

Chapter-One

Introduction

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1.1: Theoretical Framework

1.1.1 Business:

The topic of this dissertation is 'Business and Business Communities of Darjeeling Sub-Division from 1835 to 1962: A Historical Study'. In this we have discussed the businesses that developed in Darjeeling hills in the colonial-capitalist hegemony.

Before going into the actual theme of the dissertation it is necessary to clear the two key words- 'Business' and 'Community' separately. According to the Oxford Advanced Learner's Dictionary, business means "the activity of making, buying, selling or supplying goods or services for money".

The etymology of "business" relates to the state of being busy either as an individual or society as a whole, doing commercially viable and profitable work. The term "business" has at least three usages, depending on the scope — the singular usage to mean a particular organization; the generalized usage to refer to a particular market sector. However, the exact definition of business, like much else in the philosophy of business, is a matter of debate and complexity of meanings.

In general the term is broadly used in the sense of commercial trade or financial activities that occupy time, attention and labour of human beings and the investment of capital for the sake of profit or improvement of society, economy of any country. Those who engage in these constructive works are generally known as businessmen. A business or enterprise or sometimes firm is an organization engaged in the trade of goods, services, or both to consumers. No economy- capitalist or socialist can thrive without business. In capitalist economies, businesses are in most cases privately owned and administered to earn profit to increase the wealth of their owners whereas in the other it is predominantly state owned. A business owned by multiple individuals may be referred to as a company, although that term also has a more precise meaning

In nineteenth century Britain the terms "business" and "commerce" were frequently used synonymously to cover all types of exchange or dealing in commodities. More properly, "commerce" was used to refer to large-scale international trade; when use of the term "trade" was decided by the context whether or not the reference was to local retail trade. The term "tradesman" had a somewhat different connotation, for the "trades" were originally the skilled crafts. In the eighteenth century the term was applied also to shopkeepers in recognition of the fact that most performed some skill or craft in shaping, processing or otherwise preparing goods for sale¹. The terminologies trades, commerce, business were then further diversified by the emergence of many other economic activities of human being. A further application included those providing consumer services, such as restaurant and hotel-keepers. By the mid-nineteenth century, the business class included lower or quasi-professionals such as veterinary surgeons and apothecaries. The elite of the trade stratum were journalists, publishers and booksellers, for these occupations required education, sensitivity to the society's intellectual needs and even the capacity for artistic creation. Essentially the businessman was independent of corporate or bureaucratic wage-earning and served consumers in ways which could entail skilled craftsmanship, production, distribution and management².

In a sense, the business communities of Darjeeling, particularly the early merchants, should actually be considered as entrepreneurs. In this connection the term "entrepreneur" needs to be explained. In general, it has specified capital accumulation, innovation, risk-taking and unusual dedication as the marks of the business entrepreneur. These criteria largely allow them to qualify as entrepreneurs in late nineteenth century context of Darjeeling. Early nineteenth century Darjeeling is generally described as place covered with virgin forests and inhabited by a group of uncivilized people. Light of civilization reaches in Darjeeling only after the coming of the British. It is the British-led Business communities who introduced the modern economic system in the wild hills.

Arguing for a more general definition, G. H. Evans has suggested that the entrepreneur is "the person or a group of persons, in a firm, whose function it is to determine the kind

of business that is to be conducted.”³ This definition distinguishes entrepreneurial activity from mere management (which entails routine decisions within a framework shaped by the entrepreneur) but does not require the entrepreneur to be exceptionally innovative or risk-taking. This allows entrepreneurs to be identified in trade firms. In *British Entrepreneurship in the Nineteenth Century*, G. L. Payne accepts Evans' definition as most appropriate for understanding the complexities of business development during and after the industrial revolution.⁴ By such a definition, every business may be said to possess at least one entrepreneur. Certainly the men who establish businesses in Darjeeling should be included in this class. For many of them, the description given of the nineteenth-century industrial entrepreneur would equally hold true that they "combined in one person the functions of capitalist, financier, works manager, merchant and salesman."⁵

Throughout this dissertation, the term "business" has been used in a broad sense, to refer to retailing and consumer- service enterprises; large-scale, export trade activities and tea and tourism industries.

From the last quarter of the last century the term business gained currency among the scholars belonging to different disciplines. According to these scholars nature and function of business changed along with the diversification of human activities. It is also true in case of Darjeeling. We have seen that different categories of business activities come into existence in course of time in the hill as well:

- (1) Agricultural produces businesses are concerned with the production of raw material, such as plants, fruits.
- (2) Financial businesses include banks and other companies that generate profit through investment and management of capital.
- (3) Manufacturers produce products, from raw materials or component parts, which they then sell at a profit. Companies that make physical goods, such as cars or pipes, are considered manufacturers. Manufactured tea, the most important industry of Darjeeling is also included in this category of trading.

- (4) Real estate businesses generate profit from the selling, renting, and development of properties comprising land, residential homes, and other kinds of buildings.
- (5) Retailers and distributors act as middle-men in getting goods produced by manufacturers to the intended consumer, generating a profit as a result of providing sales or distribution services. Most consumer-oriented stores and catalog companies are distributors or retailers. Such categories of business functions were\are more predominant in Darjeeling District.
- (6) Service businesses offer intangible goods or services and typically generate a profit by charging for labour or other services provided to government, other businesses, or consumers. Organizations ranging from house decorators to consulting firms, restaurants, and even entertainers are types of service businesses.
- (7) Transportation businesses deliver goods and individuals from location to location, generating a profit on the transportation costs. After the establishment of tourism industry, transport became a lucrative business in Darjeeling.
- (8) Utilities produce public services such as electricity or sewage treatment, usually under a government charter.

During our period of study we have seen that the trades like financial businesses, manufactured products, real estate businesses, retailing and distributive trading, transportation businesses etc mentioned above, greatly emerged in course of time in Darjeeling. The rise and growth of these businesses and businessmen is one chief theme of our discussion.

On the basis of geographical location, business is classified into two broad sectors: (a) Domestic business and (b) International or Global business.

An international business is a business whose activities are carried out across national borders. This differs from a domestic business because a domestic business is a business whose activities are carried out within the borders of its geographical location. In Darjeeling, merchants engaged both in domestic and international trading activities. We have largely discussed the nature and pattern of the business relating to both internal and international.

The research work basically deals with three categories of business ownership. Each category of ownership needs brief discussion.

(a)Sole proprietorship: A sole proprietorship is a business owned by one person for-profit. The owner may operate the business alone or may employ others. The owner of the business has unlimited liability for the debts incurred by the business.

(b)Partnership: A partnership is a business owned by two or more people. In most forms of partnerships, each partner has unlimited liability for the debts incurred by the business. The three typical classifications of for-profit partnerships are general partnerships, limited partnerships, and limited liability partnerships.

(c)Corporation/ Company: A corporation/Company is a limited liability business that has a separate legal personality from its members. Corporations can be either government-owned or privately-owned, and corporations can organize either for-profit or not-for-profit. A privately-owned, for-profit corporation is owned by shareholders who elect a board of directors to direct the corporation and hire its managerial staff. A privately-owned, for-profit corporation can be either privately held or publicly held.

(d)Cooperative: Often referred to as a "co-op", a cooperative is a limited liability business that can organize for-profit or not-for-profit. A cooperative differs from a for-profit corporation in that it has members, as opposed to shareholders, who share decision-making authority. Cooperatives are typically classified as either consumer cooperatives or worker cooperatives. Cooperatives are fundamental to the ideology of economic democracy.

The first three categories of business ownership largely dominated the commercial pursuits of Darjeeling in the colonial and post colonial period. The last one has emerged in the recent time. Besides, the 'managing agencies played an important part in the management of plantation industry in nineteenth century Darjeeling. They were provided an important share in lieu of their wage for management, and few of them directly engaged in the plantations of Darjeeling.

Many businesses are operated through a separate entity such as a corporation or a partnership (either formed with or without limited liability). Most legal jurisdictions allow people to organize such an entity by filing certain charter documents with the relevant Secretary of State or equivalent and complying with certain other ongoing obligations. The relationships and legal rights of shareholders, limited partners, or members are governed partly by the charter documents and partly by the law of the jurisdiction where the entity is organized. Generally speaking, shareholders in a corporation, limited partners in a limited partnership, and members in a limited liability company are shielded from personal liability for the debts and obligations of the entity, which is legally treated as a separate "person". This means that unless there is misconduct, the owner's own possessions are strongly protected in law if the business does not succeed.

