

## **Chapter -VII**

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### Summary of Observations and Conclusions

The earlier chapters have been analysed various aspects of the cotton textile industry in Bengal during 1757-1857 in comparison to the cotton textile industry of Great Britain which progressed through the Industrial Revolution in that period. The main thrust area of those chapters was the status of the industry in three districts of Bengal, viz Birbhum, Burdwan, and Hooghly during the period under study. The earlier discussions have shown the rise and fall of the cotton industry in those districts under the domination of Bengal trade as well as the administrative and political control over Bengal by the English East India Company.

Now, this chapter seeks to summarise the observations and conclusions that the earlier chapters have made.

#### I

The major observations and conclusions of chapter II are as follows.

1. From the time immemorial, the cotton industry was by far the most important among all rural manufactures and industries in Bengal. Here, the cotton fibre was used for the manufacture of cloth for at least 4000 years. The various earlier records showed that the superior muslin and calicoes of Bengal were exported to abroad from very early period. In the Mughal period, the industry was in flourishing condition through the patronage of the Mughal Emperors and their provincial rulers.
2. Since the beginning of the sixteenth century, the cotton piece-goods of Bengal, i.e. muslin and calicoes were exported by the European traders through ocean route to different parts of Asia and Europe. The pioneer in this maritime trade was the Portuguese, followed by the English and the Dutch—who founded joint-stock companies in the early seventeenth century in

Bengal, known as the English East India Company and the Dutch Verenigde Oostindische Compagnie (VOC). A considerable quantity of Bengal piece-goods were used to be exported by the English traders. In 1628, the annual export of calicoes from Bengal to England was 50,000 pieces. Since the middle of the seventeenth century, the Bengal's calicoes flooded the world market. In 1677, England alone imported Bengal's calicoes to the value of £1,60,000. Besides the English, the Dutch also exported a considerable quantity of Bengal calicoes and ordinary muslins to Japan, Siam, Moluccas, Ambionia, South Africa, Arabia, Persian Gulf, Egypt, etc. Since the beginning of the eighteenth century, the English East India Company started to dominate Bengal trade. Before 1757, the Bengal cotton piece-goods flooded the world market due to its singular beauty, endless variety, and low price. The average price of Bengal calicoes in the seventeenth century was 7 Seer per piece which was sold in England at 20 Seer per piece.

3. The cotton industry of Bengal was a rural domestic handicraft industry. The process of production was very simple and crude, and in it very cheapest and rudest apparatus were used. The main stages of production were spinning and weaving. Generally the women of all caste were engaged in spinning. Weaving was done by the people of weaver caste. Although, for the production of large quantities of goods, a weaver used to hire labour from outside the family. In the early period, before the European traders came in, the weavers used to produce independently. They usually belonged to a guild and would follow the regulations of the guild. When the production of cotton piece-goods increased by the export demand of the European traders, the earlier independent producers used to work under the *Mahajans* who used to pay advance money to the weavers for the supply of clothes at a fixed price. During the first half of the eighteenth century, the British East India Company captured the Bengal trade. The Company established many factories and collected cotton goods by 'dadni system'. But around the middle of the eighteenth century, the Company discarded the system of 'dadan' and started

to procure goods by ready money. This new system of ready money purchase broke down due to many disadvantages. Around 1757, the 'dadni system' as well as the system of ready money purchase had collapsed altogether and a new system emerged for the second half of the eighteenth century and latter.

4. The prices of cotton piece-goods of Bengal vary in a large extent as large varieties of goods were produced. Among all varieties, the Dhaka muslins were the costliest. Around the middle of the eighteenth century, a piece of Dhaka muslin was even priced Rs. 450. But the Dhaka muslins which were exported by the Dutch and the English were only Rs. 31 - 43 per piece. The price of muslins of other districts was cheap and its price varies from Rs. 11-29. Besides muslin, the price also varies for calicoes of different varieties. The fine calicoes of different districts were usually cost between Rs. 11-12.5. The price of coarse calicoes varies from Rs. 8.5-9.
5. In Bengal at one time the entire amount of raw cotton used by her cotton industry was produced locally. Cotton was cultivated in many districts of Bengal. A finest quality of cotton was produced in the vicinity of Dhaka which was used for the production of fine muslin. As demand for cotton manufactures of Bengal increased considerably, the Bengal industry had to import raw cotton from Surat, Doab, Berar, and certain parts of the Deccan.

