was not unknown to the Europeans, thus different European merchants and traders thronged Malda and its neighbourhood in connection with silk trade. The silk trade was so profitable and lucrative that the British first established silk industry in 1686 at English Bazar in Malda and the French followed by the English also opened silk industry near about 1760 in Malda.<sup>9</sup> Silk trade and industry so flourished that the rearing of silk worms and manufacture of silk fabrics was the general occupation of nearly all classes of people in Malda and its neighbourhood. It is found that upto 1790 silk manufacture in Malda was a flourishing enterprise. However, from the first decade of the 19<sup>th</sup> century the silk manufactured had already fallen into decay.<sup>10</sup> With the passing of the Charter Act 1833 the Company's concern with Malda silk ended; but the despatch of silk continued till 1834-35. Apart from silk Malda had a traditional base of brasso-trade and industry. Till 1833 the area under study of Dinajpur (Present North and South Dinajpur) was purely an agricultural zone. The local Rajbangsis, Polia, Mallo were connected with land and agriculture was the main occupation of the people. However, some portion of undivided Dinajpur produced silk and there were some indigo factories owned by European planters.<sup>11</sup> Trade and commerce was conducted in

local *hats* and bi-weekly markets and the business was conducted by the traditional trading caste like Saha, Tili etc. Internal trade of agricultural crops was carried on by the river Kulik, Nagar, Atrai, Punarbhaba. Generally these were the economic picture of Malda and Dinajpur (present North and South Dinajpur) prior to the introduction of free trade policy by the charter Act of 1833.

Till 1833 the area of Darjeeling was under the dominance of the Raja of Sikkim and Jalpaiguri, a frontier tract bordering on Nepal, Bhutan and Cooch Behar, was administered as part of the British Rangpur district, the Bhutia's had seized several tracts of the area. So both these areas were under the control of respectively Sikkim and Bhutan. These two areas were economically barren and agriculturally infertile. Most of the areas of Darjeeling were covered by dense forests and till the middle of the 19<sup>th</sup> century the whole Duars was covered with dense jungle.<sup>12</sup> The local inhabitants of Darjeeling were the Lepchas connected with rough cultivation i.e. Jhum cultivation and collection of fruits from the forests. Jalpaiguri or the slopes of the outer hill of the western Duars were inhabited by the tribes like Meches, Garo, Totos etc. And in the plains settled the Koches, the Rajbansis – all connected with cultivation. In such condition no significant communication development was there both in Darjeeling tract and Jalpaiguri area and no remarkable trade and commerce was developed in the both areas. The economy of these areas was a subsistence economy. Cooch Behar was a British feudatory state (by the Anglo Cooch treaty 1773) whose economy was also dependent upon agriculture. Settled agricultural attempts were made by the rulers of Cooch Behar and agriculture was developed. It is mentioned that in the late 18<sup>th</sup> century a good quantity of tobacco was exported from Cooch Behar State.<sup>13</sup> However, it is difficult to give an accurate picture of the economy of Cooch Behar as its economy was connected with Kamrup and Assam region. Up to 1833 except agriculture which was the only source of revenue of the state, there was no trend of remarkable progress of trade, commerce and industries in Cooch Behar state. However, Pemberton in his report mentioned that trade with Tibet was conducted through Cooch

Behar from 16<sup>th</sup> century till 1831-32 but later on this trade through Cooch Behar was reduced. Cooch Behar was the transit place for various merchants of Tibet, China, Bhutan etc.<sup>14</sup>

In this economical background of North Bengal we now turn to find out the changes of economy in the post 1833 period of the area under study. In 1835, Darjeeling, a small hill tract of 138 square miles was gifted by the raja of Sikkim as a token of friendship to the British. The British acquired this tract for establishing a good Sanatorium on account of its cool and excellent climate, with the purpose of enabling sick British troops and civil servants to recapture their health. But soon they discovered, that the climate of Darjeeling was quite suitable for plantation of tea, coffee, cinchona, cardamom, oranges etc. The Britishers began to take keen interest in how tea plant could be grown in this area. In 1837 the experimental tea plantation became successful in Assam. Such kind of venture immediately attracted the neo-British capitalist and in 1839 experimental tea plantation was started in Darjeeling. By 1856 the development of tea had advanced from the experimental to more extensive and commercial stage.<sup>15</sup> The Government offered tax free land and other concessions to the foreign tea planters and incourse of time tea became an important commercial product. By this way more and more tea gardens were opened in the hill tract. It is to be mentioned that though Darjeeling was gifted by the Raja of Sikkim to the East India Company, the Company annexed Terai in 1850 and Kalimpong in 1866 and by these annexations the district aquired of its present dimension. The annexation of Terai also brightened the prospect of tea. The vast area of Terai now came under tea plantation and in 1862 the first tea garden in Terai was opened out at Champta near Khaprail. By 1866 a good number of tea gardens had been opened out in the Terai.<sup>16</sup> In the meantime the British Government permanently annexed the Bengal Duars (1865)<sup>17</sup> and with this annexation the foundation stone for the formation of modern Jalpaiguri district was laid. After the successful tea plantation in Darjeeling and Terai the British found that Jalpaiguri district, particularly the Western Duars, was also suitable for tea plantation. Thus in 1874