In colonial India, during the rule of the East India Company, there was initially no legislation governing the conduct of companies except the common law of contract. This meant that buying the share of a company imposed on the buyer full liability, to the entire extent of this own property, for the company's debts. This made investors wary of taking up shares in joint-stock companies. Situation soon changed over time. In 1850, the Company Act provided for the registration in India of joint-stock companies, with provisions made to regulate their management. In 1857, all companies, other than banking and insurance companies were permitted to be organized on the basis of 'limited liability'- that is, the shareholder's liability was now to be limited to their investment in the company concerned.⁶ These enactments encouraged the formation of numerous limited joint-stock companies throughout the second half of the nineteenth century to raise various industries including tea. We see the emergence of 'Kursiong Darjeeling tea Company', Land Mortgage Bank, Darjeeling Tea Company, Lebong Tea Company and so on.

The interpretations of business history have changed dramatically overtime. The nature and scope of business studies have furthered over the past twenty years and it has become a great interest to a wider range of emerging economies. There are many other themes of central concerns to business historians – marketing innovation, human

resource, management, gender and ethnicity among them. Studies of business history in India also in recent times have offered a diverse context of socio-economic as well as political set up. Lineage of business past in India may be traced back to the earliest attempts to early modern states to regulate the flow of peoples, goods and service for the benefit of the realm. Business practices in India, in terms of well articulated economic policy may be said to have originated with the Mughals and it is continued with some modification after them. The British introduces modern system of commercial transactions in India. During the colonial period, for the first time, the political expansions are motivated by the commercials interest. Involvement of the British in the Himalayan countries is also motivated by in this respect.

The systematic research on business history of India is still virtually in its infancy. Despite some recent noteworthy works, the conventional historiography of India laid much importance on the other facets (political) of Indian history. Having shifted from the conventional historiography, the present study makes an attempt to look into the unconventional discourse of Indian commerce and commercial men in general and regional in particular.

1.1.2 Community:

Community is a common tool of the English language to categorize people and put unique individuals into a single group. The term community has two distinct meanings: 1) A group of interacting people, living in some proximity (i.e., in space, time, or relationship). Community usually refers to a social unit larger than a household that shares common values and has social cohesion. The term can also refer to the national community or international community, and, 2) in biology, a community is a group of interacting living organisms sharing a populated environment. The word "community" is derived from the Old French *communité* which is derived from the Latin *communitas* (*cum*, "with/together" + *munus*, "gift"), a broad term for fellowship or organized society⁷. Some examples of community service is to help in church, tutoring, hospitals, etc.

In human communities, intent, belief, resources, preferences, needs, risks, and a number of other conditions may be present and common, affecting the identity of the participants and their degree of cohesiveness. Since the advent of the Internet, the concept of community has less geographical limitation, as people can now gather virtually in an online community and share common interests regardless of physical location. Prior to the internet, virtual communities (like social or academic organizations) were far more limited by the constraints of available communication and transportation technologies.⁸

There is no shortage of discussion on the various meanings of community and the contested nature of the concept. One of the difficulties with community is that it falls into the category what Plant⁹ calls an 'essentially contested concept'. Plant pointed out that community has both a descriptive and an evaluative meaning. The descriptive meaning refers to features of the world that describe what it is to be community- for example, 'a group of people with something in common'. Hillery¹⁰ noted 94 definitions of community, and the confusion created by the usage of the term led some in the 1960s and 1970s to call for its abandonment¹¹, 1970¹². Yet as Clarke¹³ commented in his classic re-examination of the concept of community "If the concept of community is dead, it stubbornly refuse to lie down in this chapter we will build upon some of the definitions of community: Butcher¹⁴ identifies three senses of the term 'community'. These are 'descriptive', 'value', and 'active'. The first two senses build on Plant's distinction between descriptive and evaluative meanings. The third meaning is developed from the other two, and has particular relevance to business community, in that it refers to groups of people with something in common, acting in solidarity, participating in policy-making or working towards change in their neighbourhoods of interest groups¹⁵

- 1) **The Descriptive Community:** Social scientists use this term to describe a group or network of people who share something in common. This generally involves both social interaction within the group or network, and a sense of attachment, identification with or belonging. A distinction is often made between two types of communities: territorial communities and communities of interest or identity.

In territorial communities what people have in common is their geographical location – their neighbourhood, village or town. Whereas, communities of interest or identity, are based on characteristics other than physical proximity, such as ethnicity, occupation, religion, sexual orientation, and so on. These categories are not mutually exclusive, as some communities, may be rooted in both shared locality and common interest.

While we would define descriptive community as entailing an attachment to a group or social network, it is important to note that the term is very often used in the context of policy and practice simply to refer to a geographical neighbourhood (for example, 'the British community in the hill stations of India'), or rest of individuals ('the native community') who may not actually feel any sense of attachment to, or identity with, the area or group referred to. Strictly speaking, this is a misuse of the term, but it is used so commonly that we need to take it into account. The term 'community' is often used in a policy context to mean simply people who live in an area, and/or people who are not professionals. This is often what is meant when reference is made to 'community representatives', 'consulting the community' or 'community-based service'. This use of the term may imply a sense of belonging or attachment, even though there is none. It is also used in the context of community development work, where the task may be actually to develop and strengthen the sense of community within a neighbourhood or group.

- 2) Community as value: as already noted, community not only has several different descriptive meanings, but also has an evaluative meaning. Community generally has positive connotations, conjuring up visions of warm, caring neighbourliness. However, precisely what values are embodied by the concept of community will vary according to the ideological position held. Butcher¹⁶ identifies three 'community makers values': solidarity, participation and coherence. In their strongest form, he argues, these are grounded in a communitarian philosophy. Although there are many different versions of communitarianism, broadly speaking they all hold to a view of the individual as constituted by society. According to Sarah Banks what people are, and what they can become, is

profoundly affected by their inherent disposition and need to associate with, and to live a life with, others in society¹⁷.

- 3) Active community: this meaning of community encompasses and builds on the descriptive and value meanings mentioned earlier. It refers to collective action, by members of territorial or interest communities that embrace one or more of the communal values of solidarity, participation and coherence¹⁸.

The term 'community' is applied in various perspectives in various disciplines. German sociologist Ferdinand Tönnies distinguished between two types of human association: *Gemeinschaft* (usually translated as "community") and *Gesellschaft* ("society" or "association"). In his 1887 work, *Gemeinschaft and Gesellschaft*, Tönnies argued that *Gemeinschaft* is perceived to be a tighter and more cohesive social entity, due to the presence of a "unity of will."¹⁹ He added that family and kinship were the perfect expressions of *Gemeinschaft*, but that other shared characteristics, such as place or belief, could also result in *Gemeinschaft*. This paradigm of communal networks and shared social understanding has been applied to multiple cultures in many places throughout history²⁰. The multiple culture of Darjeeling may be the result of the cohesiveness of the communal networks and shared social understanding. *Gesellschaft*, on the other hand, is a group in which the individuals who make up that group are motivated to take part in the group purely by self-interest. He also proposed that in the real world, no group was either pure *Gemeinschaft* or pure *Gesellschaft*, but, rather, a mixture of the two.

However, it may be concluded from the above discussion that a large number of groups formed around limited interests tend to develop the major characteristics of community on the basis of their own socio-economic status, such as merchants, agriculturists, industrialist etc. The businessmen in a small town or a big city constitute a community across caste and local division in so far as they have an association, a body of conduct, programme of social interaction among members and a collective approach to transactions with local governing body, municipal and governments administration. Similarly, those people engaged in trade, commerce and industry at any level whether national, international or local could be regarded as business communities.²¹ Therefore,

it may be argued that business communities are a group of people, sharing a common bond of tradition that support and challenge each other to act 'powerfully, both individually and collectively, to affirm defence, and advance their values and self-interests.

Though they have common aims and objectives to extort much more profit in a short time, they divide among themselves on the basis of a number of factors like volume of business, quality of trade, business environment etc. A group of merchants in a large trading centre may be divided on the terms of regional or ethnic or religious and linguistic affiliations. Big business houses in the big cities of India recognize some differentiation among themselves on the basis of these factors. Sometimes they make their own clubs and sometimes own elite residential areas. In fact, rival association of merchants and social clubs may exist at some places to symbolize ethnic divisions with the upper class, which is, but one section of the business community as a whole. Sometimes they evolve among themselves an exclusive culture including mannerism of speech and writing, styles of dealing with Government and the public rituals and superstitions relating to business. According to N.R Seth "This economic and cultural distinctiveness provides to business groups the identity as a social class whether or not they are bound by caste, religious or regional background"²²

To N. R. Seth "the concept of business community would therefore, apply to different social entities in various social situations. It may include the entire spectrum of businessmen in relation to government or other segment of society. Or it may refer to a special class of businessmen against other strata of the wider business community. Or it may refer to a compact social unit within a class of businessmen"²³. Therefore, group of merchants in different parts of India may be known by different names in accordance with these variables like Marwaris, Gujratis, Baniyas, Chetiars, Jains, Parsees, Newars, and Tibetans etc. So, the structure of business groups can be identified with specific caste or regional groups. However, there are often sub-communities within business communities at all levels.

