

CHAPTER - II

ORIGIN AND DEVELOPMENT OF PROTO-INDUSTRIALIZATION IN BENGAL

Before we embark on to explore the development of proto-industrialization based on 'agro-crafts', it is pertinent to analyse the important pre-conditions that lead to its spread in Bengal.

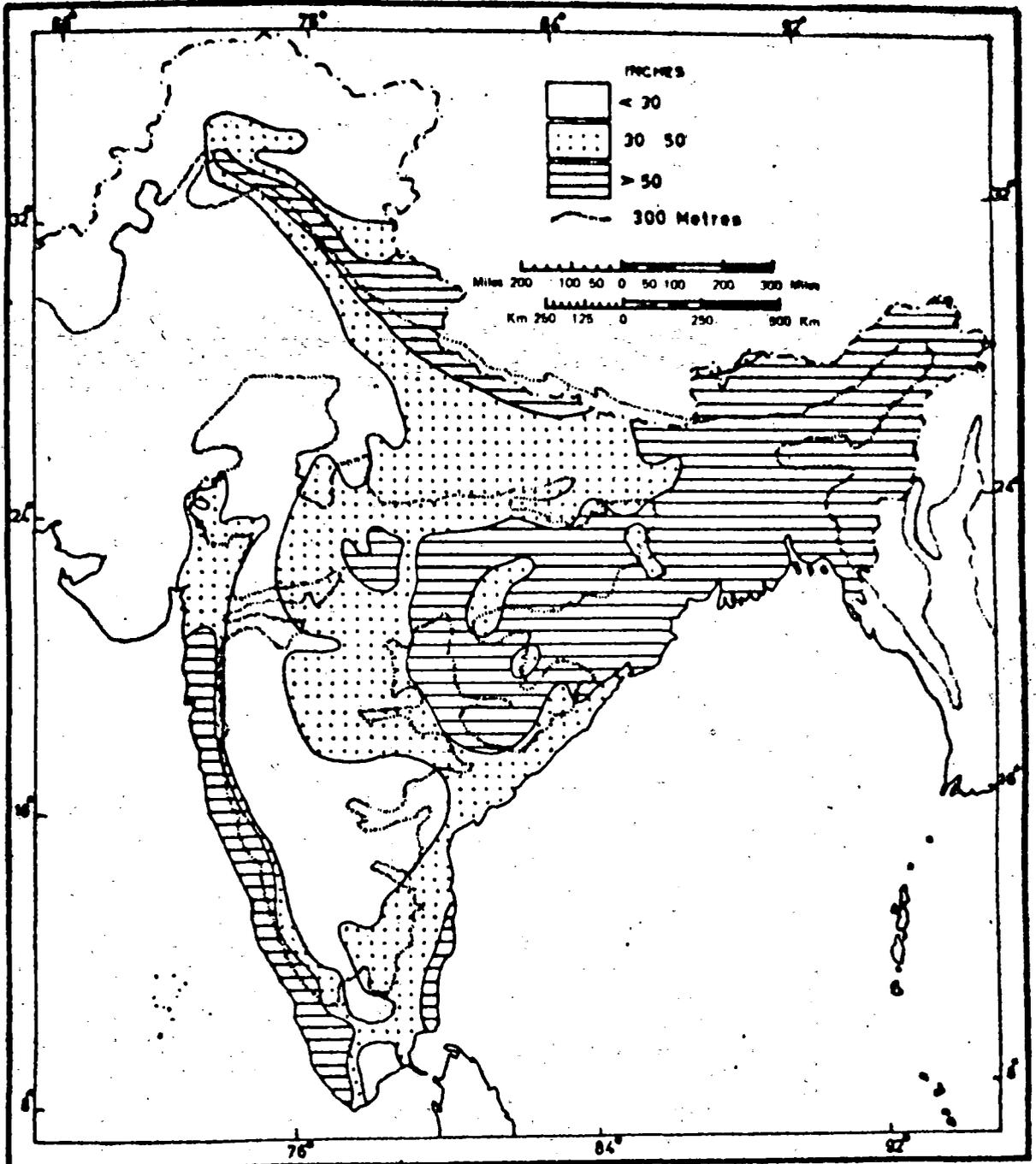
During late 17th and 18th centuries the present day districts of Rājshāhi, Dinajpur, Jalpaiguri, Bogra, Pabnā, Dacca, Chittagong, Mymensingh, Rangpur, Noakhali, Faridpur etc. were the regions producing most of the cotton, jute, rice, sugar, rape-seed and mustard, and tobacco etc. Tobacco was introduced by Portuguese in Bengal about the year 1605.² The weather and seasons are particularly favourable to create conditions for intense proto-industrial activities within these regions.

The climate of Dacca and its environs was especially suited to the culture and manufacture of cotton, jute, sugar and sugarcane etc., because of its humidity, its relatively low temperature and medium rainfall.³ The mean maximum temperature of May and September was deduced from ten years observations (during the first half of the 19th century), 87.39 degrees in the former, and 88.34 in the later month. Humidity was the characteristic of the climate. The average annual quantity of rain during 8 years (recorded in the first half of the 19th century) was 70.3

1. B.C.Allen, E.A.Gait, C.G.H.Allen, H.F.Howard (etc.), Gazetteer of Bengal and North Eastern India, (Delhi, 1979), pp. 203-337, 338.

2. The Imperial Gazetteer of India, the Indian Empire, Vol. III, Economic, (Oxford at the Clarendon Press, New edition, 1908), p. 49. Five or six species of Nicotiana were cultivated, but only two were grown in India, namely N. Tabacum and N. Rustica. The former is a native of South Africa or Central America and was the common tobacco of India. N. Rustica was also grown in Bengal.

3. M.P.Gandhi, The Indian Cotton Textile Industry, its past, present and future, (Calcutta, 1930), p. 11.



MAP. 1. AVERAGE ANNUAL RAINFALL

inches. The greatest fall in any year during that period was 93.9⁴ and the least 46.8 inches.

It was due to high rainfall and availability of extended river system that most of the areas mentioned earlier were inundated almost every year to a depth varying from 2 to 12 feet during monsoon.⁵ The low lands of these regions were hardly cultivable even during winter. Only on high lands cultivation was possible. Thus, the possibilities of employment available in agriculture especially during monsoon was very meagre and fluctuating throughout the year. Consequently, people failed to earn minimum possible subsistence. The compulsion to earn minimum subsistence impelled the people to work in proto-industries depending on the availability of agricultural employment.

An extensive, intensive, macro and micro level economic and geographical study of the wide spread of proto-industrial system in Bengal vis-a-vis in India is only possible by dividing Bengal as well as whole of India into four areas: Pull areas, Push areas, neutral areas and corridor areas.⁶

'Pull areas' are characterised by the strip of coastal land, accessible by sea and large and small rivers. Internal communications and travel network through road was available on a wide

4. James Taylor, A Descriptive and Historical Account of the Cotton Manufacture of Dacca in Bengal, (London, 1851), pp. 2-3.

5. Ibid, p. 2.

6. Jan Lucassen, Migrant Labour in Europe, 1600-1900, (London, 1987), pp. 5-31. Lucassen has applied this model to study the pattern of migration, industrial development, agricultural pattern etc. for most of the regions of Europe.

scale during 17th and 18th centuries. Extensive canal networks only existed in the later half of the 18th century.⁷ The 'Pull areas' are also characterised by capital-intensive agriculture, especially cultivation of industrial crops, by trade, industry and shipping. Domestic industry did exist in most of the parts of 'pull areas'. Transport and trade played a subordinate role⁸ only in conveying manufactured commodities to market places important for coastal, national and international trade. In Bengal Sonārgāon, Rajbari, Rajshāhi, Gaur, Dacca, Chittagon, West Dinajpur, Pabnā, Mymensingh, Rāngpur, Māldā, Murshidābād, Bogra, Chinsura, Hughlī, Howrah, Calcutta, Qāssimbāzār etc. comprised the 'pull areas.' These regions were inter-connected by road network as well as by river transport during our period. 'Pull areas' were highly infected by proto-industrialization and provided employment to a large number of people because the raw materials required for a particular proto-industrial activity were easily available with easy access to a central market. Thus, different 'Pull areas' of Bengal had their speciality in producing their special goods: Dacca specialized in producing various qualities of cotton textile. Malda, Shantipur, Qāssimbāzār, Murshidabad and various other 'pull areas' specialized in silk industry. Shipping industry flourished in some other regions of 'pull areas! These activities led these regions to incline towards much more urbanization. And, finally, it is remarkable how wages along the coast and along the river were far higher compared to regions further inland.⁹