## II

During 1757-1857, the English cotton goods were the main competitor of the Bengal cotton goods in the world market. The Bengal cotton industry had to face severe competition from the English cotton industry when latter progressed rapidly due to Industrial Revolution. In the first half of the nineteenth century, the Bengal industry was defeated by the English cotton Industry for various reasons. Chapter III compares the technological and economic factors between the two countries and identifies the actual reason(s) behind the defeat. The important observations and conclusions of chapter III are as follows.

1. Before 1760, the technology of production of the cotton industry both in Bengal and in England was more or less same. After 1760, due to technological innovation in England, difference in the production organisation of the two countries widened. The Bengal industry still remained a cottage industry and carried on with simple and rudest apparatus. The English industry had developed from a home-based cottage industry to a factory based industry housed in cotton mill where modern power driven machines were used. Through the technological innovations, the English cotton industry reached in leading position by the second quarter of the nineteenth century. Since then, English piece-goods successfully outclassed the Bengal piece-goods from the market of England as well as from the world market.
2. In the seventeenth century, the Bengal cotton piece-goods flooded the English market due to its high quality and low price, and this trend continued till the first half of the eighteenth century. The cost of production in Bengal was much lower than that of England due to its abundance of labour together with the cheapness of staples like rice, wheat, and yarn. Besides these the fixed cost of production was also very low as looms were build in weavers' house with very low expenditure and cost of implements were also very low.

After the Industrial revolution particularly after 1760, the use of advanced machines and new factory system of production in England, the large scale production became possible in English cotton industry. Due to its large scale production and high productivity growth in England, the average cost of production for the cotton piece-goods in England was lowered than that of Bengal. Although the wages of labour still remained lower in Bengal than that of England.

The low cost of production and thereby low price of English cotton piece-goods and outcome of the technological innovation in Great Britain were the major driving force for successful displacement of the Bengal piece-goods from their home as well as in the world market.

3. When the large scale factory system of production started in England for the production of cotton piece-goods, the requirement of raw cotton increased many times and the availability of raw cotton could have been single limiting factor of production. But the English industry used to get ample supply of raw cotton from America and other British colonies. On the other hand, Bengal cotton industry imported cotton from different parts of India during the period under review.

The average price difference of raw cotton was insignificant between Bengal and England, rather the raw cotton price was lower in Bengal. So, the availability of raw cotton and its price were not highly responsible for the lower price of finished goods of English cotton industry in the home market of England as well as in the world market.

4. To protect the English cotton industry, the British parliament implemented many protective measures. It imposed high tariff on imported Bengal piece-goods. On the other side, the British imposed many coercive measures on the Bengal weavers. The coercion on the weavers and absence of any state patronage since the fall of Mughal Emperor altogether made it possible to displace many a cotton weavers of Bengal from their hereditary profession. To protect the cotton industry of England, the British Parliament enacted various Acts to prohibit the entry of Indian goods in English market since 1700. Even after the imposition of various tariffs, the export of Bengal cotton goods was considerable till the second decade of the nineteenth century.

The oppressive measures on the Bengal weavers and the prohibitive tariffs on the Bengal piece-goods in England were not the important causes behind the defeat of the Bengal cotton industry. These, however, had prejudicial effects on the Bengal industry. Even if there had been no hostile tariffs and no oppression by the British, the downfall of the Bengal industry could not have been prevented long on account of the mighty force set in motion by the mechanical revolution. The technological innovation allowed the English

cotton industry to produce muslin and calicoes in imitation of the Bengal at such a low price that it eliminated the Bengal cotton piece-goods from the world market as well as in the home market of India.