Despite, these divisions in some respect they are a community or business magnet at another level. As a business body they share common interests, sometimes common values and act as a collective body to develop the issues like excise, taxation and government control in their own favour.

Enterprise in India, as well in other societies, has however, not developed evenly among all segments and strata of the society. Some socio-economic groups have shown consistent headship in business enterprise, while others have shown hardly any interest in such economic activities. The spirit of enterprise, therefore, needs to be explained in relation to social and cultural factors rather than in terms of psychological variables. Business and trade, along with farming and animal husbandry, were for the Vaishya class in the classical Hindu Varna system. As the Vaishyas occupied the third position in the four-fold Varna hierarchy; business seems to have held a relatively low status in the social hierarchy. For the past few centuries, however, the classical Varna system has remained merely as a model. The social reality of India across its length and breadth has for long been quite different from the Varna model. The occupational basis of caste system has progressively become more flexible over the centuries, although a loose connection between the two has continued all along²⁴.

All these characteristics, stated above would be found in respect of the business communities of Darjeeling Sub- Division. They are sharing common interests, values and sometimes same association to extort much more profit in a short space of time, and trying to secure their vested commercial interests and influence the government policy in their own favour. But at the same time they are divided among themselves into several groups on the basis of caste, creed, religion, ethnicity, language, region and quality and quantity of trade etc. For example, the British Community enjoyed the monopoly control over almost all commercial activities of Darjeeling since its emergence. As a separate race, and linguistic community they established separate entertaining centres in Darjeeling town. The Marwaris, the next important business magnet also made their own association to keep control over their business. On accordance of their caste and creed they again divided among themselves into a number of sub-castes. It is very peculiar to draw a general framework to identify them within a

well-articulated social group irrespective of caste, creed, region etc. In this way, it may be found that each business group made its own association but as a business body they acted collectively to maintain their interests. Therefore, they are framed as 'business community'

In the present study the term 'Business Community' of Darjeeling is used to denote the body of individuals who manage commerce of Darjeeling. They are categorized on the basis of regional variations; caste creed or religious identity of the business group of Darjeeling is unfamiliar. In this district they are come to be known on accordance of their birth place, where from they migrated to Darjeeling. Therefore, present study has also seemed more easy and reasonable to adopt the identification of the merchants on their regional variation. Because each community (on the basis of regional variation) again divided among themselves into a number of small sub-caste and creed, which is very ambiguous to identify them into a particular socio-economic framework.

Before going into the deep of discussion it is necessary to know the history of the rise and growth of Darjeeling in which the business communities took rooted in the soil of this hills.

1.2: Darjeeling: An account of its rise and growth

The Queen of the Himalayas- Darjeeling is a hill resort of West Bengal. It is the northern most district of West Bengal. Due to its location it is strategically important for India's security. It owes its richness to its natural beauty; its clean refreshing mountain air and above all its natural grandeur attract travelers from all over the world. Darjeeling is situated in the Shiwalik Hills (or lower/ outer Himalayas) at an average elevation of 2,134 meter above sea level located between 26° 27' 10" North latitude and 68° 53' 00" and 87° 59' 30" East longitude. Darjeeling is bounded by three countries, Nepal to the west, Sikkim to the North and Bhutan and Bangladesh to the east. Only three Indian districts one of which is in Bihar offer accessibility to Darjeeling and only featured as an irregular triangle of about 1164 sq miles in area²⁵.

The name 'Darjeeling' came from the Tibetan words 'dorje' meaning thunderbolt (originally the scepter of Indra) and 'linga' a place or land, hence 'the land of the thunderbolt'. A landmark year in the history of Darjeeling was 1835 when it was handed over to the East India Company by the King of Sikkimputty, but it is possible to trace its history before that. Actually the history of Darjeeling is intertwined with that of Nepal, Bhutan, Sikkim and Bengal. Until the early nineteenth century, the area around Darjeeling was ruled intermittently by the kingdoms of Nepal and Sikkim with settlement consisting of a few villages of Lepcha woods- people. Therefore, prior to its acquisition by the East India Company in 1835, Darjeeling formed a part of Sikkim and for a brief period of Nepal, and Bhutan (the Kalimpong Sub Division).

Previously, Darjeeling formed a part of dominions of the Raja of Sikkim, who had been engaged in unsuccessful warfare against the Gorkhas of Nepal. From 1780 the Gorkha constantly made inroads into Sikkim and by the beginning of the nineteenth century they had overrun Sikkim as far eastward as the Teesta and had conquered and annexed the Terai. According to Dozey, 'prior to the year 1816, the whole of the territory known as British Sikkim belonged to Nepal, which won it by conquest'²⁶.

In the meantime, the British engaged in preventing the Gorkhas from overrunning the whole of the northern frontier. The Anglo- Nepal war broke out in 1814. Defeat of the Gorkhas led to the treaty of Sagauli, 1815 in which Nepal had to cede all those territories the Gorkhas had annexed from the Raja of Sikkim to the East India Company²⁷.

In 1817, in the treaty of Titaliya, the East India Company reinstated the Raja of Sikkim (who was driven out) restored all the tracts of land between the Mechi and the Teesta to the Raja and guaranteed its sovereignty. With the intervention of the British, the Gorkhas were prevented from turning the whole of Sikkim into a province of Nepal and Sikkim (including the present District of Darjeeling) was retained as a buffer state between Nepal, Bhutan and Tibet.

Ten years later dispute again arose between Sikkim and Nepal which according to the 'Treaty of Titaliya' were referred to the Governor General of India. Accordingly in 1828

Captain Lloyd was deputed to settle the dispute. Capt Lloyd and J.W Grant, I.C.S, the Commercial Resident at Maldah, after settling the internal faction between Nepal and Sikkim, found their way to a 'Old Gorkha station' called Darjeeling near Chuntong and were very impressed with the possibilities of the station as sanatorium. They saw and thought of making this place a sanatorium to escape the heat in Calcutta. Other British officers also reported favourably on the situation of the hill of Darjeeling. However, Capt Lloyd reported some important points to convince the Governor General to annex the place. He emphasized its strategically important location in commanding entrance to Nepal and Bhutan on the one hand and on the other, he stressed that, from its commanding height, the whole of Sikkim and the neighbouring countries pointed out that it would serve as a British out post in the Himalayas and a base for the defense of the trade route to Tibet through Sikkim. Above all it would be an important summer resort for British officials to escape the heat in the Plains²⁸.

Lord Bentinck promptly deputed Capt. Herbert to examine and map the tract of land along with Grant with special reference to its strategically and communication benefits. Their Reports proved the feasibility of establishing a sanatorium in Darjeeling. General Lloyd was accordingly deputed to start negotiations with Raja of Sikkim of a Deed of Grant on the 1st February 1835.

“The Governor- General, having expressed his desire for possession of the Hill of Darjeeling on account of its cool climate for the purpose of enabling the servants of his government, suffering from sickness, to avail themselves of its advantages”, the deed ran, I. the Sikkimputtee Rajah, out of friendship for the said Governor- General, hereby present Darjeeling to the East India Company that is, all the land south of the Great Rangeet river, east of the Balasun, Kahail and Little Rangeet rivers and west of the Rango and Mahanaudi rivers²⁹.

Thus, Darjeeling was annexed as an unconditioned gift from the Raja of Sikkim in 1835. Later on the Government granted the Raja an allowance of Rs 3,000 as compensation in 1841 and in 1846 it was raised to Rs. 6,000. It was a narrow enclave of 138 square miles, about 30 miles long and 6 miles wide. It was entirely surrounded by

the Raja's dominions – entry and exile being restricted to a narrow path which included the sites of Darjeeling and Kurseong towns and touched the plains near Pankhabari, what the Raja got in return immediately a gift parcel- one double barrel gun one rifle, one 20 yards of red broad cloth, 2 pairs of shawl – one superior quality and the other of inferior quality³⁰.

Though, the present form of Darjeeling did not complete at that point of time. It was made complete by two other annexations – one from Sikkim and another from Bhutan. Final form to the shape of the district was given in 1866.