they opened tea garden on the western part of the Western Duars at Gazaldoba. With the opening of tea gardens in Jalpaiguri district the industry now sprang up rapidly. As rapid progress was started in tea plantation industries in the district it influenced the indigeneous people to take part in this venture. Thus following the footsteps of the British planters, conscious and bold attempts were made by the Indians (mainly Bengalees) to establish tea gardens in Jalpaiguri district. In 1877 the first Indian tea garden was opened at Jaldhaka by Munshi Rahim Bask and by this bold attempt the Bengalis entered in this economic venture.<sup>18</sup> Gradually more and more tea gardens were opened by the Europeans and Indians in Jalpaiguri district. In this context it is quite pertinent to mention that except only one tea garden all the tea gardens of Jalpaiguri district were opened in the western Duars which was once covered with dense forests.<sup>18</sup> Thus with the opening of tea gardens in the western Duars miles after miles of dense forests now disappeared and became covered with green tea fields i.e. commercial tea field. The barren and infertile lands of Darjeeling and Jalpaiguri district were thus converted into a commercial cultivating zone. Tea cultivation or plantation was so rapidly extended in this region that probably in no district in India cultivation extended faster than this region. Following the tea industry there was an influx of settlers both in Darjeeling and Jalpaiguri district. In Darjeeling landless Nepali people immigrated from western Nepal and constituted the majority of the labour population in tea plantation industry. Besides the immigrated Nepali people, the remaining labour population was made up by the Lepchas, Bhutias and men from the plains. These people were encouraged to settle down on company's garden permanently, by assigning to them small plots of land unsuitable for tea, for cultivation of cereal crops such as maize, millet etc. In Jalpaiguri district or western Duars chief labourers were recruited from Hazaribag, Madhya Pradesh, Chotonagpur and Santhalpargana. Thus the thinly populated forest areas of Northern North Bengal gradually filled in with inhabited villages, tea gardens and small factories. Thus inauguration of tea plantation industry in this region brought about a great

transformation in the economic landscape, demography and the entire socio-economic pattern of this region. Thus in the post 1833 period North Bengal, particularly in the northern part of North Bengal, a new economic horizon was opened, something made possible by the free trade policy of the Colonial Government.

Further, the tea industry in North Bengal did generate a secondary or tertiary economic activity. Vast areas of Northern North Bengal i.e. Darjeeling, Terai and Jalpaiguri, was covered with dense forests. The Britishers saw a great prospect to use the forests resources of this region. Commercial potentialities of forests or timber trade were not unknown to the Britishers. It is known from modern research that the British officials were involved in timber trade in the middle of the 18<sup>th</sup> century and they operated this trade mainly in Morang Country (Nepal) and in Purnia forests.<sup>20</sup> After the complete occupation of the Northern North Bengal i.e. the occupation of Darjeeling and western duars, they found that the forest resource of North Bengal were numerous and valuable. The whole hilly tract between Kyal and the Balasan, Rangnu and Mahanadi (Mahananda), Mechi and the Balasan, Tista and Mahanadi contains valuable sal timber. Besides these forests also lie in a belt along the left bank of the Tista river and along the northern boundary of the Jalpaiguri district. In Jalpaiguri district there were numerous and valuable forests that covered an even larger area than those of the adjoining district of Darjeeling. The Buxa forest which was situated east of the Torsa river was the store house of maximum quantities of sal and valuable trees. Between Tista and Torsa rivers there lie vast forest areas in Jalpaiguri district. Besides these forests of Jalpaiguri district Baikunthapur was famous for its jungle Mahal which abounded in valuable sal tees. The major aim of the Colonial Government was to commercialize the forest resources of this region and to gain profit from it. The conservation of Forest Act which was passed in 1865 brought an opportunity for the colonial government to use the forest resources of this region. The timber procured from the forests of this region was mainly used for railway sleepers and for making tea-chests.<sup>21</sup> Further on the basis of the demand timbers of this region were supplied