7. For Canal System in Bengal see the section devoted to Ship Building Industry.

8. Jan Lucassen, op.cit., p.28.

9. Ibid, p.28.

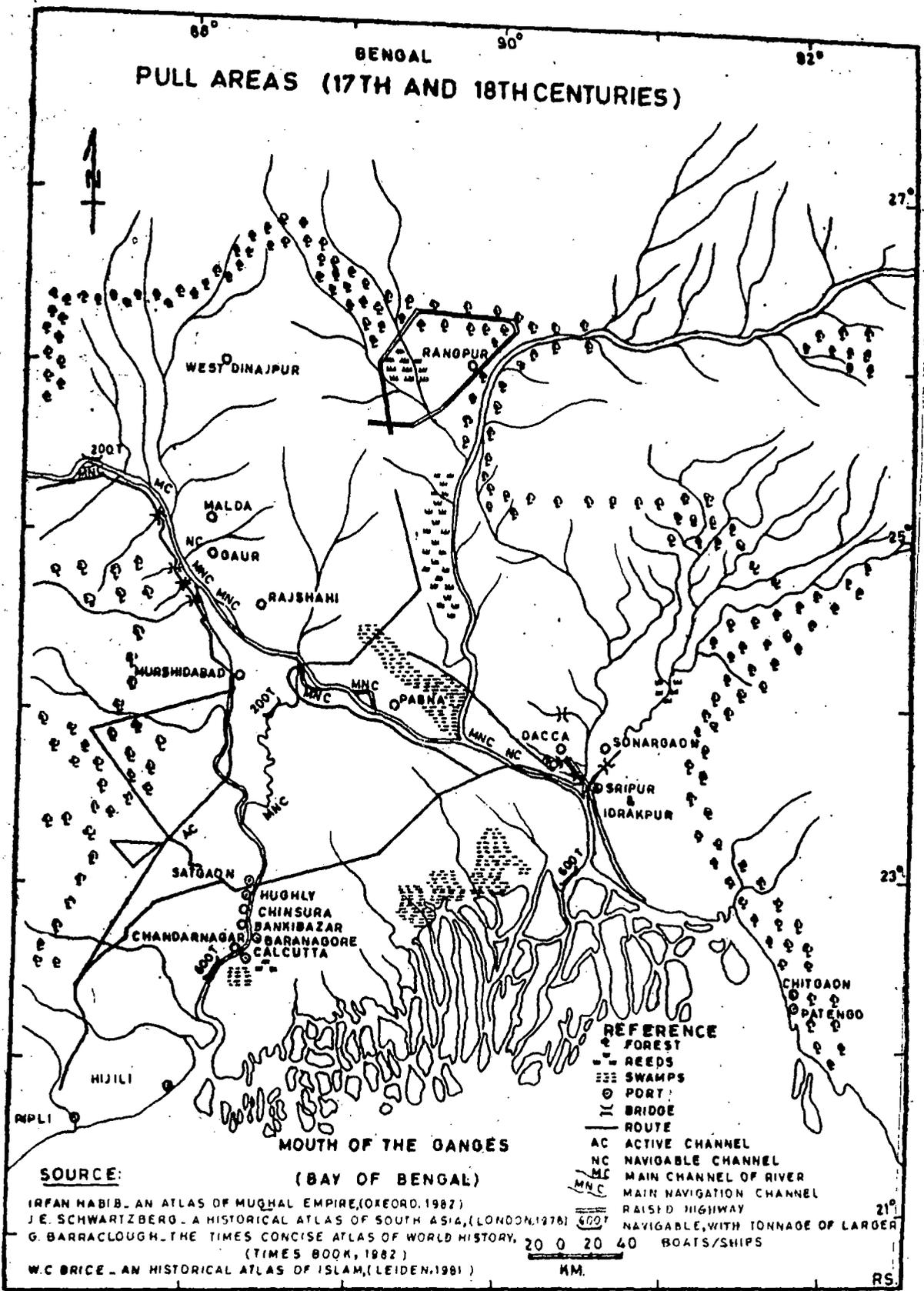


FIG.

Soil typology appears to be a fact of determining importance. The locality most celebrated for the manufacture of the softest quality of cotton was a tract of country near the confluence of the Ganges, Brahmaputra and Meghnā, which exclusively covered Dacca and Jalore consisting of approximately 1960 square miles.¹⁰ It consists of two portions which differ in regard to physical aspect and soil. It forms a part of a similar tract about 70 miles in length, which extends in the Mymensingh district and overran with dense forest. The other portion occupied more than one half of the area of the district and is of alluvial formation and physically suitable for cotton cultivation. These extensive fertile plains are intersected by branches of the rivers Ganga, Brahmaputra and Meghnā.¹¹

Some of the 'pull areas' of Bengal like Rāngpur, Rajshahi, Mymensingh, Bogrā etc. contain light alluvial soil, admirably suitable for jute cultivation.¹² Most of these areas received annual deposits of silt from the floods which covered it and the soil was friable and grew excellent crop of jute. 'Pull areas' like Hughli, Qasimbāzar, Howrah, Calcutta etc. consisted of rich marine soil.

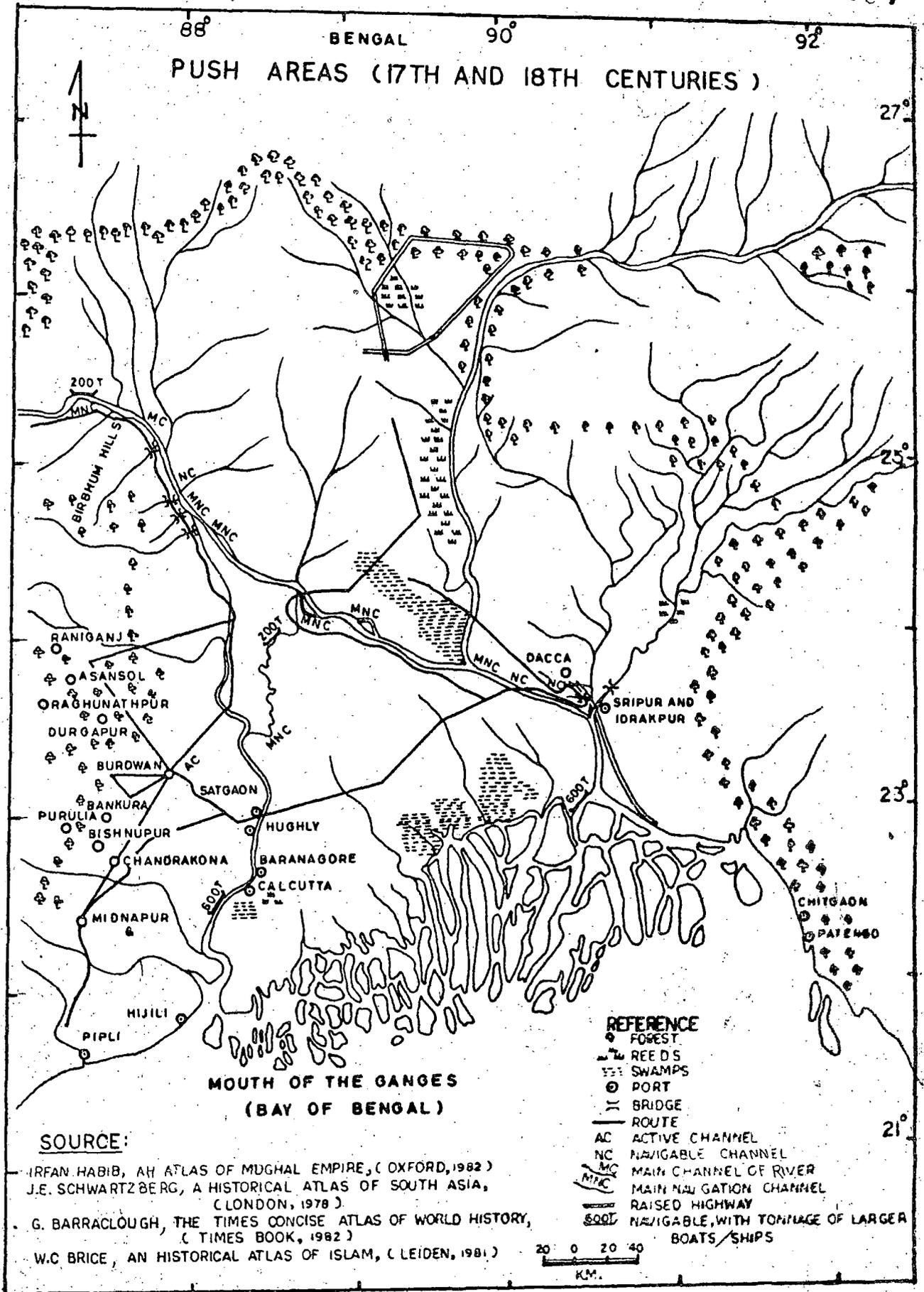
The 'push areas' are recognised as the hinterland of the various parts of coastal areas. These areas are characterised by availability, in general less-fertile soil, less favourable shipping possibilities and a far less developed infrastructure.¹³

10. James Taylor, A Descriptive and Historical Account of the Cotton manufacture of Dacca in Bengal, p.2.

11. Ibid., p.2.

12. B.C.Allen, E.A.Gait, C.G.H.Allen, H.F.Howard, Gazetteer of Bengal and North-East India, (Delhi, 1979), pp.266-277.

13. Jan Lucassen, loc.cit., pp.29-30.



PUSH AREAS (17TH AND 18TH CENTURIES)

MOUTH OF THE GANGES
(BAY OF BENGAL)

SOURCE:

IRFAN HABIB, AN ATLAS OF MUGHAL EMPIRE, (OXFORD, 1982)
 J.E. SCHWARTZBERG, A HISTORICAL ATLAS OF SOUTH ASIA,
 (LONDON, 1978)
 G. BARRACLOUGH, THE TIMES CONCISE ATLAS OF WORLD HISTORY,
 (TIMES BOOK, 1982)
 W.C BRICE, AN HISTORICAL ATLAS OF ISLAM, (LEIDEN, 1981)

- REFERENCE**
- FOREST
 - ▤ REEDS
 - ▨ SWAMPS
 - ⊙ PORT
 - BRIDGE
 - ROUTE
 - AC ACTIVE CHANNEL
 - NC NAVIGABLE CHANNEL
 - MNC MAIN CHANNEL OF RIVER
 - MNC MAIN NAVIGATION CHANNEL
 - RAISED HIGHWAY
 - 500T NAVIGABLE, WITH TONNAGE OF LARGER BOATS / SHIPS

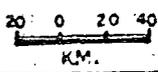
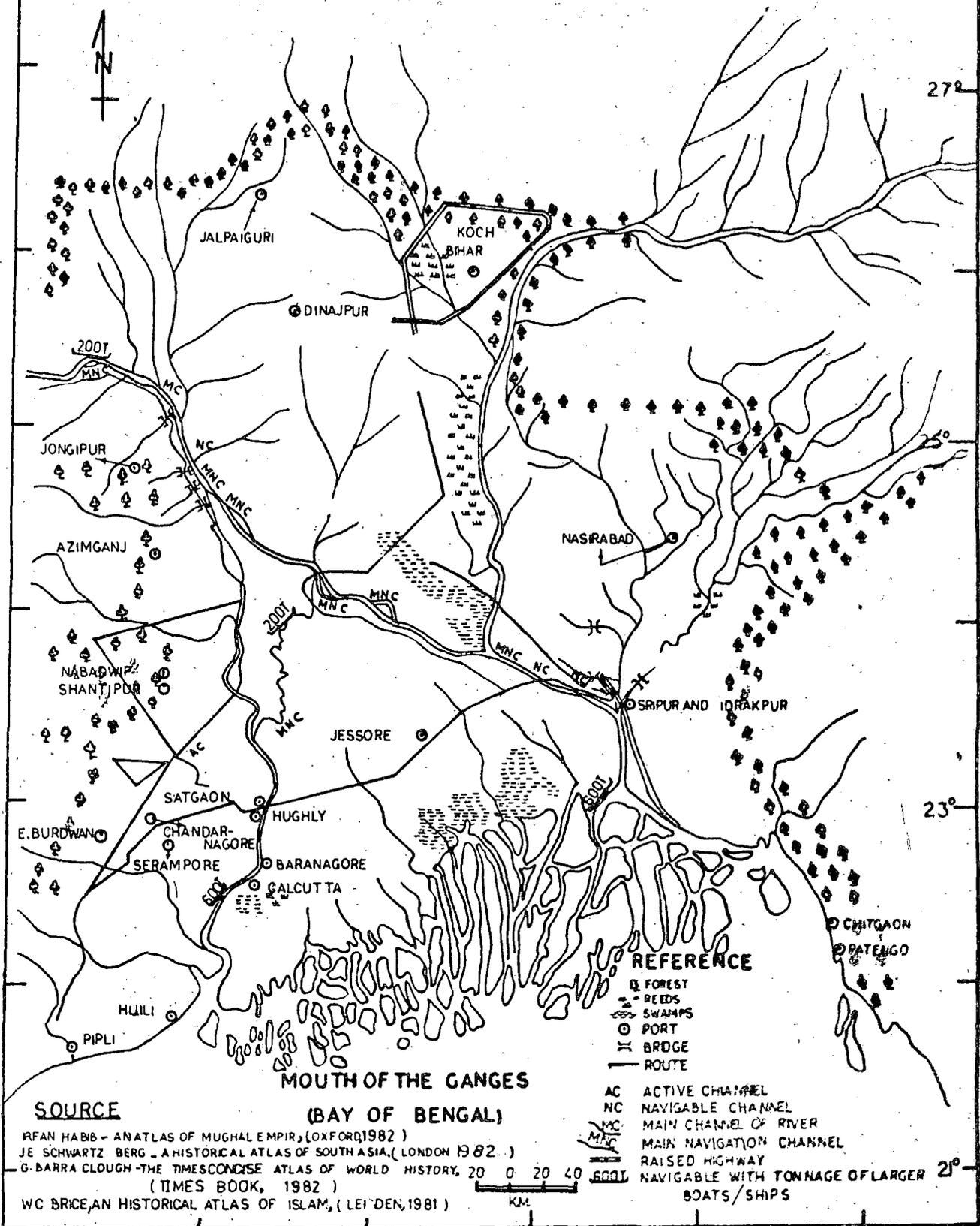