Initially, the king of Sikkim was not happy with the British Government, even though he gifted for purpose of a sanatorium but it was made an important administrative and military out post. Moreover, the British authority at Darjeeling encouraged the Skkiniese to migrate to this virgin land by allowing them with many facilities. this increasing importance of Darjeeling under free institutions was a constant source of jealousy and annoyance to the Dewan of Sikkim who captured all power of Sikkim. Thus, relation between the British and Sikkim soured. According to Sir Hooker, every obstacle was thrown in the way of a good understanding between Sikkim and the British Government³¹. When in 1849 the Pagla Dewan arrested Dr. Campbell and Hooker, the British Government sent a fugitive expedition against Sikkim in 1850. An annual grant of Rs. 6,000 was also stopped and the British annexed 640 square miles of additional territory from Sikkim. It comprised the entire Sikkim between the Great Rangeet and the plains of India, and from Nepal on the West to the Bhutan frontier and the Teesta river on the east³².

Impact:- The impact of this was far reaching-

- (i) Raja of Sikkim became confined to mountainous hinterland and cut off from all access to the plains except through British territory.
- (ii) It was welcomed by inhabitants as they had to pay a small and fixed tax to the treasury at Darjeeling.



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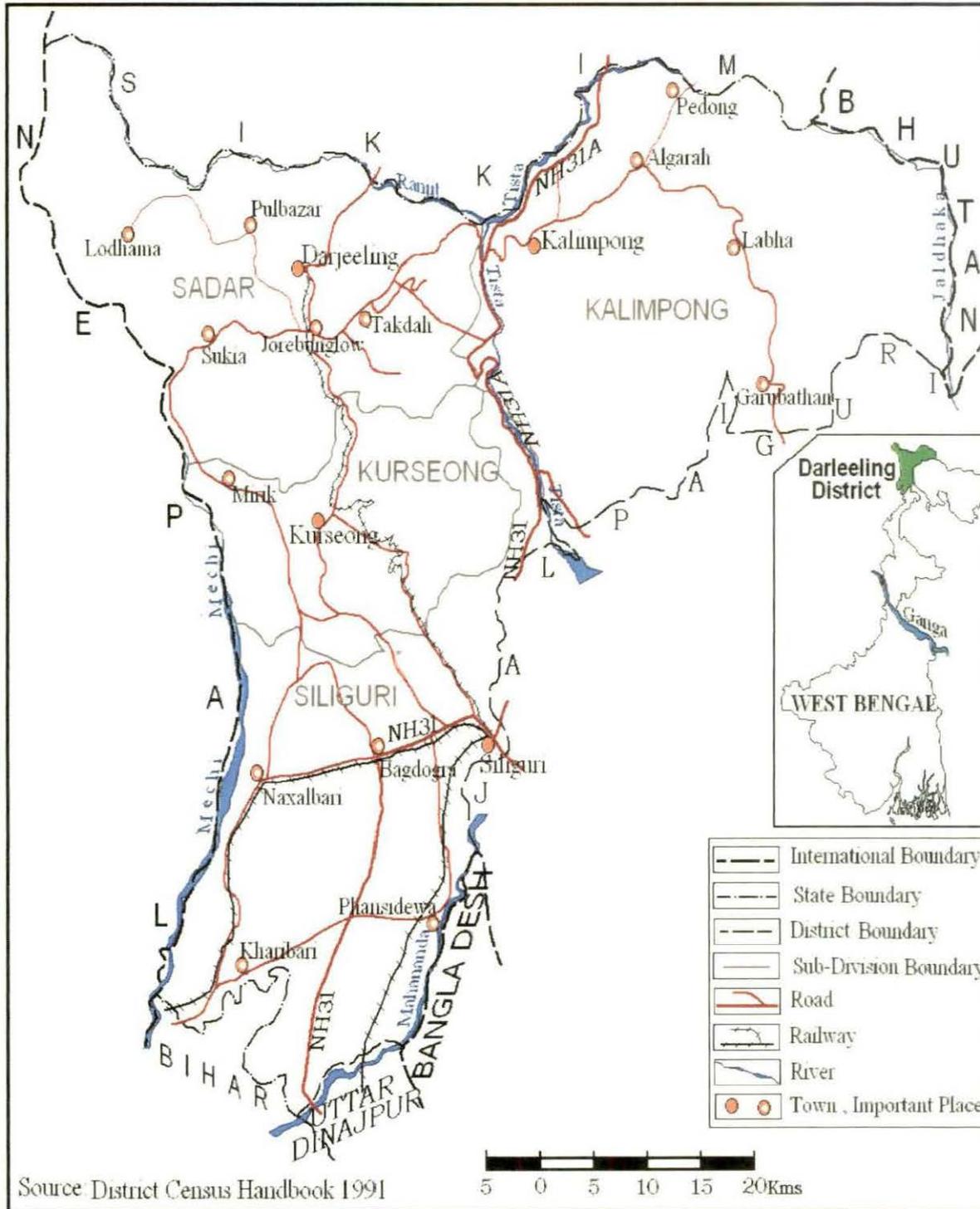
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(iii) This also proved to be beneficial for the economy and development of Darjeeling. And assets to Darjeeling as (a) it led to an increase in population (b) the place was identified suitable for tea and (c) connected Darjeeling on the south with British districts of Purnea and Rangpur, Jalpaiguri and other places which opened an era of trade. Raids from Sikkim however, continued. In 1860 the British occupied Rinchinpong.

In 1861 (1st February) Colonel Gowler and Ashley Eden moved from Darjeeling and reached the Sikkemese capital of Tumlong. The Dewan fled and the old Raja abdicated in favour of his son. On March 28th 1861, Ashley Eden signed a Treaty with the new Raja. This treaty was of great advantage to Darjeeling as it ended the annoyances caused to its inhabitants and secured full freedom for commerce. A road from Darjeeling to Teesta was constructed; Sikkim undertook to complete the remaining part. In this way Darjeeling completed its second stage of construction.

The last stage of construction of Darjeeling district was completed in 1866 when the Bhutan Duars with passes leading into the hills and Kalinmpong were ceded to the British. Trouble arose with the adjoining state of Bhutan because the Bhutanese were constantly raiding and plundering the areas of Darjeeling borders. There were also rumours of a planned attack on Darjeeling from the side of the Bhutanese soldiers. In 1863 when Ashley Eden was deputed to negotiate with the Bhutanese king he was openly insulted and returned to Darjeeling. In the winter of 1864, a military force was dispatched to Bhutan and the whole of Bhutan Duars was captured. In November, 1864, the Treaty of Sinchula was concluded in which the Bhutan Duars with the passes leading to the hills and Kalimpong were added to the British territory³³. Therefore, 1866 marked an epoch in the history of Darjeeling. Peace was established on all fronts hence and the march to progress and civilization started.

DARJEELING DISTRICT



Map: 1.1-Sub-Divisions of Darjeeling District

Later on, the administrative set up of Darjeeling was changed from time to time with political and administrative changes in India. The district remained under the Rajshahi Division until October 1905, and later on it was transferred to the Bhagalpur Sub-Division because of the partition of Bengal in 1905. When partition was revoked, it was again transferred to the Rajshahi Division in 1912.

The partition of India in August 1947 left the boundaries of the district intact and in the share of West Bengal. The district was placed thereafter in Presidency Division³⁴.

Present day Darjeeling District consists of four Sub- Divisions namely (1) Sadar Sub-Division (2) Kurseong Sub- Division (3) Kalimpong Sub- Division and (4) Siliguri Sub-Division. Of these four Sub- Divisions only Siliguri Sub- Division is situated in the plains the remaining three being located in the hills. The Darjeeling Sadar Sub- Division as a district head- quarter and hill resort of the state is much more important and assumed a unique position among all these four Sub- Divisions and it is also our research area. It covers an area of 93.5 square miles (316 square k.m). This Sub-Division consists of five police stations viz (1) Sadar (2) Jorebanglow (3) Pulbazar (4) Sukhiapokuri (5) Ranli- Rangliot. According to the Census of 1961 it had a total population of 26,3,523. It occupies roughly 28.7 percent of the district area and contains 31.7 percent of its population³⁵. The town of Darjeeling is nestled on a ridge which starts at Ghum and varies in height from 6500 to 7886 feet above sea-level. The ridge might be likened to the letter 'Y', base resting at Katapahar and Jalapahar while the two arms diverged from the Mall, one dipping suddenly to the north-east and ending in the Lebong Spur, the other running north-west (on which Birch Hill stand) passes the St. Joseph's College and finally ends in the valley near the Takvar Tea Estate.