to the various parts of the country.<sup>22</sup> European private traders as well as different European companies such as Hyall Company, Messrs Querios etc. now connected with timber trade of this region. It is also to be mentioned that when tea plantation industry was rapidly expanded in North Bengal, the entrepreneurs were establishing tea Estates in Duars by clearing the forests. This felling operation for making tea plantations also opened a path for timber trade in North Bengal.<sup>23</sup> Following the footsteps of the European timber traders indigenous people comprising both Hindus and Muslims of higher social hierarchy entered into this business. To invest in timber trade was a much profitable business-realising this truth Bengalee prosperous families invested more and more capital in this trade. Thus in the post 1833 period a new business field was opened following the timber trade in North Bengal.

Besides the large scale tea plantation, large areas of forest lands were brought under cultivation of new crops in the Darjeeling hill areas such as Cinchona, Cardamom, Oranges etc. In 1864, the first large Cinchona plantation was started at Rangbi and within a short time the industry was firmly established as a commercial enterprise.<sup>24</sup> In the plains extension of cultivation led to increase in agricultural produce. The cash crops such as jute, tobacco, mustard, rice also began to be cultivated extensively.

In the post 1833 period Bengal, particularly North Bengal, became an important jute producing area and the hand woven jute was an important subsidiary industry of the people of North Bengal.<sup>25</sup> It was the Colonial needs and credit that turned this non foodgrain crop as a commercial cash crop. It was the Colonial rulers who in the second half of the 19<sup>th</sup> century saw great prospects of this crop as a commercial crop. It is found that jute was the cheapest and most important of all textile fibres next to cotton and to be used extensively in the manufacture of different types of packaging materials for various agricultural and industrial products. So, much attention was paid by the Colonial master for its extensive cultivation to use it as a raw material from Bengal particularly

from Eastern and North Bengal.<sup>26</sup> Further due to the pressure of an international event i.e. the Crimean war (1854), cut off the supply of Russian raw flex and hemp and the Dundee market became dependent upon Indian substitutes i.e. jute. The Britishers soon found that except the hill tracts the agro-climatic condition of the whole North Bengal region was suitable for the cultivation of this non-food grain crop. Thus they inspired the peasants that to cultivate jute will provide them more remuneration than the other crops. The peasants found it true and took the decision to cultivate jute for its high prices. Consequently the inauguration of extensive jute cultivation was started in North Bengal. Thus year by year jute land was extending in North Bengal. In Jalpaiguri district vast areas of Mainaguri, Dhupguri, Rajganj, Ambari Falakata, Madarihat, became predominatingly jute cultivating areas. In Cooch Behar Mekhliganj, Haldibari, Tufanganj, Dewanganj, Jamaldaho, Chowrarhat jute occupied the major portion of the agricultural land. In Dinajpur (present North and South Dinajpur) vast area of Raiganj thana came under jute cultivation. However jute cultivation was not considerably extended in Malda district.<sup>27</sup> In 1855 with British capital the first jute mill was set up at Rishra (near Calcutta) and within a short time a good number jute mill also grew up in and around Calcutta on both sides of the Ganges. Now different jute producing areas of North Bengal started to supply the jute for these jute mills. Due to jute cultivation and jute trade different areas of North Bengal became prominent as jute marts and jute trading centres such as Balurghat, Raiganj, Dewanganj, Chowrarhat, Jamaldaho, Mainaguri, Mekhliganj and Haldibari. As jute became an important cash crop and North Bengal became a major supplier of raw jute, traders and merchants, both European and indigenous crowded in the major jute producing areas of North Bengal. There was an influx of population from Eastern Bengal and South Bengal in different jute producing areas of North Bengal. The European and indigenous traders and merchants firmly involved themselves in jute by establishing jute firms in different areas of North Bengal such as Raiganj, Jalpaiguri, Siliguri and Haldibari. These jute firms now opened the job

opportunity to the local people of the areas. Thus the extensive cultivation of jute as a commercial cash crop was totally a new introduction in the economy of North Bengal changing the demographic pattern and economic picture of North Bengal due to the free entry of traders and merchants in the post 1833 period.

