

Negotiated Physical Spaces and the Economic Landscapes in Early Colonial Bengal (C.1757-C.1857)

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Abstract:

Bernier has vividly described the wealth of Bengal about a century before British conquest. According to him, Bengal mass-produced rice in such profusion that it not only supplied its neighbors but many remote places. Bengal's excess rice was transported by sea to Masulipatam and the ports on the Coast of Coromandel, Maldives, and Ceylon. Its sugar was exported to Golkonda, Arabia, Mesopotamia, and Persia. Of commodities of value, silk and cotton cloth exported as far as Lahore and Kabul but also for all the neighboring kingdoms and Europe.²Verelst ascribed the prosperity of Bengal before Plassey to the "cheapness and quality and the huge traffic of the products manufactured. Besides the huge investments of the many European nations, the Bengal raw silk, cloth, etc., to a vast amount was dispersed to the West and North inland as far as Gujarat, Lahore, and even Ispahan." ³ This research article tries to address how Bengal which was once very developed in trade and commerce was total ruined.economic degeneration of Bengal began since the days of Alivardi (if not earlier, from MurshidQuli's time) to hold that the oppression of the company's servants and gomastas were alone responsible for the decline of Bengal manufacturers and industries and that this began closely after Plassey, is to see from only one side of a coin.

Keywords: Calcutta, Trade, Company, Gomasthas, Raid

Commerce plays an important part in modern history. It is one-half of politics. For in the first place, the importance of a nation significantly depends on its prosperity, and its wealth greatly depends on commerce. Thus, a desire to develop commerce, rather than a merely scientific inquisitiveness, has been the impetus of adventures in pursuit of new lands. The same spirit has led to military expeditions. Conquest and occupation have been encouraged, in modern times, not by a love of authority but by adoration of wealth. No Authority cares to proclaim supremacy over a miserable and barren terrain. The personality of a discrete is said to be identified by his company. With identical truth, it may be believed that the condition of a nation is known for its fortune. The prominence of nations as Powers is measured, according to European standards, by their fighting capacity, but that it is very fundamentally

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an issue of wealth, they say, is the sinews of War. Trade and Commerce played a great role in the development of Calcutta—possibly the greatest—and some account of it as effect this town must be attempted. It may be left to antiquarians to decide when the populaces of Bengal first had commercial intercourse with other nations and countries.⁴Heeren, Macpherson, and other convincing writers have thrown substantial scholarship on this subject matter. Sir William Hunter, on Orissa,⁵ has inscribed that the decay of Tamluk as an important seat of maritime commerce, gives an explanation of how the Bengalees stopped to be a sea-going people. In the Buddhist era, we can see that they sent belligerent fleets to the east and the west and had colonised almost all the islands of the Archipelago.

Mr. Walter Hamilton estimates⁶that “occasionally fewer than one million sterling in clothes fitting to the native merchants was placed, in Calcutta for sale, and other species of products in an equivalent quantity.” The overall capital of the native monied and the commercial interests was estimated to surpass 16 million sterling, employed by them in Government Funds, loans and discounts to individuals, internal and external trade, and in numerous additional ways., The Calcutta Government Bank was established in September 1808 with a capital of mere 50 lakhs of rupees, of which the Government had ten lakhs and entities the balance. The notes dispensed are not less than 10 rupees or more than 10,000.”⁷

The following table, taken from W. Hamilton’s East India Gazetteer, shows the state of trade in the country (Trade from 1st June 1811 to 30th April 1812).

IMPORTS		
Merchandise	.....	1,13,38,692.
Tressure	.....	67,85,698.
	Sicca Rupees	1,81,24,390.
EXPORT		
Merchandise	.....	3,40,03,009.
Tressure	.....	6,14,673.
	Sicca Rupees	3,46,17,682.
Total	.....	5,27,42,072.

Table 2: Showing Imports and Exports from 1st June 1811 to 30th April 1812 (source-W.Hamilton, *East India Gazetteer*, London, 1815, p 217)

The ships and vessels that arrived at Calcutta in 1811-12:

TONNAGE

Under English colours	193	78,504.
Under Portuguese colours	11	4,180.
Under American colours	8	2,313.
Under Indian colours, including denies	389	66,227.
Total	601	1,51,224.