### III

In three districts of Bengal viz. Birbhum, Burdwan, and Hooghly, the rural manufacture and industry grew besides agriculture. Among all the rural manufactures in the districts, cotton piece-goods were by far the most important in the period under review. To explain the status of the cotton industry of those districts in the period, the major observations in chapter IV are as follows.

1. Since the beginning of the seventeenth century, European traders started to settle in different parts of the districts for trade. Among them, the Portuguese was the first to come, followed by the Dutch, the English, and the French traders. The European traders established many *aurungs* or factories in different manufacturing centres of the districts. The English East India Company became the most powerful traders in the districts after the achievement of the imperial Farman from the then Mughal emperor, Farrukhsiyar in 1717 for duty free trade. The English Company established many *aurungs* in different parts of the districts where the production of cotton cloths was concentrated. The district of Birbhum was popular for the production of *garha* cloth (a type of calicoes) and its different manufacturing centres were Supur, Alunda, Ilambazar, and Surul. Purbasthali, Katwa, Kalna, Manteswar, Memari, Jamalpur, Burdwan town, and Mundalghat were the important manufacturing centres in the district of Burdwan where different types of calicoes and muslins were produced. The district of Hooghly was famous for its plain white muslins and different types of calicoes. The important cotton goods manufacturing centres of the district were Haripal, Durhatta, Dhaniakhali, Mayapur,

Chadoolea, Khurswurroy, Gollagore, Gaulpara, Khawnpore, Gurup, Mazenan, Hooghly, Barnagore, and Chandernagore.

2. The factories or *aurungs* of the British East India Company used to work under the control of the Council in Calcutta. A factory consisted of a chief, some assistants, some soldiers and *sepoys*. The list of merchants, *gomastas*, and all others who were engaged by the factories should be duly forwarded to the Council. The Council used to verify the products which were supplied by the factories. The factories used to procure goods through *dadni* system for which the advances were given to the *dadni* merchants to supply goods to the factories. Those advances were called the Company's investment. The merchants used to give advances to the weavers who were registered to work for the Company. The *dadni* merchants very often could not maintain their contracts. To overcome the problem, since 1746, the Company tried to procure goods by ready money. Due to many difficulties, the ready money system did not last for long. Since 1753, the Company introduced a new system of purchase through the Commercial Resident. A Commercial Resident was the in-charge for the management of a Commercial Residency and was directly subordinate to the Board of Trade. In this new system, *gomastas*, *mohurees*, cash keepers, and *tegadars* were employed for the procurement of goods from the weavers. Cotton goods were transported from the interior production centres by river routes. As many weavers' hamlets were situated far away from water courses, the principal means of transport of cotton piece-goods was pack bullocks, whereas coolies and bullock-carts were the subsidiary ones.

The system of investment through the Commercial Resident in the period under review was a very convenient mode of procurement of cotton goods by the English Company.

3. In the districts, the cotton textile industry was a domestic rural handicraft industry. There were the following stages of production: The first two stages were freeing the raw cotton from seeds and bowing. The next stage was spinning, which usually was done by the women of all castes. The average earning of a spinner varied from 1 Rupee 6 annas to 1 Rupee 11 annas a month. After spinning, the next stage was weaving. Unlike spinning, weaving was confined to a particular caste of Hindus and a particular section among the Muhammadans. The average earning of a weaver per month in the districts varied from 3 to 4 Sicca Rupees. Washing of clothes was also an important process. The usual rate of a washer man was 2 Rupees for 20 pieces of clothes. The cotton clothes were coloured by the indigenous dyers of the districts who used indigo, lac, and mulberry for dyeing. The *aurung* prices of cloths were determined by the costs involved in different stages of production. When the cotton goods were arrived at Calcutta port some other costs were added to the *aurung* price. The *aurung* price of a piece of clothes varied according to their quality from 3.35 Sa. Rs. per piece to 9.07 Sa. Rs. per piece.
4. Three sorts of cotton were produced in the districts which were *caur* or *nurma*, *muhree* and *bhogee*. In the districts of Burdwan and Hooghly, all the above three sorts were produced but in Birbhum district only *bhoga kapas* was produced. The *nurma kapas* was the finest of all and the price was on average Rs. 6 per maund. The *muhree kapas* was inferior to *nurma* and the average price was Rs. 5 per maund. The *bogha kapas* was a coarser variety and the average price used to be Rs. 3 to Rs. 4. In 1848, the total production of the districts of Burdwan, Hooghly, and Birbhum were 5,60,000 lbs, 4,95,000 lbs, and 99,900 lbs, respectively. The production of cotton in the districts was less than the demand created by the domestic cotton industry and the industry had to depend on imported cotton. Cotton was imported from different parts of India such as Nagpore, Ammarabatty, Pulpara, and Bombay. The industry in Burdwan district alone imported