Next to jute another special non-foodgrain agricultural crop was tobacco which was extensively cultivated as commercial crop in North Bengal in the post 1833 period. This non-foodgrain crop was introduced in India in the first decade of the 17<sup>th</sup> century and its cultivation was speedily spread over the entire continent.<sup>28</sup> It is already mentioned that before the British attraction in tobacco in North Bengal it was a well known crop to the people of Cooch Behar. There was a great demand of tobacco in Burma and Eastern Bengal for making Cigars. There was also a high demand of Virginia tobacco in Britain. The Britishers soon found that both Jalpaiguri and Cooch Behar were the suitable area where tobacco could be extensively grown. The British Government appreciated and influenced the peasants both in Cooch Behar and Jalpaiguri for the commercial cultivation of this non food-grain crop.<sup>29</sup> It is also noted that despite the British influence, the rules of Cooch Behar state also had taken much initiative to cultivate this crop for commercial purpose and several experiments were made by them for the development of this crop. Mathabhanga, Mekhliganj, Dinhata, Sitai, Sitalkuchi, Lalbazar in Cooch Behar state were found where best quality of tobacco was grown. From the records it is found that in Cooch Behar one sixteenth of the cultivated area was used for tobacco cultivation. Superior quality tobacco was also grown and also the lands lying between river Tista and Torsa. Besides these two areas, tobacco was also grown in Falakata and Dhupguri. To the peasants tobacco was a more paying crop and they were interested to cultivate more and more tobacco. The peasants were now not totally dependant on the subsisting crops only. Thus tobacco-cultivating land was gradually extended both in Cooch Behar and Jalpaiguri. It is to be mentioned that despite Jalpaiguri and Cooch Behar, due to non suitable agro-climatic condition, commercial tobacco cultivation could not spread

considerably the other districts of North Bengal. Thus it is found that in Jalpaiguri and Cooch Behar tobacco became a staple crop and both the Colonial Government and the rulers of the Cooch Behar state were responsible to make this crop an important commercial crop in the post 1833 period. Because from the second half of the 19<sup>th</sup> century tobacco was largely exported from both these two areas of North Bengal. Depending upon tobacco trade several *hats* or biweekly markets emerged and got importance, hence the gathering of merchants also started in the important tobacco marts of North Bengal. Dhupguri and Falakata of Jalpaiguri district became the chief markets for sale of tobacco and Baura hat emerged especially for tobacco trade.<sup>30</sup> Mathabhanga, Mekhliganj, Dinhata and Cooch Behar now got importance for tobacco trade. Merchants and traders from different Eastern markets, Dacca, Murshidabad appeared in these tobacco trading centres and carried on an extensive trade on tobacco. Besides the Eastern Bengalee merchants and traders, a large number of Burmese merchants and traders also used to present in the tobacco trading centres of Jalpaiguri and Cooch Behar and purchased maximum quantities of tobacco both from Jalpaiguri and Cooch Behar.<sup>31</sup> Thus due to exportation of tobacco, rolling of money, trade marts, *hats* local markets and immigration of people from different areas started in North Bengal.

Besides the cultivation of commercial cash crops such as jute, tobacco, etc. commercial production of paddy and rice was also started in North Bengal in the post 1833 period. Certain factors were responsible for the extension of rice lands and increased rice production in North Bengal. In the first place it is to be noted that from the second half of the 19<sup>th</sup> century the rapid growth and development of tea industry in Darjeeling, Terai and Jalpaiguri district population was increasing rapidly. In this context it is quite pertinent to mention that tea industry is essentially a labour intensive enterprise, so when tea garden was extensively extended in North Bengal, there started an influx of labour in the Northern parts of North Bengal that considerably increased the population. As a consequence of tea gardens labour population a great demand for