Table 3: Showing the ships and vessels that arrived at Calcutta in 1811-12
(Source, W.Hamilton, *East India Gazetteer*, London, 1815, p 218)

Ships and vessels departed from Calcutta in 1811-12:

TONNAGE

Under English colours	194	77,072.
Under Portuguese colours	10	4,020.
Under Spanish colours	1	650.
Under American colours	8	2,369.
Under Indian colours including donies	386	65,650.
Total	599	1,49,761

Table 4: Showing the ships and vessels that departed from Calcutta in 1811-12. (Source, W. Hamilton, *East India Gazetteer*, London, 1815, p 218)

Much valuable information can be acquired from Milburn's *Oriental Commerce*,⁸

TRADE AND COMMERCE WITH LONDON

The following is an account of the merchandise imported into Bengal from London of the East India Company's during the years 1802 to 1806; similarly of the products and

treasure transferred from Bengal to London for the duration of the equivalent period; together with the list of articles of which the imports and exports consisted in 1805.

IMPORT INTO BENGAL FROM LONDON

years	Merchandise	Treasure	Total
	Sicca rupees	Sicca rupees.	Sicca rupees
1802	35,90,683	12,63,387	48,54,070
1803	30,55,400	9,85,601	40,41,001
1804	29,34,485	7,97,680	37,32,165
1805	36,28,301	8,69,576	44,97,877
1806	59,12,500	5,68,921	64,81,421
Total	1,91,21,369	44,85,165	2,36,06,534

Table 5: Showing imports into Bengal from London in the year 1805. (Source, W.Hamilton, *East India Gazetteer*, London, 1815, p 219)

EXPORT FROM BENGAL TO LONDON

YEARS	Merchandise	Treasure	Total
1802	1,11.45,261	.....	1,11,45,261
1803	1,08,15,545	.....	1,08,15,545
1804	89,16,168	.....	89,16,168
1805	60,99,065	.....	60,99,065
1806	90,34,869	.....	90,34,869
Total	4,60,10,908	.....	4,60,10,908

Table 6: Showing Export from Bengal to London in the year 1805. (Source, W.Hamilton, *East India Gazetteer*, London, 1815, p 219)

ARTICLES OF IMPORT IN 1805 IN RUPEES

Books	90,656.
Boots and Shoes	54,735
Cutlery and Hardware	1,39,144.
Copper	135.
Carriages	1,16,218.
Cordage	14,178.
Glass and Looking-glasses	2,79,575.
Hosiery	1,06,794.
Haberdashery	95,448.
Hats	80,629.
Jewellery	28,630.
Ironmongery	65,907.
Millinery	97,746.
Malt Liquors	1,35,212.
Oilman's Stores	1,67,763.
Perfumery	63,624.
Provisions	16,444.
Plate and Plated ware	56,591.
Piece-goods	67,792.
Saddlery	1,32,827.
Wines and Spirits	7,87,265.
Metals	1,03,775.
Naval Stores	55,693.
Stationery	61,487.
Woollens	1,15,580.
Sundries	6,94,453.
Treasure	8,69,576.
Total	44,97,877.

Table 7: Showing articles of import in rupees to Bengal from London in the year 1805. (Source, W. Hamilton, *East India Gazetteer*, London, 1815, p 220)

ARTICLES OF EXPORT IN 1805 IN RUPEES

Piece-goods	3,31,582.
Indigo	45,23,124.
Sugar	54,478.
Raw Silk	7,87,106.
Cotton	1,18,912.
Elephant Teeth	9,278.
Gums	24,160.
Ginger	2,750.
Cossumba	4,815.
Sal Ammoniac	2,680.
Cutch	1,025.
Shell-lac	12,139.
Sundries	9,466.
IMPORTS RE-EXPORTED, viz.	
Wines and Liquors	55,176.
Camphor	72,009.
Spices	20,366.
Cassia	24,983.
Books	14,354.
CoculusIndicus	5,571.
Coffee	4,676.
Galls	2,520.
Sundries	17,895.
Total	60,99,065.