At the time of annexation in 1835 of Darjeeling Sadar, comprising 357.4 square k.m. (138 square miles), the tract was wholly covered by forests.³⁶ From 1835 onwards Darjeeling underwent a great socio-economic change brought about by the administrative policy undertaken by the colonial state for its vested interest. From a small sleepy village with about a hundred souls Darjeeling transformed into a modern hill resort with more than one million people. After the annexation Lt General Lloyd

was appointed as Local Agent, and Surgeon A. Chapman engaged in exploring the land and the trend of the country. In 1839 the appointment of Local Agent was abolished and Dr. Arthur D. Campbell a member of Indian Medical Service and the Asst. Resident at the Court of Nepal was appointed as the first Superintendent, a post which he held for twenty two years. The same year Lt. Napier of the Royal Engineers (subsequently Lord Napier of Magdala) was deputed to lay out the town and construct a hill road which would connect at Siliguri with the Grand Trunk Road, measuring 126 miles. The road started from Karagola Ghat opposite Sahibgunge on the East Indian Railway, spanned five large rivers, and was completed in 1866 at a cost of Rs. 14.68.000. The Calcutta Road to the east of the hill on which the Jalapahar Cantonment stands was completed in January, 1838, by Lt. General Lloyd. In a short time the town boasted of a 16 miles long drive of a broad road named after the Governor-General, Lord Auckland, while the alignment of a road, since known as the old Military Road, measuring 40 miles, was started in 1839 and completed in 1842 at an expenditure of Rs. 8.00.000. This road unfortunately proved unsuitable for the cart traffic owing to its steep gradients, and as it was also found incapable of meeting the expanding requirements of the district, sanction was accordingly obtained in 1861 for the construction of the 25 feet width Cart Road, from Siliguri to Darjeeling at a cost of about £6,000 per mile. It was on this highway that the Darjeeling Himalayan Railway worked its way in and out of the several spurs slowly but surely creeping up the hillside to its terminus at Darjeeling³⁷.

In 1869 the Cart Road from Darjeeling to Siliguri was completed. The year 1878, however, ushered in a new era for the break in the metre-gauge line between Poradah and Atrai was linked up via Bhairamara, and formally opened for traffic by the late Sir Ashley Eden, Lieut. -Governor of Bengal. Jalpaiguri and extended to Siliguri on June 10th, 1878³⁸. The establishment of Darjeeling Himalayan Railway in 1885 revolutionized the railway communication between Siliguri and Darjeeling. Large-scale merchandises were carried on smoothly at comparatively low cost in a short time. Within a few decades Darjeeling networked with a good communication and transportation system which signified the emergence of trading network in and around Darjeeling Sadar.

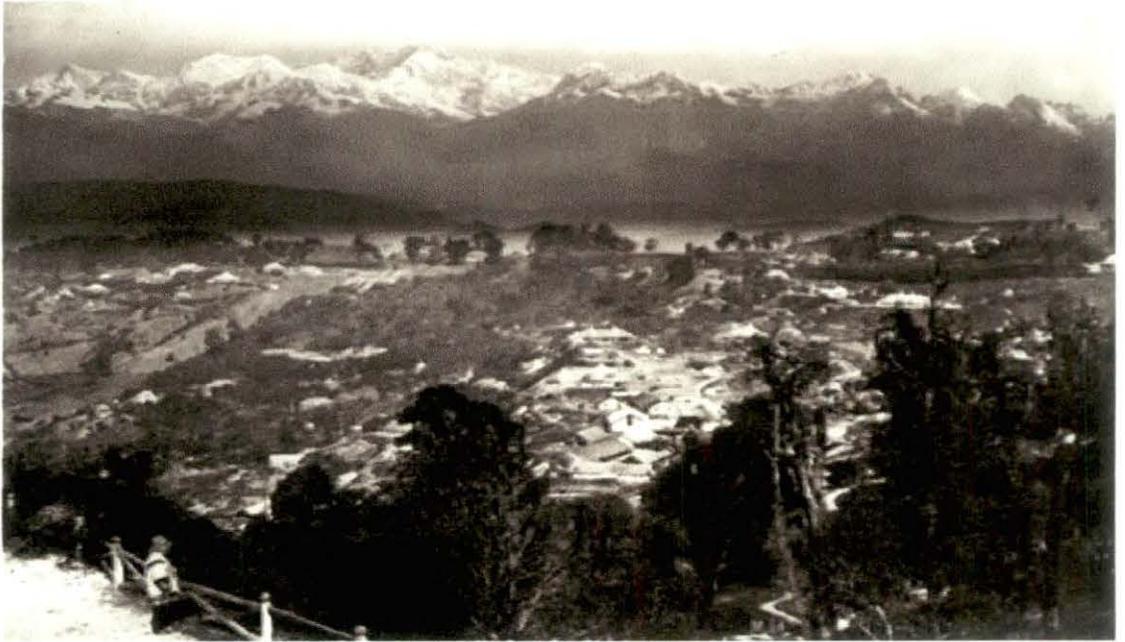


Figure 1.1 Darjeeling 1887s,

Source: ebay.com



Darjeeling Town in the early - 1900's

Das Studio - Darjeeling

Figure 1.2 Darjeeling Town in the early 1900s

Source; Das Studio

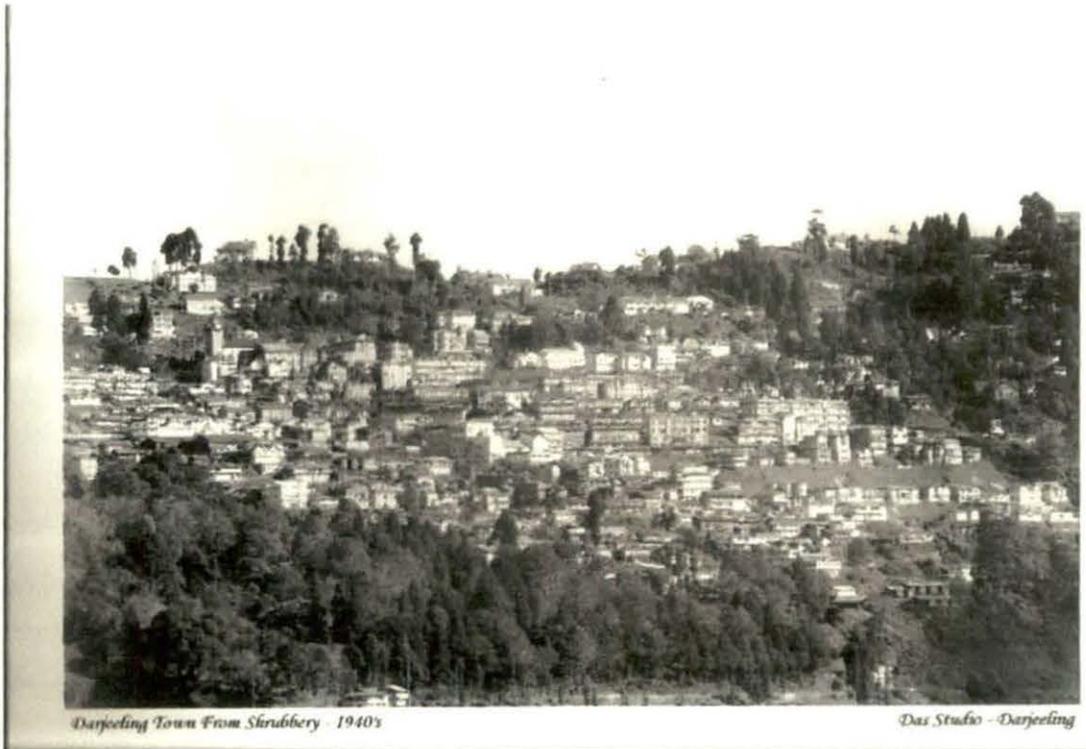


Figure 1.3 Darjeeling from Shrubbery (Governor House) -1940s

Source: Das studio



Figure 1.4 Darjeeling 2010s

Source: www.darjeelingphoto.com

A simple system of justice was introduced in line with the tribal system. The district witnessed the growth of population mainly due to immigration. Forced labour was abolished at Darjeeling. Experimental cultivation of tea, coffee, fruits etc. was introduced. At the time of Dr. Campbell's superintendentship the number of inhabitants rose from 100 to 10,000. And the revenue also increased amounted Rs 50,000⁴¹. The Darjeeling Municipality was established in 1850.