agricultural produce was created. Secondly from the second half of the 19<sup>th</sup> century due to the development of communication easy exportation of agricultural product was started. Thus the commercial cultivation of agricultural products was felt for external and internal market. The soil and climate of southern North Bengal i.e. Malda and Dinajpur (undivided) was much more suitable for rice cultivation. It is quite relevant to mention that when commercial cash crops such as jute and tobacco ruled very high in the Northern North Bengal, staple food-grain paddy or rice ruled very high in the southern North Bengal. W.W. Hunter mentioned that due to favourable soil and climate even jungle lands were used in Malda for paddy cultivation.<sup>32</sup> Thus rice was cultivated not only to meet the local demand as a subsisting crop but extensive cultivation was started for exportation. Besides tobacco and jute, abundant rice was also produced in Cooch Behar state. W.W. Hunter further mentioned that after the annexation of Western Duars, the area under rice cultivation had very considerably extended in Jalpaiguri district.<sup>33</sup> So, due to commercial cultivation of rice in the whole North Bengal region there started the exportation of rice to the different parts of the country. Through riverine route and road transportation and railway now surplus rice of North Bengal was exported to South Bengal, Up Country, North Western provinces.<sup>34</sup> As rice production considerably increased local *hats*, bandars (river marts), ganj (entre pot town) gradually grew up in different parts of North Bengal. Following extensive rice cultivation and rice trade there started the gathering of different strata among men of commerce such as *bepari*, *paikar*, *goladar*, *mahajan*, *aratiya* etc.

It is already found that in the area of our study Malda was the only area which flourished basing upon silk industries and silk trade and with the passing of the Charter Act of 1833 Company's concern with this industry ended. In the post 1833 period and onwards the process brought with silk an expansion of raw silk production in Malda. The East India Company after 1833 sold out its factories to private European Companies. The major firms which purchased the factories and filatures were Agency Houses for whom the avenue for acting as entrepreneur became widened.

These Agency Houses considered the export of raw silk profitable and more viable form of operation.<sup>35</sup> Thus in the post 1833 period Malda became prominent for raw silk. All the large silk establishments in Malda passed into the hands of big European Companies such as M/s Watson and Company, M/s Louis Poyen and Company etc. Besides the European Company, Native capital also rolled in silk production and silk trade.<sup>36</sup> Gradually trading communities from the North West provinces and Bihar were attracted to Malda Silk and established themselves as dealers of Silk here.<sup>37</sup> Marwaris, Agarwala, Oswal, Bhakat and the Bengali traditional trading communities such as Poddar, Satia now entered into this trade of silk in Malda.

The state of transport and communication system in North Bengal before the advent of the British was almost non-existent. The whole North Bengal region especially the northern North Bengal was in a sensitive and unsettled state without proper means of communication. But communication and transport system have always been key factors in economic advancement. It is worthwhile to mention that a communication network and transportation have a significant effect on the growth of economy and thus promoted industrialization and commercialization. Further, good communication network promoted migration, helped to supply raw materials, facilitated both internal and external marketing, exporting of surplus goods abroad and importing of scarce goods from abroad. In the whole North Bengal region upto 1833 and even in the second half of the 19<sup>th</sup> century the road system was not so well and no improved communication system was there. The bad road condition in Darjeeling and Jalpaiguri district was constant cause of worry for the planters because most of the tea gardens were linked by roads which previously were in a bad condition. Till 1838 there was no modern communication system and the means of communication for Darjeeling district were very rudimentary.<sup>38</sup> Sunder in his settlement report mentioned that during his tenure as settlement officer there was no metalled roads in Jalpaiguri.<sup>39</sup> According to the Revenue Surveyor's account of the roads, undivided Dinajpur district was not famous for good

roads.<sup>40</sup> The picture of Malda was more or less the same but here rivers have been the most important means of communications for transportation and exporting and importing of goods.<sup>41</sup> In Cooch Behar state also till the second half of the 19<sup>th</sup> century there was no well-developed communication system.<sup>42</sup>