FIG.

BENGAL NEUTRAL AREAS (17TH AND 18TH CENTURIES)



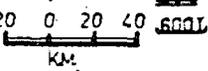
REFERENCE

- FOREST
- ▨ REEDS
- ⊞ SWAMPS
- ⊙ PORT
- ⌌ BRIDGE
- ROUTE

- AC ACTIVE CHANNEL
- NC NAVIGABLE CHANNEL
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SOURCE

IRFAN HABIB - AN ATLAS OF MUGHAL EMPIRE, (OXFORD, 1982)
 JE SCHWARTZ BERG - A HISTORICAL ATLAS OF SOUTH ASIA, (LONDON 1982.)
 G. BARRA CLOUGH - THE TIMES CONDENSE ATLAS OF WORLD HISTORY, 20 (TIMES BOOK, 1982)
 WC BRICEAN HISTORICAL ATLAS OF ISLAM, (LEIDEN, 1981)



2°

The level of wages in 'push areas' was appreciably lower than it was in the 'pull area'. 'Push areas' of Bengal during 17th and 18th centuries consisted of Bīrbhūm, Burdwān, Raniganj, Gondwānā hills, Medinīpur, Chandrakona, Bishnupur, West Burdwān, Purūlia, Bānkura, Durgāpur, Raghunāthpur, Āsansol, etc. Soil typology of these areas were recognised as sandy, rocky etc. The pattern breaks down especially in the region of the great rivers. There, in the midst of highly fruitful marine and river clay soils, 'neutral areas' suddenly crop up, places to which and from which no appreciable migratory labour occurred. 'Neutral areas' occurred in some of the parts of 'pull areas' in eastern as well as Western Bengal. Those parts of 'pull areas' were not adjacent to the sea or to the rivers. In 'Neutral areas' itself there were even limited

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'push areas! The following areas formed the important part of 'neutral areas' of Bengal during 17th and 18th centuries: Chandarnagore, East Burdwān, Serampore, Shāntipur, Nabadwīp, Azīnganj, Jōngipur, Dinājpur, Koch Bihār, Jessore, Jalpaiguri, Masirabād, etc.

Between 'neutral areas' where 'pull areas' and 'push area' prevailed, there we identify the 'corridors' which occupies a special, 'joint place' in economic history. Within the 'corridors' there were some 'push islands, but for the most part the whole was characterised by an absence of migrant labour. Broadly speaking, the 'corridors' appears to exist into two kinds of regions, namely, the 'push corridors' and the 'pull corridors! The 'Push corridor' was characterised by proto-industrial activities concentrating

14. Ibid., p.29.

15. Ibid., p.30.

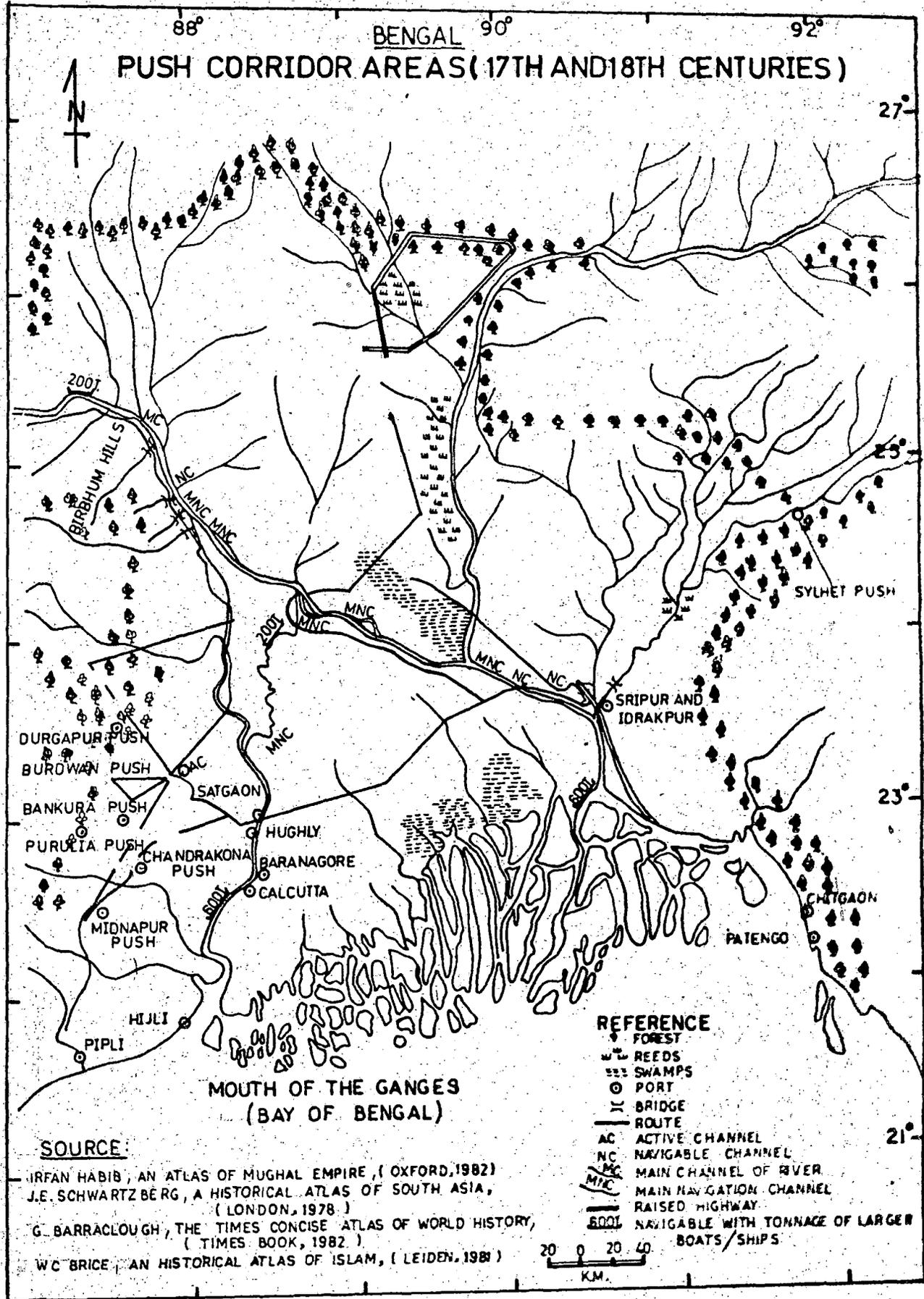
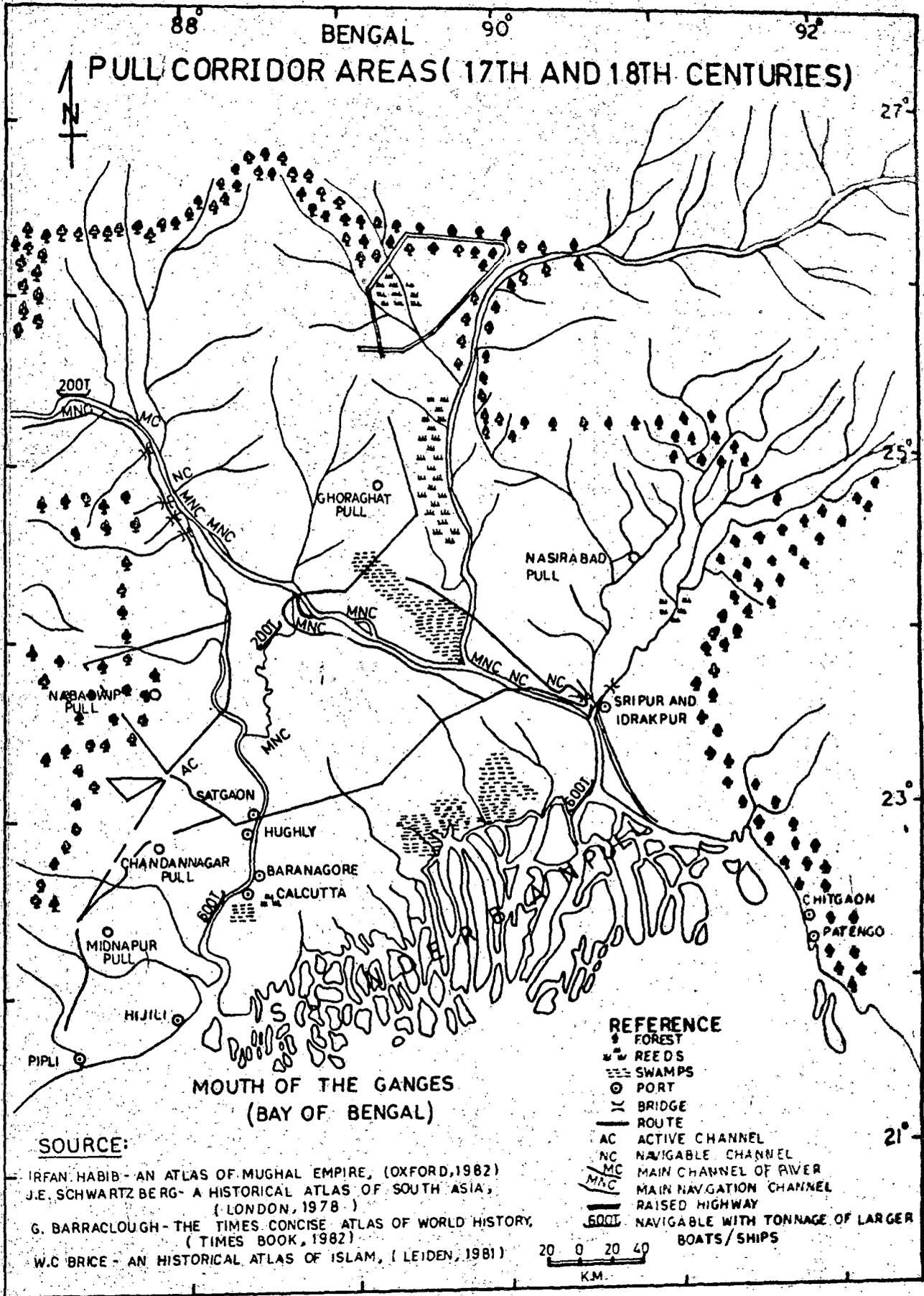


FIG.