Several British style public schools were established. Scottish missionaries undertook the construction of schools and welfare centre for the British residents, laying the foundation for Darjeeling's high reputation as a centre of education. It attracted students from many part of India and neighboring countries. At the same time it was also developing as a tourist destination. Elite residents of the newly developing hill resort were the members of British ruling class of that time who visited Darjeeling every summer. An increasing number of well- to- do Indian residents of Calcutta- land-owners, zamindars and barristers of Calcutta High court also began to pour in Darjeeling. The town continued to grow as a tourist destination. Consequently, the hotel business attracted the attention of the entrepreneurs. The first 'Darjeeling family Hotel' was opened on 31st March 1840 by D. Wilson and soon it was followed by many other hotels such as Woodland (shortly followed by Drum Druid) Rockville, Bellevue, Central Hotel and the Hotel Mount Everest etc.⁴². A dozen of boarding houses also came into existence for the purpose of serving visitors. The increase of hotels and boarding houses obviously indicated an excellent business prospect centring round this industry. Rise and growth of tourism industry from the 2nd half of the nineteenth century opened up other avenues of economic activities such as transport business. It became lucrative due to the increase of travelers which again extended the purview of distributive trade and commerce. In this way from the 2nd half of the nineteenth century onwards Darjeeling emerged as an important tourist centre as well as a trading mart. In the mid 50's of the nineteenth century the establishment of Darjeeling Municipality brought about two significant commercial progresses; it provided market space and buildings for shop and thereby goods were stored for higher market especially for

Trans-Himalayan countries. In this way it helped to build up trading relations with its neighboring countries. Traders imported merchandise from Calcutta for consumption as well as for export to Sikkim, Nepal, Bhutan and Tibet. Due to its geo-strategic location a Trans-Himalayan trade system emerged in the subsequent year. Darjeeling served as halting point. All these factors proved to be instrumental in the immigration of the merchants which led to the growth of business communities in Darjeeling.

Along with the development of trade and market, both internal and external, Darjeeling's economy received a tremendous boost from the rapid growth of tea industry in its hinterland from the late 50's of the nineteenth century⁴³. All the requirements of tea gardens were mostly met by the Darjeeling market, the managerial staff used to visit the town on weekends for spending sometime in luxuries of the town life which they could not get in the gardens as well as for purchasing their necessary goods from the market.

Darjeeling soon gained reputation as an education centre and attracted a large number of students from India and outside India. A number of Christian missionaries started to established English medium school on metropolitan model of European line. As a result a number of Europeans and Indians sent their children to educate in those schools. Therefore, Darjeeling always crowded with many people whose material needs were met by the traders.

The objective behind the British occupation of Darjeeling was not only to make a sanatorium but also to establish trade relations with Tibet, and central Asia and to open up the district for trade and commerce. So they constructed a large number of roads along boarder. The construction of a trade route in Sikkim and its linkage with the Northern Bengal Railway fulfilled the British desire to establish a trade relation with Tibet and Central Asia. This was made possible by signing a friendly treaty with Sikkim in 1865. It became helpful to do free trade and commerce through Darjeeling.

The geographical location of Darjeeling was favourable for developing a close commercial intercourse with Nepal, Sikkim, Bhutan and Tibet and its importance as a trade mart steadily increased. Darjeeling became a melting – trade centre. Because the

business class imported articles (European piece- goods, cotton yarn, rice, kerosene, salt and coke, etc.) from Calcutta and stored at Darjeeling. Some articles sold in the local market and a part of it was exported to Nepal, Sikkim and Tibet. In the same way imported commodities from Nepal, Sikkim and Tibet were used partly Darjeeling and partly shifted to Calcutta for a larger market. All these transactions were carried on by a group of people who migrated as merchants, a petty trader, and merely a fortune-seeker and tea-labourers

Agricultural development:- At the time of its annexation the whole territory was almost covered with forest and was very sparsely populated. The soil of Darjeeling is mostly light in texture (sandy to sandy loam) and rich in organic matters. It is mostly acidic in nature, porous and water percolates down rapidly. The hilly terraces vary widely between less than a metre to 2.5 m. on an average and the slope of the terraces varies in different blocks. For that reason during June to September due to excess run- off water soil erosion have reached alarming proportions and are causing loss of fertilized lands. decline in fertility and consequent productivity of soil.

Inspite of all these difficulties, agriculture became one of the major economic activities. The arrival of the new settlers, especially the Nepalese marked an important change in the field of agriculture. They introduced new techniques to slop the land for cultivation and the local inhabitants learnt this new technique which accelerated the agriculture development as well. Now the Lepchas gave up their age- old Jhuming method of cultivation and learnt how to construct on the mountain slopes, the terraces which formed such a distinctive feature of Himalayan cultivation. In this way they started to cultivate paddy (in lower elevation), Maize and cash crops like cardamom, potatoes, oranges, apples and vegetables on experimental basis. Early experiment of plantation crops viz: tea, cinchona proved successful and within two decades tea industry had its niche in the Darjeeling Himalaya. Actually Darjeeling is a part of outer Himalayas and its economic features are influenced by sub mountain regional environment. Its physical geography, sub-mountain climate and density of forest play a significant role in developing a different kind of economy distinguished from the Plains. Crop pattern of this area is totally different from the plains. As a result the trading pattern of this hill

tract arose in course of time is also distinctive. Darjeeling largely depends on the plain for its daily needs like groceries, manufactured goods etc. Tropical cash crops like oranges, cardamom, and zinger included as an important export goods.

After independence, the district of Darjeeling remained in the partitioned section of Bengal (West Bengal) and therefore, in the Indian Union.

Afterwards, the Indian Government reconstructed her relation with its neighboring states on the basis of peaceful co-existence and non-alignment policy. In 1954 India revived her relation with China on the basis of 'Punchsheel' and peaceful co-existence. Despite this 'Agreement', China attacked India in 1962. China also occupied Tibet in 1959. As a result of all this the subsequent years saw the knock down of some important trade routes that passed through Lhasa to Darjeeling. Both of the incidents had a great influence on the commercial pursuits of Darjeeling. Firstly due to these events all the important trade routes running through Tibet were closed down. Secondly, its frontier areas and finally the Tibetan refugees who settled in and around Darjeeling started creating pressure on its commercial activities. A good number of Tibetan people engaged themselves in the local business and began to compete with the indigenous merchants. In this way this new addition had a great influence on the commercial prospect of Darjeeling. Thus, the year 1962 turned out to be significant in the history of Darjeeling. We have glimpsed the influence of this phenomenon over commerce of Darjeeling.

Therefore, we have seen that the emergence of Darjeeling as plantation hub, tourist resort, gave rise to a well-established trading platform over time under the Raj. Its geo-strategic location made it an halting point in between Calcutta and the Trans-Himalayan countries. We find the following three major historical changes in Darjeeling:

- (1) Commercialization of Darjeeling
- (2) Emergence of Darjeeling as tourist destination and
- (3) Rise and growth of Darjeeling as trade centre

We see the very growth of these historical phenomenon had taken place simultaneously with the growth of its businessmen and markets and vice versa. Since its inception as a colonial sanatorium and tea plantation hub, Darjeeling attracted many business communities and commercial classes such as Europeans, Marwaris, Biharis, Nepalese, Bengalese, Panjabis, Tibetans, Kashmiris, Parsees, Chinese and others. Among them the Europeans were the most important traders who had already established their own long history of trade from the early medieval period with different parts of the world. Setting up bases in Calcutta these communities grew their businesses (chiefly tea) across the north-eastern part of India and the world through their intricate and expanding trading network. In course of time they also included Darjeeling into this network. (Through tea and tourism industries). We have largely concentrated on the growth of tea and tourism industries under the Europeans as well as the British. How the indigenous business communities were marginalized by these well-developed business networks of the Europeans and confined them within local retailing of distributive trades is also examined through personal survey of oral history. How these groups of merchants, especially the Marwaris diversified into various trading activities in course of time is largely traced back within the colonial traits with example of some particular Marwari families. These entire phenomena are explained in this research through a rich narrative of human and institutional accounts. Through these narratives, we have a well-told story of the manner in which business structures and practices have evolved in the changing context of the development of Darjeeling from a sleepy village in late nineteenth century to a modern plantation zone, hill resort and trade centre in the twentieth century. In the stories recounted in this study, the theme of diversification has featured prominently. While staying true to their commercial calling, many enterprising business individuals and families were able to leverage (means control, influence) on new and diversify their business portfolios. The stories in this study have focused on history of the migration and settlement of the mercantile class and their shifting from one business to other.