one lakh maund of *kapas* per year. In 1790, about 17,000 maunds of *kapas* were imported into the district of Birbhum.

5. The cotton textile industry of the districts provided employment to a large portion of the population in the districts either as part-time or full-time engagements. The spinning was carried out by the women besides their household works. As like spinning, weaving was a part-time occupation for a considerable section of the total population who had normal engagement in agriculture. Usually those part-time weavers were engaged in the production of coarser cloths. Full-time weavers were the specialised weavers who used to produce fine muslins and calicoes. Due to lack of sufficient data, it is not possible to estimate accurately the total number of people who were engaged in the industry of the districts. The available data exhibit that there were 4000 weavers in Sonamooky *aurang* in 1787, 4002 weavers in Gollagore *aurung* in 1804, and 1400 weavers in Chandernagore *aurung* in 1810. In the district of Burdwan, during 1813-14, the total number of people belonging to *Tanti* (weaver) caste was 27,180.

#### IV

The cotton industry in the districts of Birbhum, Burdwan, and Hoohgly achieved the highest growth rate in the second half of the eighteenth century with the investment of capital by the European traders particularly by the British East India Company. But, the growth momentum did not persist for long. The once prosperous industry of the districts was caught in crisis by 1824. The major findings in this regard are highlighted in chapter V as follows.

1. The cotton industry of the districts gave employment to many people of the three districts. Next to agriculture, the industry was the largest employment generating sector of the districts. In 1798, the number of

weavers in the districts was 2,09,700 as per available data. If we assume, in an average there were six members in a family who were dependent on the income of one weaver, then it can be inferred that the industry provided the livelihood to over 4,19,400 people of the districts. Since the beginning of the nineteenth century, the number of weavers in the districts gradually diminished and reached extremely low around 1824. It exhibits that the industry of those districts reached the gloomy state by 1824.

2. The commencing period of the decline of the industry of those districts can be identified by its consumption of raw cotton. Although cotton was cultivated in the districts, a large quantity of cotton was imported from different parts of India. In the first half of the nineteenth century, the production of raw cotton and its price simultaneously decreased. At the same time, export of cotton was started from Bengal and gradually increased thereafter. That export also did not create any upward pressure on the price of cotton in the market of those districts. This price trend shows the decline of the consumption of cotton by the industry of those districts. Due to the lack of demand for cotton in the the industry of those districts, the Mirzapur cotton mart started declining since 1820 which was the largest supplier of cotton to the industry. From the view point of cotton consumption, the decline of the industry started around 1820.
3. In post Plassey period, the production of the cotton industry of the districts was very much dependent on the investment of the British East India Company. In the second half of the eighteenth century, the investment increased gradually in the districts. Since the early nineteenth century, the investment started to decrease rapidly. The fall of the investment in the first decade of the century can be explained by the Napoleonic Wars and continental blockade. But after the

conclusion of the war in 1814-15, the investment of the British Company did not increase on account of the fall of the export market for Bengal piece-goods. By that time, the English machine made cotton piece-goods had been able to capture the world market which at one time was dominated by the Bengal goods. The districts industry reached in real crisis after 1820.

4. Some contemporary evidences show unhealthy features of the industry of those districts in early nineteenth century. The cessation of investment by the British Company in different *aurungs* occurred in 1824 in the district of Hooghly. In 1824, the investment of the Company was withdrawn completely in all the *aurungs* of Birbhum and Burdwan districts which were the sub-ordinate *aurungs* under the Sonamooky factory. It appears from the contemporary evidences that the acute phase of recession of the industry of those districts started by 1824.