Thus in the post 1833 period particularly in the second half of the 19<sup>th</sup> century when new industry i.e. tea plantation was already developed and commercial crops like jute, tobacco, cinchona, coffee, cardamom was abundantly cultivated in North Bengal, due to bad communication system the traders and merchants had to face much hurdle to carry on the trade both for exportation and importation. In that situation certain factors compelled the Colonial Government to look forward for the adoption of a well defined policy for the improvement of communication system in this region. The first factor was the pressure from the tea planters. The second factor was the smooth and quick exportation of cash crops from this region. After the successful experimental tea plantation, tea had developed remarkably and the industry had became firmly established both in Darjeeling and Jalpaiguri district. The planters both from Darjeeling and Jalpaiguri frequently urged the Government to take initiative for good communication system.<sup>43</sup> Further the production of commercial crops rapidly increased which had great demand in the international market. Thus a well-developed communication net work and development projects were taken by the colonial government in this respect. The first step to introduce modern communication system in Darjeeling was taken in January 1838.<sup>44</sup> After that event rapid progress in this field was started in Darjeeling. In 1839 Lord Napier constructed a road (old military road) from Siliguri to Darjeeling. In 1850 Tista Valley road which connected Siliguri with Rangpo was constructed. In 1869 Hill Cart Road from Darjeeling to Siliguri which was one of the best mountain roads in India, was constructed.<sup>45</sup> In Jalpaiguri district a good number of roads were constructed of which mention should be made from Damdim to Jalpaiguri, from Jalpaiguri to Fulbarighat and Damdim to Fagu tea garden of Darjeeling district.<sup>46</sup> In this connection it is to be mentioned

that all these constructed roads were metalled roads. In the Cooch Behar state real effort had been taken for developing communication after 1863. It was during the time of Maharaja Nipendra Narayan, Colonel Houghton, the British Commissioner of the Cooch Behar state took initiative for the progress and development of communication system in Cooch Behar state.<sup>47</sup> Between 1865 and 1874 the most important road in Cooch Behar state known as Emigration Road was constructed.<sup>48</sup> This bifurcated road served one from Cooch Behar, Mathabhanga, Haldibari, Purnia, Dinajpur with Titelia to Darjeeling and also bypassing Jalpaiguri to the North West. The other from Cooch Behar to Dhubri of Assam. Initiative was also taken by the Colonial Government for repair and development of roads in Malda. Here the principal road called Rajmahal road from English Bazar to Manikchak was repaired and initiative was taken for the development of road from Murshidabad to Darjeeling via Dinajpur which entered in Malda district. In Dinajpur (undivided) attempts were also made to repair the principal road i.e. Darjeeling high road, which traversed the Sikkim – Himalaya mountains with great Gangetic Valley.<sup>49</sup> The Balurghat Hili road was converted into metalled road for better communication with the rail road at Hili.

Improved communication system made it possible for the rise of trade and commerce in all aspects. The British occupation of Darjeeling in three phases and its subsequent conversion into a district in 1866 had some important objectives. Though there was a secret plan to establish tea garden in this region, the British had an objective to establish trade relation with Tibet and central Asia. The occupation of Darjeeling was essential also to to keep Nepal and Bhutan in control due to the strategic importance of Darjeeling as the gateway to Nepal, Sikkim and Bhutan. It is to be noted that with its international frontiers, Darjeeling district from time immemorial had been a partner in trans-Himalayan trade. Long before the British occupation of Darjeeling the Britishers had been in search of this classical trans frontier and trans Himalayan trade link. This is evident from the remark of W.W. Hunter. He remarked, “The establishment of trading relation between British India and Tibet and

Central Asia a subject that has long received close attention from Government.<sup>50</sup> O'Malley also ascribed that Mr. J.W. Grant when penetrated the hills in 1829, convinced Bentinck about the importance and advantages of Darjeeling as a centre of trade and its strategic importance owing to geographical location.<sup>51</sup> Thus with the cession of the hilly tract, the British now had the golden prospect of Trans-Himalayan trade. The annexation of Terai and Kalimpong further brightened this prospect. Now the establishment and growth of adequate means of communication in the district helped them to make it a reality. The construction of trade route in Sikkim and its link with the Northern Bengal Railway fulfilled the British aspiration of establishing a trade relation with Tibet and Central Asia. This became possible by signing a friendly treaty with Sikkim in March 1861 and another with Bhutan in 1865. Thus Trans-Himalayan trade system grew up in this region in the post 1833 period and Nepal, Sikkim, Bhutan, Tibet and even Central Asia came within the orbit of this international trade system.