Hence we had to face some problems in collecting the information and sometimes there even led to inevitable death of useful sources. Many indigenous big enterprises are family business and family businesses tend to guard their privacy, and do not readily

divulge trade practices and business strategies for public scrutiny. But in spite of such shortcomings, we hope that whatever we have been able to collect will do justice to theme of the research work. Set in the retrospect of socio-economic development of Darjeeling this study is an attempt to situate a group of people into this historical phenomenon. Therefore, the chief objectives of the study are as follows:

1.3: Objectives of the study:

They main objectives of the research work are as follows:-

1. To reconstruct the picture of trade and commerce of Darjeeling Sub-Division during the British period.
2. To identify the important business communities and highlight the trading pattern of each community.
3. To highlight the diversification of business communities over time
4. To identify changes in the trading scenario after the departure of the British.
5. To highlight the effect of political changes in Tibet and the Indo-China war of 1962 on the economy of Darjeeling.
6. To identify the role of the business communities in the development of Darjeeling.

1.4: A short overview of literature:

While some information about trading network and structure are called from various archival documents, contemporary accounts and some secondary sources, the actual history of some business families have been reconstructed from oral sources.

An overview of related literature shows that some works have been done on the business communities of India in general and some of its important communities in particular but region- wise study is almost absent excepting few exceptions. We have discussed those books separately. History of Darjeeling on the other hand can be reconstructed from various books and articles. Some of these are:-

a) **Books on Darjeeling -**

1. *District Gazetteers of Darjeeling*:- Three important Gazetteers have been written on the District of Darjeeling. These are by O'Mally(1907) , 'District Gazetteer: Darjeeling' by A.J. Dash(1945), and 'West Bengal District' by A.K Banerjee, Barun De & others (1984) In addition there is also A Statistical Account of Bengal.(vol-10 for Darjeeling) by W.W.Hunter(1876). All these are first hand accounts regarding the origin, expansions and development of Darjeeling. They deal with all aspects of the district including the people, flora and fauna, industries, agriculture, administration, expansion of trade and commerce, development of education, transport and communication etc. But they have not given any extra emphasis on the history of business or the mercantile communities of Darjeeling Sub-Division.
2. *A Concise History of the Darjeeling District Since 1835* by E.C. Dozey(1922):- It is something of a history, something of a guide and pleasantly encyclopedic. The author tells all about old Darjeeling, describes the various hill people and gives an account of trips out of Darjeeling. It also contains chapters on industries, flora and fauna, shikar and reminiscences of the author. It also gives the list of tours and description of Kurseong, Kalimpong and Siligurii. It includes a small chapter on trade and commerce of Darjeeling town and its neighboring areas which were of great help for this dissertation.
3. *Darjeeling, the Sanatorium of Bengal and its Surroundings* by R.D. O'Brien (1833):- It deals with history of Darjeeling from 1835 to 1881. It gives an account of its establishment as a sanatorium. It also deals with its history, description of new buildings, administration, tea industry etc.
4. *Thacker's Guide Book to Darjeeling and its Neighborhood* (1899)' by G. Hutton Taylor: - The author tries to give an important picture of the contemporary development of Darjeeling and its surroundings. It writes about the improvement of tea cultivation and other agricultural productions. This work contains a small chapter on local market and its commercial interaction with the neighboring countries, but does not give any account of the people who were involved in the trade.

5. *Newman's Guide to Darjeeling and its Surroundings* by W. Newman (1913):- This is a first hand tourist guidebook. It contains chapters on general developments, description of the town and its neighboring areas and its natural beauty.
6. *Tibet Past and Present* (1924) and *The People of Tibet* (1928) by Charles Bell: - The first book deals with Tibetan history from earliest times, but especially with the aims and movements of the period witnessed by the author early in the twentieth century. It contains anecdotes, conversations with leading Tibetans and quotations from poetry and proverbs illustrate the Tibetan point of view. Sir Charles Bell gives an inside view of Tibet which he served for twenty years on the Indo-Tibetan frontier, spoke and wrote the Tibetan language, and was brought into close touch with all classes from the reigning Dalai Lama downwards. In his second book he attempts to speak about the socio-economic life of the people in their own homes from a unique perspective. It provides an account of the real and inner Tibetan domestic life and a good degree of detail about intra-regional and trade with British Territories. These books provided some useful information with regard to the Tibetans of Darjeeling.
7. *Darjeeling: A Favoured Retreat* by Jahar Sen(1989):- The author of this work tries to trace the emergence of Darjeeling as an entrepot with an emphasis on the commercial interaction of Darjeeling with its neighbouring countries like Nepal, Bhutan, Sikkim, and Tibet. While it contains an account of the trans-Himalayan connections of Darjeeling, it does not give any account regarding the local markets and commercial ventures of the indigenous businessmen of Darjeeling.
8. *Dynamics of a Hill Society: the Nepalis in Darjeeling and Sikkim Himalayas* by Tanka .B. Subba(1989):- It contains a wealth of information on the early history of the Nepalis , their migration and subsequent settlement in the Darjeeling-Sikkim Himalayas, changes in the caste organization in the background of its traditional structure, nature of the agrarian system and the caste-class nexus, and lastly, an incisive analysis of the emerging class structure and its role in shaping the destiny of the people. The work based on intensive field-work carried out in the well chosen five villages in Sikkim and Darjeeling has amply supplemented

by the use of old historical records, interviews with people from all walks of life and author's own perception about the dynamics of Nepali society and politics.

9. *Urbanisation in the Eastern Himalayas: emergence and issues* (ed) by Karubaki Datta (2006) - It is an important work for the history of urban development in the Eastern Himalayas. Three important articles by Enakshi Majumdar, Aditi Chatterjee and Swatasidha Sarkar are written on the urban development of Darjeeling. Of these, the article by Enakshi Chatterjee is on the origin and growth of Kalimpong while the other two are on Darjeeling proper. These articles not only explore the process of urbanization from historical perspective but also analyze the inner texture of urbanization and its impact on socio-economic sustainability of Darjeeling from inter-disciplinary point of view.
10. *Contested Landscapes: the story of Darjeeling* by Aditi Chatterji (2007) :- Basically a book of Human Geography, it is one of the few works to depict the growth and characteristics of the town in all its aspects.. The author has shown how the social impacts of population variations and ethnic composition of the town population have influenced the economic as well as physical development of the town. She also emphasized on the segregation of landscapes between the migrant communities and the British and hierarchical division of the town among the ruler and the ruled in terms of power.

b) Unpublished dissertation on Darjeeling

Nineteenth Century Darjeeling: A study in Urbanization 1835-1890 (1997)' by Kashinath Ojha - This unpublished thesis submitted to North Bengal University, traced the process of urbanization in Darjeeling. It also contains one chapter on the commercial inter-course of Darjeeling with Himalayan states. Besides, there are some other important works on Darjeeling but the subjects of these works are varied and they are written from different perspectives. Some of these are- *The Eastern-Himalayas:- Environment and Economy'* (ed) R.L. Sarkar(1986). *Women Workers in the Informal Sector:- a study of the Hill Areas of Darjeeling District in West Bengal* by Shanti Chhetri, '(1999), *Small Scale Industries*

Problem and Prospect in West Bengal with special reference to Darjeeling (1951-1985), by Nilmani Mukherjee(1997) etc.

c) Books and Articles on Business and Business Communities:-

1. *Business communities of India: A Historical Perspective*, (ed)- Dwijendra Tripathi(1984):- It is perhaps the first ever attempt to write the history and trading interest of the business communities of India. It is a macro level study consisting of a number of articles by various authors. The writers deal with the history of different business communities, like the Marwaris, and the Pareses. One article of this book defines the term business community, their origin and role in the society and economy of India. The book however, does not give any account of the history of business or businessmen in Darjeeling.
2. *The Marwaris:- From Traders to Industrialists* by Thomas A. Timberg(1979):- It is the first ever attempt to deal with the Marwari community of India. It traces the history of their emergence from business group to industrialist. The Marwaris are eminent businessmen from Rajasthan and have contributed significantly to India's economic development. For this book he did extensive research in India on the Marwaris. In addition to public and English language materials, he used privately held family and business records of Gujarati and Hindi publications and collected relevant information. The book is interesting and informative on the Marwari community. Timberge largely spoke about the history of the nineteenth-century migration of the Marwari firms from Rajasthan, their relationships with various political and economic powers, their changing investment patterns over time.
3. *Industrial Entrepreneurship of Shekhawati Marwaris* by D.K. Taknet(1986):- It only deals with the history of the Marwari of Shekhawati region in Rajasthan who emerged as an important industrial entrepreneur in India.
4. *The Marwari Community in Eastern India: A Historical Survey focusing North Bengal* by Narayan Chandra Saha(2003):- It is a micro-level study on the Marwari community living in the three districts of North Bengal viz Cooch Behar, Jalpaiguri, and Terai region of Darjeeling. It has extensively discussed

the commercial pursuits, industrial activities and achievements of the Marwari community in these three districts. This work also deals with the process of migration of the Marwari community to the regions in the context of the socio-economic conditions prevailing before and also at the time of their migration.