Table 8: Showing articles of export in rupees from Bengal to London in the year 1805. (Source, W. Hamilton, *East India Gazetteer*, London, 1815, p 220)

From the account of the merchandise and treasure traded into Bengal from London as well as of the merchandise exported from Bengal to London, in the years previous to 1802—from 1795 to 1801 inclusive—we find that the imports into Bengal amounted to SiccaRs. 1,64,03,175, and the amount of merchandise exported was SiccaRs. 5,30,43,579. Evidently, then the ‘exports surpassed the imports by 3,66,40,404, and when we take into account the quantity of treasure imported into Bengal from London, during the same period, which was

about Rs. 82,23,924, we also find that the balance was in favour of Bengal about Rs. 4,48,64,328, which, at 2s. 6d. Per rupee, it is £5,608,041, at an average of seven years £8,011,485. 12s.⁹

According to Milburn, in 1715 the loftier skill of the English in triangulation tempted all types of merchants of Bengal to merchandise most of the goods which they exported to overseas markets on the freight belonging to the colony and this in ten years amounted to 10,000 tons, by which many private prosperities were assimilated, without harming the Company's trade, or endangering their possessions to arguments with Government; and people of different denominations in Calcutta relished a degree of independence and freedom unknown to the other inhabitants who were oppressed by the Nabob. The East India Company in the year 1795 appointed a Reporter of External Commerce for this Presidency, and particular directives were given as to the mode of keeping the accounts; since which period a clear and comprehensive account of the volume of the merchandise and treasure imported to Bengal and shipped from Bengal, has been yearly calculated and communicated to Europe along with the articles list of which the imports and exports comprised.¹⁰

The commerce of the Presidency is arranged under the followings heads, viz.

- (I) Act 33, Geo.111, Chapter 52, allowed the cargoes of the officers and commanders of the company ships exclusively of the East India company trade to and from England. The cargoes were allowed to move from Bengal to England and return with European commodities.
- (II) To and also from the United States of America
- (III) Under the quantity of Foreign Europe to and from other parts of Europe, comprising Hamburg, Denmark, Madeira, Cadiz, Lisbon etc.
- (IV) To and from British Asia, which known, in 1801, the under-mentioned places; and nonetheless the procurements which have since taken place, is continued under the same arrangement:
 1. The Coast of Malabar, which comprises the whole of the western part of the Peninsula.
 2. The Coast of Coromandel including the entire eastern coast.
 3. The Island of Ceylon.
 4. Coast of Sumatra.
- (V) Under the head of Foreign Asia, to and from the named places below in 1801, and though some of the places have since been added to the British possessions, the same arrangement is continued.
 1. Arabian and Persian Gulf
 2. Pegu

3. Penang, and places to the eastward
4. Malacca
5. Batavia.
6. Manilla.
7. China.

Trade and commerce from port to port in India, commonly known as the country trade, is handled by the individuals, and the East India Company did not interfere in their business. "Calcutta possesses the advantage of excellent inland navigation, foreign imports being transported with great facility on the Ganges, and its subsidiary streams, to the northern nations of Hindoosthan, while the valuable productions of the interior are established by the same channels.

In 1762 money was first devised in Calcutta, and it is mentioned that as late as 1770, no copper coin was issued. Pice was then hardly in use. Cowries (a kind of shell) were then in extensive use. As early as 1680, Mr. Smith was sent out from England as Assay-Master, on an annual salary of £60. The Old Mint was situated west of St. John's Church, where the Company coined its rupees from 1719 to 1832. The New Mint on the Strand Road was opened in 1832. Previous to 1791, the coinage was accomplished by contract, the copper coin chiefly by Mr. Prinsep (father of the late James Prinsep), who showed an establishment at Fulda. Coining their own names (though with the Moghuls' head and a Persian inscription) was an object of early spirit with the English and other European Powers.¹¹

If English commerce made Calcutta what it is, it is also true that it benefited English capitalists no less by a rich return. But there were men in England who were jealous of it. "There was a strong party in England opposed to trade with India, who raised clamorous complaint loud and general."¹² At the end of the eighteenth-century, trade was opened with many countries, notably with America, China, &c.¹³ In 1789 European commodities were offered to the Indian markets almost at a half-price of their original cost. It is said that in consequence of the market being overstocked, such a course was adopted. The officers of the Company's ships experienced very heavy losses, and after the authorities being satisfied with their hardships complained of, the payment of the Company's duties on their outward investments was remitted.