Fig

mainly on silk textile industry, gum lac production, resin production, honey bee husbandry and metal's products.¹⁶ But the textile industry as well as working with metals formed the main domestic industry of this region. It was only during the later half of the 18th and the first half of the 19th centuries that projects were undertaken to improve the mineral wealth of the districts as well as to introduce various cash crops like indigo, sugar, jute, etc.¹⁷ Coal and iron mining were introduced in Raniganj, Burdwan and other coalfield regions of western Bengal. Some bad quality of coal was also found in the Dacca district. Here, the prevalence of proto-industrialization, mining and metallurgy may provide an explanation for the lack of migrant labour. Sylhet Push, Mednipur Push, Chandrakona Push, Burdwan Push, Bankura Push, Birbhum Push, Puruliya Push, Durgapur Push etc. formed the most important part of the 'Push Corridors'.

The 'Pull corridors' comprised of Sunderban Pull, Shaistaganj Pull, Jamalpur Pull, Nasirabad Pull, Nabadwip Pull, Chandannagar Pull, Birbhum Pull, Medinipur Pull, Kharagpur Pull etc. These 'Pull corridors' are recognised by the dominance of agricultural activities. But proto-industrial activities were not alien to these regions. The forms of agrarian activities in these regions along with proto-industrial activities were shaped and determined by the social distribution of the landed property, size of the farms, social power system etc.

It is evident from the following study that migratory labour took place from 'push areas' to either 'pull area' or 'neutral areas' or 'corridor areas'. Peasant migration and labour migration also depended on the forms of land ownership, social power system and other property systems etc.

16. W.W. Hunter, The Annals of Rural Bengal, (London, 1868), pp., 2, 352-361.

17. Jan Lucassen, op. cit., p. 30.

Having identified the zones, it is necessary to have a look at the structure of the village society that shaped the spread of proto-industrial system in 'pull', 'corridor' and 'neutral' rural areas of Bengal. Village society during our period is broadly classified into following groups. The dominant element in the village or a group of villages were the khud-kasht, who formed a privileged group in village society with well-defined and recognised hereditary rights and duties. The local officials (muqaddam, chaudhuri etc.) and intermediary zamin-dars during Mughal Period were often recruited from this section. This section of the local magnates paid land revenue at a concessional rate fixed by custom.

The second significant segment of the rural society was the

18. The term khud-kasht is self explanatory, being the Persian version of resident cultivator. This implies cultivation by peasants themselves, evidently with the help of their family labour, of lands which they owned. They also owned oxen and other means of cultivation. A normal peasant paid 2/5 of the produce as land-revenue, whereas these section paid 1/3rd and in some cases over 1/4th. When the khud-kasht defaulted, his dues would fall on the others and if he left his villages due to non-payment of his dues, his fields could be leased out to someone else, generally not exceeding three years till the expiration of which he could not claim restitution. See Satish Chandra, "Some Aspects of Indian Village Society in Northern India during 18th Century: the Position and Role of Khud-Kasht and Pahi-Kasht", Indian Historical Review, (hereafter cited as IHR), Vol. 1, No. 1, (1974), pp. 51-64. Also see his, Parties and Politics at the Mughal Court, 1707-1740, (New Delhi, 1972), p. Lii. The British found in Bengal that khud-kasht generally held more land than was shown in the village register. They paid land-revenue only for assessed land. But it would be difficult to maintain that this was a normal feature under Mughal administration, though its prevalence in some areas cannot be denied. See Satish Chandra "Some institutional factors in providing capital inputs for the improvement and expansion of cultivation in Medieval India", IHR, Vol. III, No. 1, (July, 1976), pp. 85-86.

pāhi kāsht or pā'ikāsht¹⁹, those peasants who came to the village from outside the zamindari and regarded as the outsiders although they may have their habitation in the village. Satish Chandra has categorised pāhi-kāsht in two classes: the first, and more valued were the peasants who owned their ploughs and oxen. These pāhis moved from village to village for favourable terms. The second were those who held no implements and were recognised as untouchables. They were hardly distinguishable from muzariān or share croppers.²⁰ The third and the larger segment of rural society consisted of muzariān who tilled the land of khud-kāsht peasants or the zamin-dars. There was also a small class of landless peasants placed at par with the village servants, the tanner, the potter, the washerman, the carpenter, the lohār, the barber, etc.

And finally, there were menial castes, who must have formed a

19. Irfan Habib recognises pā'ikāsht or pāhi-kāsht as those who did not belong to bhaiyāchāra (fraternity) and did not live in the village, but cultivated land belonging to it. See his, The Agrarian System of Mughal India, p. 123. See Satish Chandra, "Some Institutional Factors in Providing capital inputs for the improvement and Expansion of cultivation in Medieval India," IHR, Vol. III, No. 1, (July, 1976), p. 86. Also see Satish Chandra, "Some Aspects of Indian Village Society in Northern India during 18th Century: the position and Role of khud-kāsht and pāhi-kāsht," IHR, Vol. 1, No. 1, (1974), pp. 51-64.

20. Satish Chandra, "Some Institutional Factors in Providing Capital inputs for the improvement and expansion of cultivation in Medieval India", IHR, Vol. III, No. 1, (July, 1976), pp. 86-87. The word Pāhi, an ancient Indian term signifies that rural nobility was not a new phenomenon. The number of Pāhis in Bengal under British rule increased substantially that signifies the sign of a crisis in the working of the system.

fifth or a quarter of the rural population. They could not hold land or cultivate it on their own,²¹ except for very small fields or plots which were allotted to them as village servants (e.g. balāhars, the village sweepers). The 'menial' population formed a reserve to be utilised to work in the fields during harvests, uniformly liable to forced labour (begār), for carrying baggage, etc. of the higher classes.²² It would not, indeed, be amazing if the status of some of them was semi-servile, involving a kind of bondage to a particular community of caste peasants or zamīndārs. It was this section of the village society who failed to yield bare subsistence. During emergency followed by failure of cultivation due to flood, excessive rain and draught etc., their hardships knew no bond. It was this class of people of the rural society of Bengal who were in absence of any supplemental occupation other than proto-industrial system were much more prone to different kinds of proto-industrial activities depending upon the availability of raw materials, (emphasis added).

These unavoidable circumstances and the compulsion of expenditure on special social occasions compelled the people on the

21. Since cultivable land remained available, the relative numbers of landless labourers could never have been large. This is because, there were always possibilities to move off and settled on virgin soil. But despite of this, the landless labourers in the Mughal period were traceable. Irfan Habib explains it in following manner. Since land was not scarce during our period, a peasant's average holding was much larger, consequently, the larger farm holders required temporary hands to supplement its own labour at harvest and sowing times. These hands could come only from the non-peasant rural population. The chanar and chanuks etc. worked as agricultural labourers. They also came from depressed castes. See Irfan Habib, The Agrarian System of Mughal India, p.121.

22. Irfan Habib, "Agrarian Relations and Land Revenue: Northern India," Tapan Ray Chaudhuri and Irfan Habib (eds.), The Cambridge Economic History of India, Vol. 1, C. 1200-C. 1750, (Orient Longman, 1982), p.249.

lowest rung of the society to borrow loans on interest on short term basis from village mahājans.²³ The rate of interest varied from region to region. In addition to interest they also charged offering called salāmi. In case of peasant's failure to pay the debt within the fixed time, the money-lender had increased the pressure on the debtor arbitrarily by charging compound interest which proved disastrous to the debtors. The payment of loan in the form of grain also prevailed; the rate of grain was fixed by the mahājan at the time of lending.²⁴ Under this servitude circumstance the pāhi-kasht, the muzār iān, the landless peasants and untouchables had no other substitute but to engage themselves in proto-industrial system. This led to an increased exploitation of the family labour even on very low wage because the main motive

23. Satish Chandra, "Some Institutional Factors in Providing capital inputs for the improvement and expansion of cultivation in Medieval India," IHR, Vol. III, No: 1, (July, 1976), p. 89.

24. The Faqirs gave loans at the rate of $1/2$ āna per rupee, in addition to salāmi and obtained from the borrower a written undertaking for the payment of debt in two or three months. Each rupee of the given loan was less in weight by more than one pie, but at the time of repayment one pie per rupee was deducted as discount although the money received by the mahājan was of good quality. Thus, he gained a net profit of more than two ānas per rupee every month. The compound interest is regarded as the interest charged by the mahājan on the combined money that is principal (asāl) and accumulated interest, as the principal money. The money-lender deducted only 1.5 maunds instead of 2 maunds, when the peasant brought his grain to him to clear of the debt. See Z. U. Malik, "Agrarian Structure of Bengal at the Beginning of British Conquest: A Contemporary Persian Account," Medieval India: A Miscellany, Vol. IV, (AMU, 1977), pp. 187-188.

behind the exploitation of the family labour was to earn an extended income to preserve family's subsistence. There was danger to the preservation of family's subsistence of the proto-industrial producers in the 'push' areas, which was productive of family as well as individual mobility usually from 'push' and 'corridor push' areas to 'pull' and 'corridor pull' areas. Small distance mobility also occurred from 'neutral areas' to 'corridor pull' and 'pull' areas.²⁵ This further intensified the proto-industrialization in the 'pull' as well as 'corridor pull' areas.