## V

To identify the cause(s) behind the decline of the districts' industry, Chapter VI has been generated the following major findings.

1. The demand for some price-worthy Bengal muslins had come to an end through the disappearance of the royal Court of the Mughal Emperors and their provincial rulers. Those muslins were manufactured in royal *karkhanas* in the district of Dhaka only. The disappearance of demand for those muslins in no way affected the cotton industry in the districts of Birbhum, Burdwan, and Hooghly.
2. One of the British hostile policies was coercion on the Bengal weavers which certainly had negative impact on the industry of those districts. Since 1757, the British East India Company became the ruler of Bengal and since then it applied many oppressive regulations on the

weavers of the districts to procure cotton goods of the districts with minimum possible low cost and thereby to maximise profit from the export trade. Those exploitation of the Company forced many weavers of the district to quit their age- old hereditary profession.

3. Other British hostile policies were imposition of stringent tariff on Bengal cotton piece goods in England by the British Parliament and implementation of various Acts to prohibit the entry of Indian cotton goods into England. Since the early nineteenth century, the rates of duty on Indian muslin, calicoes gradually increased. In 1813, the ad valorem duty on white calicoes reached around eighty five per cent as compared to forty four per cent on muslins. Up to 1825, the duty remained more than sixty per cent on the white calicoes and more than thirty per cent on the muslins. In 1826, the duty was drastically reduced to ten per cent ad valorem on calicoes and on muslins and since then, the tariff rates started going down. These selfish commercial policies of the British have severally reduced the English market for Bengal cotton goods and it definitely had some prejudicial effects on the industry of those districts.
4. The period under review was an important period when the Industrial Revolution took place in England and emerged as strong force behind the decline of the industry of those districts. The different technical inventions reshaped the production of cotton textiles in England. Among the early inventions, Kay's flying shuttle, Paul's carding machine, and Hargreave's spinning jenny were very important. The English industry had developed from a home-based cottage industry to a factory based industry housed in cotton mills. The wealthy merchant started to build up mills for the production of cotton yarn and cloth, which turned out to be a profitable business. As a result, the productivity of English industry increased by many folds and was able

to produce muslin and calicoes in imitation of Bengal at a comparatively low cost; and the cotton products of the districts as well as Bengal were supplanted by the English cotton goods.

5. Among the factors behind the decline of the industry in the districts, technological innovation was by far the most important. It was imperative that, even if there were no hostile tariffs and no oppression by the British, the decline of the districts' industry would have taken place in the face of the mighty force set by the mechanical revolution.

## VI

The overall major findings can be summarised as follows:

The cotton handicraft industry in the districts of Burdwan, Birbhum, and Hooghly was the greatest of all handicraft industries which grew from the days of antiquity. If we consider the total period under review, the period during 1757–1800 witnesses a success story of the districts' industry whereas the rest of the period is a gloomy phase for the industry. The industry played a very vital role in the contemporary economy of the districts. It slipped from the place of prominence in the end of the first quarter of nineteenth century which had far-reaching impact on the economy of the districts as it gave livelihood for a considerable size of population of the districts from the days of antiquity.

The depression of the cotton industry of the districts started since the early nineteenth century to Napoleonic Wars. But that condition did not revive even after the conclusion of the war around 1815. The real disaster occurred by 1824.

The districts' industry, met with real hardship both at home and abroad in an unequal competition with the cheaper machine-made cotton piece-goods of England. The imposition of prohibitive tariff by the British

Parliament drastically curbed the European market for Bengal cotton goods. In spite of the high quality, the demand for cotton piece-goods of the districts was severally curtailed. As a result of the technological backwardness, organizational weakness, financial crunch and lack of state patronage, the cotton industry of the districts proved to be a poor competitor with the powerful Manchester capitalists. By 1824, the districts' industry collapsed and thousands of people in the districts were rendered jobless.