Besides the construction and development of road communication, the inauguration of railways in North Bengal was a revolutionary step taken by the Colonial Government. There was no railway communication system in North Bengal upto 1876. It was the Colonial Government which first took initiative in this matter and the North Bengal State Railway opened station at Haldibari on the south of Jalpaiguri district.<sup>52</sup> This line became the main line of the Eastern Bengal Railway which connected Calcutta with Siliguri. After that event on 28 August 1877 the North Bengal State Railway was opened to traffic between Atrai and Jalpaiguri.<sup>53</sup> In 1878 the North Bengal State Railway was opened upto Jalpaiguri. Mandalghat, Jalpaiguri and Belakoba were on the line within Jalpaiguri district and this whole tract was important for good jute producing area. In 1891 an agreement was made between the Government and Octavius Steel and Company of London consequently some lines were opened by the Bengal Duars Railway for the explicit purpose of opening of the whole Duars region to the outside world and in developing the tea industry. The Cooch Behar state railway was opened in 1891 and some branches of this

railway touched some areas of Jalpaiguri district. Between 1887 and 1891 the North Bengal State Railway opened its line in Dinajpur (undivided). In the area of our study this railway touched the area Hili, Radhikapur, Kaliyaganj, Bangalbari and Raiganj.<sup>54</sup> The mentioned areas were important for rice and jute production and especially Hili exported maximum rice and paddy and from Raiganj maximum quantities of jute was exported by rail. Rail came much later in Malda i.e. in 1909 as rivers have been the most important means of communication for exporting and importing from Malda. Thus with the innovation of better and modern communication network in North Bengal a remarkable change was started in all aspects of its economy. Transportation of agricultural products now became easier and it played a crucial role in promoting the state of trade and commerce of this region.

It is quite pertinent to mention that with the emergence of new industry i.e. tea plantations and the gradual development of the cultivation and trade of commercial cash crops such as jute, tobacco, coffee, cardamom, etc. and timber trade in the area of our study a new group of traders was emerged in the trading atlas of this region. These trading groups were not necessarily coming from the traditional vaisya community. It is to be noted that before the advent of the Muslims and Europeans Indian trade was normally conducted by the Vaisya (Bania) community. Specially the social system of Bengal does not permit the other castes to enter the trading profession. So, the trading community of Bengal was different from the composition of the same in rest of India. In the post 1833 period particularly from the second half of the 19<sup>th</sup> century when an all-round and gradual progress was started, a tremendous impact was found with the entry of the non vaisyas in trade, commerce and industries in this region. This picture was very prominent in northern North Bengal. So, a kind of social mobility, though not in a large scale have been started in this region. The basic reason of such kind of mobility was that many of the inhabitants were settlers or migrants. These migrant upper caste people entered into the trade of timber, jute and tea plantations industries. Besides these non-vaisyas, the predominant

vaisyas also migrated from Eastern Bengal and South Bengal in the northern North Bengal.<sup>55</sup> In the hilly area except Kalimpong, there was no traditional trading community. But in the southern North Bengal the picture was quite different from that of northern North Bengal. Here one finds the traditional trading communities, the Kangsha Banik, the Till, Teli and Saha of the Bengalee society. Besides the Bengalee trading communities, the Giris were also involved in trading activities in Malda, Purnia (now in Bihar state) and Dinajpur (undivided) region.<sup>56</sup> But the most striking feature was the entry of non Bengalee trading communities such as the Marwaris, the Biharis, the Punjabis, the Assamese, the Sikkimese and the Tibetans in this region. The Marwaris who had plenty of capital began to enter in different trade in the whole region of North Bengal. Among the non-indigenous the British, the Scottish and the American showed their presence as traders in this region.

Thus due to the free trade policy of the Colonial Government an infrastructural development was started in North Bengal and all the developments were linked with tea plantation economy, production of cash crops such as jute, tobacco, coffee, cinchona, cardamom and commercial cultivation of rice. By the development of road communication and opening of railways, North Bengal was linked with the outside capitalist market and such tendencies helped to transform at least economically the timid insular character of this region. And such tendency created a conducive atmosphere for carrying out trading and professional activities in North Bengal and attracted different trading communities from different parts of the country and even from abroad. Immigrant population did not hesitate to seize the opportunities which the Act of 1833 offered them and they began to settle in different parts of North Bengal in connection with trade, commerce and industry.

In this chapter we have tried to analyse the process of development of industries, trade and commerce specially after 1833. From this time onward it was evident that different traders, merchant companies and entrepreneurs became interested to open industries and to take part

different trades in India. Different companies selected some specific trade and industrial sector and for this reason they also chose specific areas in Northern parts of Bengal conducive to the production of tea and the trade of commercial cash crops like jute, tobacco, etc. In the following chapter attempts have been made to analyse the different facets of plantation, especially tea and at the same time with the development of agriculture, industry and the colonisers' concentration on the development of communication specially Railway both for economy and military purpose.

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