A state with centralization in administration, stability and peace with certain minor and local exceptions like the Mughal empire with well institutionalized Mughal nobility²⁶ had a vital role to play in the direction of proto-industrialization. From contemporary chronicles and recent researches it is possible to postulate that zamindars secured sanads for making the country industrially, commercially and agriculturally prosperous.²⁷

25. The wages in the 'pull' and 'corridor pull' areas were higher due to various physical, natural, economic reasons. The transportation from one place to another place was easily available. Job opportunities were also available in the 'pull' areas due to intense proto-industrial activities.

26. S. Nurul Hassan, "The Position of the Zamindars in the Mughal Empire," The Indian Economic and Social History Review, (hereafter cited as IESHR), Vol. 1, No. 4, (April-June, 1964), p. 107. The Mughal nobility was comprised of mansabdars, jagidars, zamindars etc. Satish Chandra views Mughal nobility as the product of a long process of historical evolution originated from the political and economic developments in West Asia, influenced by the socio-economic conditions of India, the experience of the Turkish Sultans in India, the Turko-Mongol traditions and finally, the political genius of Akbar and the circumstances shaping his reign. See his, Parties and Politics at the Mughal Court, 1707-1740, p. XVIII.

27. S. Nurul Hassan, "Three Studies of the Zamindari System," Medieval India: A Miscellany, Vol. 1, (AMU, 1969), p. 233.

Therefore, zamīndārs in collaboration with jāgīrdārs maximized the total income of the Mughal state together with their personal illegal gains.

All kinds of zamīndārs²⁸ generally comprised of primary, intermediary and autonomous chiefs,²⁹ in collaboration with manṣabdārs

28. The term zāmīndār is a Persian compound meaning keeper or holder of land (Zamīn). The suffix -dār implies a degree of control or attachment but not necessarily ownership. In the 14th century, as Irfan Habib believes, the word zamīndār seems to have been used to denote the chief of the territory, Zamīn, like, land, having also the wider meaning of a district or country. In Mughal India, this usage continued, the chiefs being so designated. From the time of Akbar onwards, the term Zamīndār used for any person with any hereditary claim to a direct share in the peasants produce. It was the later sense that became predominant during the 17th century. See Irfan Habib, "Agrarian Relations and Land Revenue: Northern India", Tapan Ray Chaudhuri and Irfan Habib (eds.), The Cambridge Economic History of India, Vol. 1, C. 1200-1750, p. 244. For the province of Bengal, the term Zamīndār was a Mughal innovation introduced for the first time by Akbar to denote all categories of existing landholders. Before Mughal system, it were the independent bhūiyas who controlled the land revenue system. See Ratnalekha Ray, Change in Bengal Agrarian Society, C. 1760-1850, (New Delhi, 1979), pp. 14-15.

29. S. Nurul Hassan, "The Position of the Zamindars in the Mughal Empire", IESHR, Vol. 1, No. 4, (April-June, 1964), pp. 105-107. Also see his, "Zamīndārs under the Mughals", Eric Frykenberg, Land Control and Social Structure in Indian History, (N. Delhi, 1979), pp. 7-17. The primary Zamīndārs were the holder of proprietary rights over agricultural as well as habitational lands with hereditary and alienable rights. See Irfan Habib, The Agrarian System of Mughal India, (Bombay, 1963), p. 174. Intermediary zamīndāri was not a proprietary right and is described as khidmat. They maintained detailed records of production, land rights, the revenue paid and the crops sown. They enjoyed the right to various types of perquisites such as commission, deduction, revenue free land etc. Ijāradārs and ta'alluqdārs were often belonged to this class of Zamīndārs. See B. R. Grover "The Nature and the Evolution of Talluqdari System during the Mughal age", IESHR, Vol. II, No. III (July, 1966), p. 269. Also see his "Nature of Land Rights in Mughal India", IESHR, Vol. 1, No. 1, (1963), p. 9. For ijāra system see S. P. Gupta, "Ijara System in Eastern Rajasthan, (C. 1650-1750)", Medieval India: A Miscellany, Vol. 2, (AMU, 1972), Also see Noman Ahmad Siddiqui, Land Revenue Administration Under the Mughal, p. 73. The hereditary ruling chiefs after their submission to Mughal Government, were enrolled as zamīndārs. They rendered military service were usually enrolled as manṣabdārs and were awarded jāgīrs. Their zamīndāris consisted of two portions namely, hereditary (waṭan) jāgīr and others as tankhwāh jāgīr.

increased the extortions of small holder peasants, compelling them to supplement their income from proto-industrial activity. Among such zamīndārs, ta'allūqdārs and ijāradārs were most important. The ta'allūqdārs in Bengal and Awadh were freely associated with the territories of the tankhwāh jāgīrs, khalisa offices, zamīndārī territory etc. In the 18th century ta'allūqdārs were regarded as 'revenue farmer'. The ta'allūqdār paid the land revenue to the Mughal state directly as well as indirectly and were called huzūrī and muskūrī respectively.³⁰ The ijāradārs were concerned with the farming out of the revenues of a maḥal on contract basis. Thus, it were the big zamīndārs and in some cases even the merchants in collaboration with local magnates, who purchased numerous tracts on ijāra either from Mughal government or from individual grantees.³¹ Since these zamīndārs were allies of high castes in the rural regions and since bhaiyāchārā relationships among these groups of the rural society was very strong, zamīndārs always treated them with leniency. The upper castes like Brahmins, Kshatriyas and Vaiśyas were regarded

30. B.R.Grover, "The nature and the evolution of Taluqdari system during the Mughal age", IESHR, Vol. II, No. III, (July, 1966), p. 269. Also see his "Nature of Land Rights in Mughal India", IESHR, Vol. 1, No. 1, (1963), p. 9.

31. S.P.Gupta, "Ijara System in Eastern Rajasthan, (C. 1650-1750)", Medieval India: A Miscellany, Vol. 2, (Bombay, 1972). Also see Satish Chandra and S.P.Gupta, "The Jaipur Pragana Records", IESHR, Vol. III, No. III, (Sept. 1966), p. 305. The agreement bond was regularly stamped by the Qāzī, showing the assessed land revenue alongwith the regular biannual or yearly instalments to be paid by the zamīndārs. He was helped by village and pragana officials. See, Ratna-lekha Ray, "The Bengal Zamindars: Local and the state before permanent Settlement", IESHR, Vol. XII, No. I, (Jan, March, 1975), p. 265.

as concessional revenue payer by the Mughal government. Their burden of land revenue was paid by the smaller peasants. The smaller peasants, were, therefore, bound to pay more than due share of the revenue in order to make up the total.³²

Now, it is possible to refute the opinion of 18th century observers that Rājput̄s had always controlled almost all the land. But, there is no doubt that they controlled the bulk of the land (i.e. 65%). From a recent research it is evident that Rājput̄s were responsible for payment of 50% of the total revenue demand and shared responsibility with Brahmins or Muslims for an additional 15%. The 30% of the land revenue was paid by Brahmins and Bhūmihars.³³ The zamīndārs also levied the poll tax, tax on marriage and births, house tax and other cesses. Despite this, the zamīndārs were sometimes entitled to unpaid labour services from certain classes of persons. If the zamīndārs failed in performing duties, he would be excluded from the land, but be paid 10% of the land revenue as mālikāna apparently in compensation for imposts and perquisites lost by him.³⁴ This means an extra-burden on the

32. The oppression of the smaller peasantry increased substantially throughout the Mughal Period. See Irfan Habib's, "Agrarian Relations and Land Revenue: Northern India", op. cit., p. 249. He brought examples from Rajasthan and Maharashtra. See also his, The Agrarian System of Mughal India, pp. 319-324. Here he has brought the example of Kashmir.

33. Bernard S. Cohen, "Structural Change in Indian Rural Society (1596-1885)", Rober Eric Frykenberg (ed.), Land Control and Social Structure in Indian History, (New Delhi, 1979), pp. 56-57. The Muslims paid 3% land revenue for those paṛganas which they controlled in entirety and 4% for those which they shared with Rājput̄s. This indicates the hold of upper castes on Mughal land revenue system.

34. Irfan Habib, "Agrarian Relations and Land Revenue: Northern India", Tapan Ray Chaudhuri and Irfan Habib (eds.), The Cambridge Economic History of India, Vol. 1, C. 1200-C. 1750, p. 245. He holds that in Gujarat the allowance went upto a fourth of the total revenue collected.

on the existing land, which in its turn, transferred her burdens on the smaller peasants. Now, the need to earn supplemental income from outside agricultural seasonal employment had been greatly increased and proto-industrialization was the only source of employment for such labourers on part-time basis.

The thesis that frequent transfer to jāgīrdārs during 17th and early 18th centuries led inexorably to a reckless exploitation of the peasantry for their personal interest at the cost to ruin the peasantry and so to destroy the revenue-paying capacity of that area for all time.³⁵ But Satish Chandra rejects any such assumption in the case of frequent transfer of bigger manṣabdārs who held more than 3/4th of the revenue yielding territories.³⁶ But, the bigger jāgīrdārs were backed by standing administrative machinery as well as by large military forces to collect revenue and "their status and authority usually rendered futile any complaints against them in the Court".³⁷ Therefore,

35. Irfan Habib holds this view. Contemporary Indian writers like Bhimsen, Sadiq Khān, Khafi Khān etc. also discussed the exactions of peasantry by the agents of the jāgīrdārs. Khafi Khān regarded this act of the agents of jāgīrdārs as 'no better than common robbers'. Bernier, St. Xavier, Hawkins, Manrique etc. were the foreign writers and travellers who believed in the oppression of peasantry by agents of jāgīrdārs due to jāgīr transfer. See his Agrarian System of Mughal India, pp. 320-321. But Satish Chandra believes that "Bhimsen's remarks that a manṣabdar was uncertain whether he would remain in the jāgīr the following year due to exactions of the royal mutasaddis and the practice of taking a large qabz from amils and that this was ruinous for the peasants. Possibly, Bhimsen who was himself a small manṣabdar, has generalised the experience of small manṣabdars who were at the mercy of royal mutasaddis". See his, Parties and Politics at the Mughal Court, 1707-1740, (N. Delhi, 1972), p. 1, IV.

36. His assumption was based on the findings of A.J. Qaiser. See Qaiser, "Distribution of the Revenue Resources of Mughal Empire among the Nobility", Proceedings of Indian History Congress, XXVII, (1965) p. 240.