In the "Gentleman's Magazine" for 1784 the following appeared:

"There is no branch of European commerce that has made so rapid a progress as that to the East Indies. The total number of ships directed to Asia by all the seafaring countries of Europe at the beginning of the present century did not amount to fifty sail, of which England sent 14, France 5, Holland 11, the Venetians and Genoese together 9, Spain 3, and all the rest of Europe only 6; neither the Russians nor Imperialists at that period sent any. In the year 1744, the English increased their number of ships to 27, the Venetians and

Genoese sent 4, and the rest of Europe about 9. At this period, 300 sails of European ships belong to the several powers are employed in the East India traffic, of which England alone sends 68, being the whole of the East India Company's shipping. The French, last year, employed 9, the Portuguese 18, the Russians and Spaniards make up the remainder. But neither the Venetians nor Genoese now send a single ship to India." In those days, trade was also carried on by the officers of the Company on their own private and personal account, and not infrequently, the interests of the master clashed with those of the servant, and the consequences can better be imagined than described. According to Mr. Bolts, a private company was formed in Calcutta among the servants of the Hon'ble Company to carry on trade in salt, betel-nut, and tobacco. The Company existed for two years, and it is stated that the shareholders had a net profit of Rs. 10,74,002. The Directors at home put a stop to this private trade, as it clashed with that of the Hon'ble private trade of the officers at the Company's sales at London, during the period (from 1784 to 1791), amounted sums which including the goods imported from China. This amount comprises duties of this period the whole of the duties, on goods exported and also used at home were remunerated by the Company, and drawn back on exportation."¹⁴

Bolts pointed out that "town duties included a duty on licenses to carry at the rate of 3 Sicca rupees per party," but I have failed to trace the issue of any such licenses in the records of the office; also, a percentage on the sale of slaves" and "sloops and boats." He also states that "all-grain brought into the gunges or public granaries, and other articles to the bazaars or public markets in Calcutta, pay duty upon importation, the collection is supervised by the collector. The rights of selling items s farmed by the collector in lieu of sums against the license of exercising and taking part trade."¹⁵

The Calcutta Committee of Revenue, the 1st March 1774, mentions that according to Nabob Mahammed Reza Khan, merchants and traders of earlier times used to export, after extensive local consumption, various indigenous and manufactured articles to different parts of the world.

The decline of industries, once so famous, is indeed is a tragic story in the economic history of the Bengal Province. It did not commence or end at any definite day but was a long process continuing through many years much has already been said on this subject. The influence of the Maratha invasions on the manufactures of Bengal remained highly catastrophic. "Uncertainty of person and property overwhelmed the merchants and weavers, and the production of the country was greatly affected many of the inhabitants, weavers, husbandmen fled, the Aurungs were in a great degree deserted, the lands untilled, and despicable fugitives escaped with nothing but their wives and children along with whatever they could carry in their hands believed there was no security for them until they reached the eastern shore (of the Padma river)."¹⁶ Even *gurrahs* and other piece goods were available with great difficulty. ¹⁷ The ruinous effect of the Maratha ravage also stroked the silk manufactures also, and thus the" weavers and the inhabitants fled, silk (was) often

carried away wet, and the Reels and piece goods before (being) manufactured –the one wound off and the other finished in utmost hurry and confusion.”¹⁸ A letter of 1751 from the Cassimbazar factory to the Council in Calcutta indicated: “the dearness of raw silk and silk piece goods for some years past, they find, is owing to the maharattas constantly entering Bengal, preying and scorching the houses and destroying the chief *aurungs*, from which the workmen have fled to distant places.” In the same year, Mr. Kelsall wrote from Bulrumgurrhy that the disturbances occasioned by the return of the Marathas had prevented him from being able to purchase any ready money goods as almost all the weavers had been obliged to abscond.¹⁹

Thus, in the light of these foregoing facts, it may be affirmed that the economic degeneration of Bengal began since the days of Alivardi (if not earlier, from MurshidQuli’s time) to hold that the oppression of the company’s servants and *gomastas* were alone responsible for the decline of Bengal manufacturers and industries and that this began closely after Plassey, is to see from only one side of it. Nobody will deny that their oppression increased as a result of the power gained by them by then after Plassey. But this also is to be acknowledged that there were already certain cankers eating into Bengal’s economic vitality. Her capital manufactures, and agriculture had been disturbed and had lost respectively, their original, strength purity and productivity when the horrible storm of the Maratha incursions had blustered over her soil.