5. *Private investment in India (1900-1939)* by A. K Bagchi(1972) -This book has two parts. It developed a simple theoretical framework in its first part and tries to isolate the influence on private investment in India of factor supplies, as against demand conditions. In the second part, all the major manufacturing industries of the period are studied in detail. Most of the analytical apparatus used is developed from orthodox economic theory, but a heavy emphasis is placed on Keynesian ideas. Finally the author presents a case study in the economic relations between an imperial power (Britain) and a dependent colony (India). He also examines the social relations between the ruling race and the Indians and provides a detailed account of the imperialism.
6. *Origin of the Modern Indian Business class: An Interim Report* by D.R. Gadgil(1959): In this book Dr. Gadgil discusses the socio-economic and political condition of the later part of the Mughal period and the emergence and growth of modern business communities, their regional distribution and social position in this context. He also pointed out the unit of business and capital formation.
7. *Bazaar India: Markets, Society, and the Colonial State in Bihar* by Anand A. Yang (1999): The role of markets in linking local communities to larger networks of commerce, culture, and political power is the central element in Anand A. Yang's original study. Yang uses bazaars in the northeast Indian state of Bihar during the colonial period as the site of his investigation. The bazaar provides a distinctive locale for posing fundamental questions regarding indigenous societies under colonialism and for highlighting less familiar aspects of colonial India. At one level, Yang reconstructs Bihar's marketing system, from its central place in the city of Patna down to the lowest rung of the periodic markets. But he also concentrates on the dynamics of exchanges and negotiations between different groups and on what can be learned through the

"voices" of people in the bazaar: landholders, peasants, traders, and merchants. Along the way, Yang uncovers a wealth of details on the functioning of rural trade, markets, fairs, and pilgrimages in Bihar. A key contribution of *Bazaar India* is its many-stranded narrative history of some of South Asia's primary actors over the past two centuries. But Yang's approach is not that of a detached observer; rather, his own voice is engaged with the voices of the past and with present-day historians. By focusing on the world beyond the mud walls of the village, he widens the imaginative geography of South Asian history.

d) Articles:

1. 'The Comprador Role of Parsi Seth, 1750-1850', Amalendu Guha:- In this article, published in the *Economic and Political Weekly*, 1970, Amalendu Guha has traced the growth of the Parsi business community over a period of 100 years. He has shown that Parsi mercantile capital was ripe for industrial transformation and that an all round development towards an indigenous navigation and shipbuilding industry was already witnessed in the second quarter of the nineteenth century. It also analyzes the behavior pattern of the Parsi Seth on the way to limited industrialization within the bound of colonial fetters.
2. 'Indigenous Business Enterprise in Bengal- 1780-1880', Chittabrata Palit:- This article Published in the *Quarterly Review of Historical Studies* in 1966, traces the flourishing emergence of some enterprising personalities in the later part of the Mughal period, while the socio-economic set up of India said to have been stagnant. The author traces their rise in an adverse condition of this period.
3. 'Entrepreneurial Cultures and Entrepreneurial Men', Ashis Nandy:- This paper published in the *Economic and Political Weekly* in 1973 examines, on an exploring basis, some of the psychological and social correlates of entrepreneurship in an urban community in West Bengal and compares two caste groups within the community – differing in entrepreneurial success, modernity and traditional social status on the magnitude of these correlates.

Research Gap:

An overview of the scholarly works suggests that there is no single work on the economy of Darjeeling in general and commerce in particular. Only a couple of these deal with the nature of trade from this region. As to the business communities, here, also we find that only one or two that deal with the Marwaris- the dominant community of Darjeeling but these Marwaris are of North Bengal and Doors in general and not of Darjeeling. Thus, the present investigation 'Business and Business Communities of Darjeeling Sub- Division from 1835 to 1962: A Historical Study' is the first comprehensive work focuses on local business and business communities exclusively.

1.5: Research Questions:

The basic questions that have been answered through this work are as follows:-

1. What was the nature and pattern of both internal and external trade of Darjeeling Sub-Division during the British period?
2. What were the major changes that set in the pattern thereafter?
3. What were the principal business communities of Darjeeling Sub- Division? What was the history behind their arrival?
4. What was the trading pattern of each business community? Was there any change or diversification over time?
5. Did the business communities maintain their social organization? What was their role in the development of Darjeeling Sub- Division?

1.6: Research Methodology:

The present study is a micro-historical type. The historical method of research i.e. both descriptive and analytical types has broadly been used to reconstruct the nature and pattern of business and business communities of this area. This work is not merely a compilation of information. It has tried to analyze the nature and pattern of trade and traits of the business communities in relation to the wider society. As the various business communities are dealt with by this study, the group approach of social science

research is also used. To highlight the annual produce of the tea estates, the statistical method of the Clinometric historical approach is largely used.

The methodology for the dissertation has been based on relevant, though inadequate archival materials, several newspapers articles, oral history sources related secondary sources and extensive conversations with the members of the business communities of Darjeeling. The available sources at the British Libraries, London and archives could not be used due to several constraints as also the exhaustive use of local publications. Facts and figures of trades have been collected from State Archives, Kolkata, National Library and Commercial Library, Kolkata, Tea Board Kolkata, Darjeeling District Record Room and Municipality etc. All these Government documents have thoroughly been searched from Home Department, Foreign Political Consultation Department, and Finance Department in State Archives.

The work based on intensive field-work was carried out in the old and important business areas of Darjeeling bazaar and its suburbs. It has been amply supplemented by the use of old historical records. For collection of specific information about the particular business groups, face to face interviews and short conversations have been conducted covering different business communities and their history has been reconstructed from these oral sources. A self-made questionnaire consisting of 30 different questions was prepared to find the inner traits of these communities and to find how their business patterns changed in course of time. Some old families from each community were identified and senior members of the families were interviewed. Their diaries, memoirs, letters, account books etc. when available, were also consulted. However, there are limitations in the work resulting from the interviewees' lack of willingness to converse and their extremely guarded approach. The websites of the related business communities and their organizations have been used quite liberally, especially for the case studies of the European business communities in particular to obtain information regarding their profile and enterprises.

The secondary data are collected from different sources like books, journals, souvenirs, district Gazetteers, district census hand books, unpublished works, magazines etc. All

these data are used after proper checking and comparing with the primary source materials.

1.7: Short overview of the following Chapters:

As we have mentioned above, the dissertation probes into two aspects of the economic history of Darjeeling from the British period to the post colonial period. Accordingly, we have made the following chapterisation covering both the aspects.

The second chapter deals with the nature of business networks that developed after the coming of the British and examines the emergence of business communities within the context of the changing phenomenon of colonial Darjeeling. It gives an emphasis on the evolutionary growth of Darjeeling town and the bazaar and its relationship with the Trans-Himalayan trading network. This chapter also analyses the role of Darjeeling in the expansion of commercial exchanges between Calcutta and the Tran-Himalayan countries.

The third, fourth and fifth chapters of this dissertation are about the people who were involved in this trade. An attempt has been made in these three chapters to identify the major mercantile groups and then find out the shifting nature and diversification of their trade in accordance with the changing nature of taste and demands of the market. Of these, the third chapter; 'European business communities' - deals with the role of the Europeans in the expansion of plantation and tourism industries as well as some retail traded to cater to the financial elites in Darjeeling.

The fourth chapter – 'Major Indian business communities' largely discusses the migration of the Marwaris and Biharis - the two major business communities and their early struggle in accumulating capital and to make their place in the trade and commerce in and around Darjeeling.

Several other small traders from different communities flocked in Darjeeling to set up their business establishments the early years. Descendants of some of them are still there in the town while some others like the Nepalis and Tibetans have started their

business ventures not so long ago. We have tried to capture the history of these communities in the fifth chapter – ‘Profile of minor business communities’.

Along with their commercial activities, the business communities as a whole played a significant role in the development of Darjeeling Sub-Division. They not only provided the daily goods but also strengthened the economic backbone of Darjeeling and played a vital role in capital formation in the society. They participated in the developmental works through establishment of various institutions. The sixth chapter, ‘Role of business communities in the development of Darjeeling sub-division’ highlights this role of these business communities in the growth of the Sadar Sub-division as well as the district.

Therefore, on the whole it can be said that this dissertation is partially a social history; and partially a business history; but on the whole a history of Darjeeling in its formative years.

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