37. Irfan Habib, "Agrarian Relations and Land Revenue: Northern India", op. cit. p. 245.

in the 17th and early 18th centuries the system of jāgīr transfers led inexorably to a reckless exploitation of the peasantry. This ruthless exploitation of the peasantry was also the result of the imperial regulations that left a considerable field to the discretion of the jāgīrdārs. The failure and default in the payment of land-revenue was productive of various kinds of oppression viz. selling their women, children and cattle, enslavement etc. They were beaten mercilessly for refusing payment and the peasants finally rose into armed resistance.³⁸

In the course of 17th and 18th centuries, peasants were continuously pressurized to cultivate and produce more cash crops partly because it yielded more income to the state. These crops were more important for manufacturing goods of various kinds, for the growing foreign markets and for expanding city populac³⁹. As a result, sugarcane, cotton, oilseeds, indigo, tobacco, maize, opium, jute etc. were

38. Khafi Khān, Manrique, Manucci, Badauni, Pelsaert, Bernier, Mundy etc. were the important 17th and early 18th century writers who held such views. Manrique said that "They (the peasants) are carried off, attached to heavy iron chains, to various markets and fairs (to be sold), with their poor, unhappy wives behind them carrying their small children in their arms, all crying and lamenting their evil plight". See Irfan Habib, The Agrarian System of Mughal India, pp. 322-323.

39. Satish Chandra, "Some institutional factors in providing capital inputs for the improvement and Expansion of cultivation in Medieval India, IHR, Vol. III, No; 1, (July, 1976), p. 84.

encouraged to be cultivated. Among the spices, pepper was commercially the most important article of Indian produce. Long pepper grew chiefly in Bengal and could only have been used by the rich. Capsicum or chilli, unknown to Mughal India, was acclimated only about the middle of the 18th century.⁴¹ Horticulture, too, witnessed some important developments during Mughal Period. The technique of grafting and its application enabled an improvement in the quality of fruits. The technique of grafting was introduced into Indian horticulture about A.D. 1550 by the Portuguese. The Portuguese produced the well-known grafting variety of mango, the Alphonso; but it seems quite probable that mango grafting have reached northern India only in the 18th century. The pineapple, papaya and cashew nut and later guava were introduced into Bengal

40. See S. Nurul Hassan, "Zamindars under the Mughals," Robert Frykenberg (ed.), Land Control and Social Structure in Indian History, (New Delhi, 1979), p. 23. Also see Vyuptakesh Shama, India and Britain: A Study of Economic Relations, (Patna, 1980), p. 3. For Opium see Om Prakash, "Opium Monopoly in India and Indonesia in the 18th century", IESHR, Vol. XXVI, No. 1, (1987), pp. 64-66. For a detailed study of the cultivation of Cash crops in Bengal during later 18th century see B. B. Chaudhari, The Growth of Commercial Agriculture in Bengal, Vol. 1, pp. ii-iv. Also see Irfan Habib, Agrarian System of Mughal India, pp. 38-48. For growth of Opium in Bengal, see H. T. Colebrooke, Remarks on the Husbandary and internal commerce of Bengal, (Calcutta, 1804), pp. 72-74. It is generally believed that maize was introduced in India only in 18th century, but Gode holds that maize was cultivated in Maharashtra during 17th century.

41. Irfan Habib, Agrarian System of Mughal India, pp. 46-49. Also see his, "The System of Agricultural Production: Mughal India", Tapan Chaudhuri and Irfan Habib (ed.), The Cambridge Economic History of India, Vol. 1, C. 1200-C. 1750, (New Delhi, 1982), p. 218.

from the new world. Potato, a native of highlands of Chile and Peru, was introduced into India by the Portuguese in the 17th century. The first mention of potato in India was made in Terry's account of banquet given by Asaf Khān to Sir Thomas Rao in A.D. 1615 at Ajmer. The practice of grafting by masses improved the quality of the oranges, the sangpara, koloi, nārangi and mangoes in Bengal. Vegetables were widely cultivated in Mughal India near the towns because urban demand put a premium on their cultivation. Ordinary and sweet tomato was introduced in Mughal India.⁴³

These high-grade cash-crops required much more capital to be invested in irrigation projects; labour requirements etc. Poor peasants could not afford this high expenditure. The ruling class invested capital in orchards for producing for the markets.⁴⁴ Although, the shift to cultivate new crops provided poor peasants a

42. For the technique of grafting, see M.S. Randhawa, A History of Agriculture in India, Vol. II, (ICAR, N. Delhi, 1982), pp. 189-190. Pineapple was grown in the beginning of Portuguese possession on the Western Coast but familiarized in Bengal and Gujarat only at the end of the 16th century. In the sixties of the 17th century, very good quality of pine-apple was found growing in Assam. Portuguese also introduced Papaya and Cashew-nut but a bit latter. Till the time of Shāhjahān, the practice of grafting was restricted to imperial gardens. It was Shāhjanān who lifted this ban. See Irfan Habib, The Agrarian System of Mughal India, pp. 50-51. Also see his, "The System of Agricultural Production: Mughal India," Tapan Raychaudhuri and Irfan Habib (ed.), The Cambridge Economic History of India, Vol. 1, C. 1200-C. 1750, p. 218.

43. Irfan Habib, The Agrarian System of Mughal India, p. 48.

44. Tapan Raychaudhuri, "The State and the Economy: The Mughal Empire," Tapan Raychaudhuri and Irfan Habib (eds.), The Cambridge Economic History of India, Vol. 1, C. 1200-C. 1750, (New Delhi, 1982). Also see Satish Chandra, "Some Institutional factors in providing capital inputs for the improvement and expansion of cultivation in Medieval India," IHR, Vol. III, No. I, (July, 1976), p. 84.

new source of seasonal employment, but most of the cultivators were either nobles or rich khūd-kāsht, the possibility to earn a stipulated income was very meagre. And even if they received, it was for a very small span of the period. These developments led them to go for proto-industrial system.

These developments together with noble's demand in cash boosted the internal commerce between the town and the country and finally, the accumulation of capital in the cities. These functioned in the form of a chain between the villages and the centres of grain mandīs, leading to the development of bigger mandīs, thereby increasing the number of urban centres and circulation of money. Consequently, a class of specialized grain merchants grew. Thus, the nobles and zamīndārs have forced in some ways, the pace of medieval commercial development.⁴⁵

The immense drain of a substantial part of rural produce to the towns, helped to create large town population. Town crafts also grew: so great was the demand of the nobility that slaves were trained to be artisans in large number. Imperial kārkhānas were established. Nobles also maintained large workshops where free and servile artisans worked to meet their demands. Thus, Mughal administration at its best promoted the commerce of the country. These factors together with the existence of considerable

45. The intermediaries levied a poll tax, cesses on marriage, births, house tax. They also collected sā'ir which was imposed on hāts, ganjs, bazārs, gasbas etc. The autonomous chieftans had become free to manage their internal affairs, to levy cesses and duties on trade passing through their principalities. See Ratnaleda Ray, Change in Bengal Agrarian Society, (C. 1760-1850), (New Delhi, 1979), p. 22. Also see Irfan Habib, Agrarian System of Mughal India, p. 185.

regional and local variations affected the internal life of villages.⁴⁶ Some of the villages specialised in certain crafts and produced not only for local markets but for broader market. The industry was organised on house-hold basis but it was closely controlled and financed by big merchants and their agents. The second important investment of these hoarded capital was in the urban property such as shops, markets, sarais, etc. Almost for the first time, an urban leisured class living on rents from urban property was coming into existence. Land, too, was beginning to be an object of sale and purchase.⁴⁷ A considerable growth of small township is visible during later Medieval period. These qaṣbas apparently played the role of regional centres for the collection of grain. These centres also functioned as the resident centres for the rural gentry.⁴⁸ And finally, these grain merchants also functioned as money lenders and ṣarrāfs.

There were other factors which promoted proto-industrialization.

During the later half of the 17th century the jāgīrdārī crisis took a acute shape which arose precisely as a result of

46. Satish Chandra, "Some Aspects of the Growth of Money economy in India during the 17th Century," IESHR, Vol. iii, No. iii, (Sept., 1966), pp. 321-328.

47. Ibid., p. 321.

48. Ibid., pp. 321-328. Also see his, "Commercial Activities of the Mughal Emperors during the 17th Century," Bengal : Past and Present, vol. LX XVII, pt. II, S.No. 146, (1959), pp. 93-99.

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be-jāgīr phenomenon. Adjustment for low receipt was not made by the government either by way of additional jāgīr assignments, or by cash payment or by way of compensation. Actually, the Mughal government left the jāgīrdārs to bear the risks of fluctuations in the recovery of the pay from the hāsils of the jāgīrs assigned to them. Consequently, there were inordinate delays in the grant of jāgīr and when finally granted they yielded only a fraction of the sanctioned emoluments. There was no other alternative but to realise the full value of their jāgīr by applying any method. The system of jāgīr transfers led inexorably to a reckless exploitation of the peasantry. The evil was worse when jāgīrdārs, instead of collecting revenue through their own agents, farmed out the jāgīr, through ijārādārs and ta'allūqdārs. This reckless exploitation of peasantry reached a high magnitude at the end of Aurangzeb's reign, (1707). From Bengal alone an yearly rent of Rs. 131 lakhs in the treasury books was entered; it reached

49. At the time of assignments to high military officers, it became necessary that in view of the scarcity, pā'ibāgī was encouraged, that is the jāgīrs of some of the nobles be resumed and given to others. The emperor cancelled the assignments of very large number of officers. This was the direct consequences of the influx of the large numbers of Deccani nobles during Aurangzeb's reign. Secondly, the practice of matching the jama with the pay of the jāgīr was not adopted in all cases of revenue assignments. There were cases recorded in original documents when the rank and pay of a jāgīrdār were enhanced without additional jāgīr. Sometimes Mughal government made cash payments to jāgīrdārs to maintain their animals. The jāgīrdārs of the same rank and same military obligations did not secure the same salary and disparity existed in the amount of hāsīl.

50. Irfan Habib, Agrarian System of the Mughals, (Bombay, 1963), pp. 319-323. Also see Satish Chandra, Parties and Politics at the Mughal Court, 1707-1740, (PPH, New Delhi, 1979), pp. iv.

sicca Rs.150 lakhs. This included the taxes collected out of foreign trade.⁵¹

Although, the jama'dāmi statistics considerably increased in the 17th century, but it was entirely cancelled by the great rise in prices. Since, the jama'dāmi remained static, when adjusted to the rising price-level, one can only assume that there was only insignificant extension of cultivation.⁵² As a result of intolerable exploitation of the peasantry, peasant migrations were probably a general feature of the agrarian life of our period.