The company’s servants only passed this bad state of things to a worse by their unjust and cruel conduct to the native traders, manufacturers, and weavers. It may be fairly asserted that the economic decline was a natural sequel to the general political disorders which had begun many years before 1757 but which were certainly aggravated later due to the intercession of the East India Company. Mentioning about the commercial decline of Dacca, Rennel remarked in August 1765 – “we may effortlessly account for its deterioration, by the continual wars which have of late years wasted the whole country, and in the fomenting of which we have had too large a share.”²⁰

¹ Bernier’s *Voyages to the East Indies* (re-printed for the Society for the Resuscitation of Indian literature).

² *Home Department Public General Letters*, Letters to Court, 5th April, 1767, para 6.

³ Raja Binay Kumar deb, *The Early History and Growth of Calcutta*, Edited by, Subir Ray choudhuri, Calcutta, 1905, p. 100

⁴ W. W. Hunter, *The History of Orissa*, Vol. 1, 1872, page 314-15.

⁵ Hamilton, Walter, *The East India Gazetteer; Containing Particular Descriptions of the Empires, Kingdoms, Principalities, Provinces, Cities, Towns, Districts, Fortresses, Harbours, Rivers, Lakes, Etc. of Hindostan, and The Adjacent Countries, India Beyond The Ganges, and The Eastern*

Archipelago; Together With Sketches of the Manners, Customs, Institutions, Agriculture, Commerce, Manufactures, Revenues, Population, Castes, Religion, History, Etc. of Their Various Inhabitants, London: Printed For J. Murray By Dove, 1815.

⁶In William Milburn, *Oriental Commerce*, Vol. 2, London, 1873 the following account of the establishment of the Bank is given: A bank was established in Bengal and incorporated by charter on the 2nd January, 1809. The capital stock amounts to 5,000,000 Rupees and is divided into 500 shares of 10,000 Rs. each; of which shares 100 belong to the Government and 400 to individuals. All persons in the service of the Company, and the Judges in the several courts, as well as others may hold shares in the Bank. The affairs are managed by nine Directors, of whom three are nominated by the Government and six by the proprietors. The bank is prohibited from engaging in trade or any kind of agency, and the business is confined as far as possible to discounting negotiable private securities, keeping cash accounts, receiving deposits and circulating cash notes; and they are at liberty to receive in deposits, and for safe custody, bullion, treasure, jewels, plate and other articles of value, not liable to spoil or waste, on such terms as they may deem reasonable.

⁷*Oriental Commerce* contains a geographical description of the principal places in the East Indies, China and Japan, with their produce, manufactures and trade, &c, William Milburn, Esq. Published in 1813 (London).

⁸W.Hamilton, *East India Gazetteer*, London, 1815, p 219

⁹Raja Binay Kumar deb, *Op.cit.*, Calcutta, 1905, p. 106

¹⁰*Calcutta Review*, Vol..XV, p. 201

¹¹*Calcutta Review*, Vol.. XXXV. p. 163.

¹²W. Milburn , *Oriental Commerce*, p. 102

¹³*The Gentleman's Magazine*, 1784, Vol.ume 54, Part 1.

¹⁴Bolts ,*Consideration of the Indian Affairs*, appendix

¹⁵Howell, *I.H.E* ,P 128

¹⁶ Letter to Court, dated 13th August, 1748, para 10

¹⁷Letter to Court, dated 8th January, 1742 ,para 61; *ibid*, dated 30th November, 1746, para. 15

¹⁸ Letter to court, 4th February, 1751 A.D

¹⁹ An unpublished letter of Major James Rennel, Bengal, August 31, 1765, printed in *Bengal Past and Present*, July-September, 1933.