In the first half of the 18th century i.e. the reign of Muhammad Shāh (1719-48), the Mughal empire passed through one of its most disastrous phases. Internal, political, economic and administrative crisis made frontiers and Indian sea defenceless. The politics which emerged during this period was of two kinds: in one class were the succession states like Hydrābād, Awadh, and Bengal, that had to stand upon their own feet and became powerless to assist or assert. In the second category were the Marāthā confederacy, the jāts, the sikhs, and the Afghāns.⁵³

51. General Remarks on the System of Government in India, (London, 1769), p.72.

52. Ibid., p.321.

53. M.N. Pearson, "Political participation in Mughal India," IESHR, Vol. IX, No. 2, (1972), p.114. Irfan Habib, The Agrarian System of Mughal India, pp.339-346. Also see Satish Chandra, Parties and Politics at the Mughal Court (1707-1740), pp. XXXVI-XXXVII. For Marāthā Problem see Satish Chandra, "The Maratha Policy and its Agrarian Consequences" Bisheshwar Prasad (ed.), Ideas in History, (Bombay, 1968), p.173. Also see his, "The Deccan Policy of the Mughals-A Re-appraisal II," IHR, Vol. V, No. 1-2, (July, 1978-Jan, 1979), p.150. For over all crisis of the 18th century see Brijen K. Gupta, Sirajuddaulah and the East India Company, 1756-1757, (London, 1962), pp.20-21. The Marāthās invaded Bengal in 1742, 1743, 1744 and 1745. Alivardi was compelled to pay Rs.12 lakhs annually as Chauth of Bengal and ceded the province of Crissa to them. Also see M. Athar Ali, "The 18th century-An Interpretation", IHR, Vol. V, No. 1-2, (July, 1978-Jan, 1979), p.181.

As a result of above crisis, insecurity increased on the trade routes and at centres closer to the centres of operation of those rebellions.⁵⁴ Thus, the position of the European traders had become insecure.⁵⁵ Due to these local and regional rebellions transport of Bengal's raw materials to different provinces and raw materials and commodities from these regions to Bengal had been hindered. The Mughals, now, welcomed the establishment of fortified commercial settlements in Bengal, and permitted the building of Fort William in Calcutta, Fort Orleans at Chandranagore and Fort Gustavus in Chinsura.⁵⁶

A micro and local investigation of the impact of these regional rebellions displays that the transportation of the raw materials as well as finished goods must have been delayed and internal trade of Bengal had been negatively affected somewhat, but the loss of the inland trade was not sensibly realized.⁵⁷ This, however, did not hinder the wide spread of the proto-industrial system in Bengal. The proto-industrial centres of 'push areas'

54. M. Athar Ali, "The Eighteenth Century-An Interpretation," IHR, Vol. V, No. 1-2, (July, 1978-Jan, 1979), p. 182.

55. Harihar Das, The Norris Embassy to Aurangzeb, (1699-1702), Calcutta, 1959), p. 15.

56. S. Bhattacharya, The East India Company and the Economy of Bengal From 1704 to 1740, (London, 1954), p. 11.

57. General Remarks on the System of Government in India, (London, 1769), p. 82. It is evident from following quotation, "As the Foreign Trade at that time was rather increased, the loss of the inland trade was not so sensibly felt; for though by that loss the interior parts declined, the country nearer the marts of Foreign trade continued to flourish, but had the tribute been constantly exacted, during the loss of inland trade, all the specie would have been long ago exhausted".

(interior parts) might have experienced decline due to road blockade, the marginal handicraftsmen might have migrated to 'pull areas' and 'corridor pull areas', thereby intensified the proto-industrial activities in "pull" as well as 'corridor pull areas! The proto-industrialization of these areas was further intensified by international, national, coastal, multilateral trade and easy availability of transportation system.⁵⁸ The increased volume of supply was satisfied by a concentrated increase in production of proto-industry in comparatively small areas for which the quantitative changes involved might have proved significant.⁵⁹ The production of proto-industry of these regions was actually and largely dependent on the demand in the markets overseas. This was particularly true of areas where the growing demand of the European Companies led to a localization of production.⁶⁰ This process

58. Tapan Raychaudhuri maintains that even during these periods certain proportion of the exports were procured from territories even far inland, the bulk of the supply was obtained from areas around the centres of export. See his, "European Commercial Activity and the Organization of India's Commercial and Industrial Production, 1500-1750", B.N. Ganguli (ed.), Readings in Indian Economic History: Proceedings of the First All India Seminar of Indian Economic History, 1961, (New Delhi, 1964), p.70.

59. Ibid., p.70.

60. Ibid., p.71. Tapan Raychaudhuri opines that "For there was little or no economic integration as between different parts of the country: economically, Surat had probably closer links with the Persian Gulf area than, say, with the coast of Coromandel". Production in Bengal around the centres of export must have increased in response to the expanding export market. The localization of production was not entirely a new phenomenon generated by the impact of European merchant capital. There were groups of villages around the centres of export in Bengal which had developed highly specialized skills to meet the equally specialized demands in particular markets in Southeast Asia long before the formation of the European Companies. This was not a static process and the 17th century Bengal witnessed an intensification of the tendency towards localization.

(localization of production) was partly spontaneous and partly a result of the initiative taken by the European Companies. New centres were opened: Māldāh, Shāntipur, Chandarnagar, Chinsura etc. were important examples. The investments of the European Companies around the centres of export encouraged proto-industrial system. In order to facilitate their purchases, the Companies also deliberately attracted proto-industrial weavers to the factory towns.

Further promotion to the organization of high stages of proto-industrialization in Bengal was provided by the introduction of a more important innovation in the trade of semi-finished products and the final processing like dyeing or painting etc. These trades were carried out in the factories by craftsmen working on a wage basis.⁶¹ The non-occurrence of this form of indigenous enterprise in Bengal is comprehensively explained by flexibility of supply. The increase in production was achieved without any improvements in technique by primarily utilizing previously idle labour force. The Company's investments (purchases) provided them opportunities to access the market, thereby an incentive to produce more. If the existing means of production (machinery) could thus cope with the increasing demand the Indian merchant or middleman had no

61. Ibid., p.72. If this particular form of enterprise had been emulated by the Indian merchants with their considerable command over capital, revolutionary changes in the production of manufactured goods might have taken place. Why this did not take place? The answer is speculative. "The prices of the commodities, despite short-term fluctuations produced often by non-economic causes, appear to have been more or less stable in the long-term period. In view of the steadily expanding demand, this may imply either that the volume of export was not large enough to affect the price level or that the supply was highly flexible. As in several instances the procurement was from very limited areas, the first explanation cannot probably be accepted, for in these areas the exported commodities must have accounted for a very substantial proportion of the local produce."

to control production process or introduce innovations in production. Even the European companies found it necessary to introduce changes in organization only on a very limited scale.

Within the areas of proto-industrial organization in Bengal during late 17th and throughout the 18th centuries, one important quantitative organizational change did take place.⁶² Though the merchant capitalists remained largely or entirely outside the machinery of production so far as direction or control of production process beyond specifying their requirements as purchasers is concerned, a channel for the penetration of capital into a significant sector of production had been found. This extension of a system already known must have meant an increase in productivity, a fact which partly explains the flexibility of supply. In other words, the expanding demand could not be met without certain changes in the technology. The production of highly standardized and fashionable commodities during the 17th and 18th centuries of Bengal is explained by the demand factor. Thus the thesis propounded by Mokyr and McCloskey to explain industrialization through supply

62. Ibid., p. 79. If the bulk of the production in the country, meant for immediate use, was carried on with the producer's own meagre capital resources, at least certain part of the production for the market was traditionally dependent on capital supplied by merchants in the form of advance payment. The Asian, European and Bengali merchants depended entirely or largely on capital supplied from merchant capitalists, foreign and native except when production was organized under their supervision in the factories. The penetration of merchant's capital in the production process did occur. But, throughout these years, the initiative in the direction of mechanical innovation remained in the hands of certain foreign Companies of monopolistic merchant capital whose interest in re-organizing production was necessarily limited. The lack of interest on the part of foreign Companies in the direction of mechanical innovation was largely responsible for making Bengal backward industrially.

factors does not seem adequately to be applicable in case of 17th and 18th centuries Bengal.⁶³ Theoretically, in this changed production relations, proto-industrialization catalysed the origin of these new relations of production, their complete and exhaustive development in all areas of production, the prelude to industrial capitalism. But, proto-industrialization could make transition to industrialization only where certain favourable politico-socio-economic and institutional conditions existed. In absence of these pre-conditions stagnation or de-industrialization did occur. In case of Bengal this did not happen.

The nature, function and demand of Mughal towns, cities and urban centres⁶⁴ were markedly different as compared to the European cities of the 17th and 18th centuries. In the Mughal Bengal, guild cities as such, which prevailed in Europe did not exist. Under Mughals, the cities and towns of the subcontinent fulfilled diverse and overlapping roles.

Persian historians of the period present very simple classification of the towns based primarily either on size and population

63. For detailed study of the supply factor to explain the industrialization in 18th century Europe see Donand McCloskey, "The Industrial Revolution 1780-1860: A Survey," Mokyr (ed.), The Economics of the Industrial Revolution, (London, 1985), pp. 53-74. Also see Joel Mokyr, "Demand Vs Supply in the Industrial Revolution," Joel Mokyr (ed.), The Economics of the Industrial Revolution, (London, 1985), pp. 97-118.

64. ^{See} Govin R.G. Hambly, "Towns and Cities: Mughal India," Tapan Raychaudhuri and Irfan Habib (eds.), The Cambridge Economic History of India, Vol. 1, C. 1200-C. 1750, p. 434 for a proper connotation of the term 'urban' loosely. Regardless of exact proportion (which can never be known), the urban population of Mughal India possessed an economic and cultural significance far exceeding its actual size.

or on administrative status.⁶⁵ But a functional classification of the towns of Mughal India categorises it into various categories.

The first category of Mughal town was the administrative centre including the imperial and provincial capitals etc. primarily meant for administrative purposes and secondly, meant for busy centres of proto-industry and commerce. The need of the Imperial Court, large number of nobles, the army and the administrative staffs⁶⁶ in these administrative centres must have increased the town population. The bulk of these (26 million) people were maintained at a level of bare subsistence or even below that. They were in earnest want of an additional occupation to earn a supplemental income. Their children, too, were in search of extra-occupation in the nearby townships. The temporary nature of some of the employments

65. Persian writers mention only two kinds of towns during Mughal India. These were big and small. The term balda (occasionally Shahr) is generally employed to denote a big town and qaşba or a township. For the big and small ports in Gujarat the terms bandar or bara were respectively used. There was a permanent bāzār (market) and the inhabitants were largely non-agriculturists. See for a detailed examination, M. P. Singh, Town, Market, Mint and Port in the Mughal Empire, 1556-1707, (Adam Publishers and Distributors, New Delhi, 1985), p. 1.

66. To these official staffs, one has to add nearly 4.7 million retainers including 300,000 horsemen in the employ of the zamīndārs. Thus, the number of non-military personnel in the service of the army, the nobles and the imperial establishment and the families of all the people, so employed, the total number dependent for their livelihoods on employment in the armed services and associated activities, must have increased enormously. One source estimated it at some 26 million out of a total estimated population of 100 million. The plentiful supply of cheap labour for these services was maintained largely by the flight of over-harassed peasants from agricultural occupations. The pay of the foot-soldier ranged from 100 to 400 dāms a month. See, Tapan Raychaudhuri, "The State and The Economy: The Mughal Empire," Tapan Raychaudhuri and Irfan Habib, (eds.), The Cambridge Economic History of India, Vol. 1, C. 1200-C. 1750, pp. 179-180.

compelled such persons to depend largely on proto-industrial occupations. As a result of the necessities of these lower classes of population in the administrative cities with large demand of luxury goods encouraged the proto-industrial system to develop. "The import of horses for the army paid for with exports-mainly manufactured goods"⁶⁷ also had the effect of indirectly stimulating the proto-industrial system.

The Mughal ruling elite's income expanded enormously for the maintenance of truly fabulous life-style. The import of luxury goods mainly from Iran and Central Asia and later from Europe indirectly stimulated exports, while the consumption of domestic products helped sustain a vast market for luxury commodities. The Mughal ruling elite's taste for high quality commodities encouraged the tendency to specialization which was a characteristic feature of India's manufactures. Therefore, the Mughal ruling elite had a direct contribution to the growth of luxury manufactures. The existence of kārkhānas (workshops) in different administrative cities of Bengal for the production of

67. Ibid. p. 180.

68. Tapā Raychudhuri believes that a portion of the domestic manufactures was secured for the nobles partly through coercion on terms uneconomic for the petty producers but the bulk of these commodities were procured through normal exchange, stimulating proto-industrial production, see, Ibid., p. 180.

luxury commodities were parts of the imperial and noble's establishments.⁶⁹ These state kārkhānas acted as training grounds for skills, which eventually could be placed at the disposal of nobles and feudatories. Rich merchants were patronized by powerful manṅa-bdārs, and the rich merchants paid higher wages to artists, which contributed significantly to the preservation of these high arts and thus the wages of skilled artisans working in the imperial kārkhānas were well above the subsistence level.⁷⁰

The second category comprised of towns, which developed initially as commercial and proto-industrial centres and later on became administrative headquarters.⁷¹ Calcutta, Murshidābād, Chinsura, Chandarnagore etc. were important such towns. The third category comprised manufacturing towns.

The next important category of cities or towns were those which acquired reputation for the agricultural and proto-industrial produce especially in 'neutral', 'pull corridor' and to a limited scale in 'push corridor' areas. These were particularly sarkār headquarters, where the presence of the faujdar, his staff and the

69. Bernier held that state kārkhānas were maintained at Dacca, Sonargong, Junglebaree, Bazatpore etc. The imperial kārkhānas produced not only luxury goods but arms as well. Bernier wrote, "The arts in the Indies would long ago have lost their beauty and delicacy, if the monarch and principal Omrahs did not keep in their pay a number of artists, who work in their houses, teach the children and are stimulated to exertion by the hope of reward and the fear of the korrah." See his, Travels in India, (Oxford, 1914), pp. 102, 228, 229, 259. Also see Tapan Raychaudhuri, Ibid., p. 180.

70. Tapan Raychaudhuri, loc. cit., p. 180.

71. M. P. Singh, Town, Market, Mint and Port in the Mughal Empire, 1556-1707, (New Delhi, 1985), p. 3.

regular visits of State officials created great demands for manu-
 factured commodities. These activities were bound to promote proto-
 industrial activities.⁷² In course of time, the commercialization
 of Agriculture, the Government's insistence to collect land reve-
 nue in cash and finally, the intensification of proto-industria-
 lization based on agricultural production provided additional im-
 portance to such localized economic activity. The market activity
 was further stimulated in the qaṣbas by the establishments of
 merchants there who brought the surplus produced in the surroun-
 ding countryside. Money lending and money changing activities were
 encouraged here by ṣarrāfs as well as by petty zamīndārs, jāgīrdārī
 agents and the beneficiaries of waqfs or assignments of one kind
 or another. The Mughal state also encouraged such activities by
 permitting merchants to have commercial intercourse in the Mughal
 territories. But the Governor and rank and file of the Mughal admi-
 nistration hardly implemented these state policies for their own
 personal pecuniary gains.⁷³ This lacuna of state policy was productive

72. Such towns throughout the length and breadth of Akbar's empire were not less than 3200. But this was not a new development. In 16th Century, already, there were overgrown villages and burgeoning townships serving as granaries for the storage of government grain paid as revenue, as grain-distribution centres, as collection points for the banjāras etc. Banjāras specialized in the transportation of grain. See Govin R.G. Hambly, op.cit., p.442.

73. The merchants had also to secure the permission of a government official or authorized by the jāgīrdār to transport goods through or unpack marketable goods at any major administrative centre under the direct control of state or a jāgīrdār. Since nobles both high and low were involved in trade and commerce, they freighted their goods on the ships of others. They often interfered in the proper functioning of Mughal policies. The absence of legal ban on private trade by the state officials in the 17th century also compelled the Mughal nobles to go in for administrative interference. But this did not hamper the development of these market places. See Ahmad Raza Khan, "Mughal Administration and Trade in the Subah of Bihar," Proceedings of Indian History Congress, (Bombay Session, 1980), pp.2-3.

of all kinds of irregularities committed by state functionaries, particularly of monopolization of certain branches of trade, especially those which yielded them quick profits. Hence, this gave rise to sheer exploitation by those who were in power rather than fair commercial competition between the officers and merchants.

The fifth category of towns were those which were situated either on the banks of the navigable rivers or on imperial highways. The continuous inflow of merchant caravans contributed to their growth. Their proximity to trade routes induced the manufacturers and producers to bring their goods in the mandīs (markets) of these towns where big merchants or qāfilas (caravans) might arrive to purchase the whole stock or proto-industrial system. The presence of large number of buyers encouraged competition thereby raising the prices.

Then, there were the port towns namely Stagāon, Hughlī, Srīpūr, Chittagong, Piplī, Harīpūr, Bālāsore etc. Hughlī was developed by the Portuguese and acquired prominence only after 1632 and eliminated the old Port Satgāon in its close vicinity. These cities were enlarged primarily due to proto-industrial activities around the environ of these Port towns.

And finally, there were religious towns. Most of them were situated on the banks of holy rivers. These natural advantages encouraged proto-industrialization around the surroundings of these cities.

74. M.P. Singh, Town, Market, Mint and Port in the Mughal Empire, 1556-1707, (An Administrative-cum-Economic Study), New Delhi, 1985), pp. 7-11.

COMPANY PERIOD

From the analysis of the letter to Fort St. George, Dec 12, 1687, quoted in the preceeding pages, it is possible to postulate that the 'scent of dominion was already in the nostrils of the English Company,'⁷⁵ and during the first half of the 18th century, the Company was gradually concentrating their operations upon the Indian mainland rather than the profits of trade alone. The manifestation of this motive was becoming apparent in the imposition of heavy duties on goods imported into England during early 18th century. These impositions were laid on Indian products with a view to encourage English industrial products through supplying raw materials from India to England.⁷⁶ These policies of late 17th and early 18th centuries does not imply that proto-industrial system of Bengal suddenly collapsed because other European, Asian, African Countries, Coastal trade and inland trade had sufficient demand and supply of proto-industrial products of Bengal.

75. Sir Alfred Lyall, The Rise and Expansion of British Dominion in India, (London, 1913), p.49.

76. On 29th Sept, 1698, "the new subsidy of tonnage and poundage" doubled the general rate of duty charged under old subsidy of 1660. As a result of this new subsidy rule the Indian textile goods imported into England would have paid in that year 5% under the old subsidy; 5% under the imposts on linens and silks and further 5% under the new subsidy. The spices were liable to be paid 5% under the old subsidy, 5% under the duty of 1695 and 5% under the new subsidy; while other goods imported from this region had to pay in all 10% of subsidies. See C.J. Hamilton, The Trade Relations Between England and India (1600-1896), (Calcutta, 1919), pp. 102, 103 etc. Bengal products mainly consisted of silk, calicoes, painted, dyed, printed or strained, and muslins, were subject to a further duty of 15%. The duty on silks and painted calicoes was in force until 30th Sept, 1701 whereas the duty on Muslin continued upto 1787. Also see F. Russel (Compiled), A Collection of statutes concerning the incorporation, trade and commerce of the East India Company and the Government in India with the statutes of piracy, (London, 1794), pp., 93, 372, 373, 389. The prohibitory law against the wearing in England of silk, mixed with silk and cotton, Bengal's stuffs, calicoes, painted, dyed, printed or strained were implemented, with an additional duty of 15% on white calicoes.

The above policy of differential duties on finished products of India especially of Bengal became more apparent at home. Baines provided a statistical data to describe definitive degree and magnitude of duties imposed on cotton goods imported from India and especially from Bengal. His data displays a continuous and rapid increase in import duties on white calicoes, muslins and nankeens etc. of Bengal. Similar duty was imposed on sugar that amounted to 16s. 3d% imported from East India in 1790 which was designed as purely accidental and not prohibitory.

A deeper analysis of these imperial impositions appropriately indicates that these policies were designed to promote proto-industry

77. Edward Baines, History of the Cotton Manufacture in Great Britain, (London, 1835), pp. 73, 74. Rates of duty on cotton goods imported into England.

Year	East Indies White Calicoes			East Indies Muslins and Nankeens		
	Per Piece s - d	Per Ct. advalorem £ - s - d		Percent £	advalorem s - d	
1787	5 - 3	16	10 - 0	18	0	0
1797	5 - 9	18	3 - 0	19	16	0
1798	5 - 9	21	3 - 0	22	16	0
1799	6 - 8	26	9 - 1	30	3	9
1802	6 - 8	27	1 - 1	30	15	9
1803	_____	59	1 - 3	30	18	9
1804	_____	65	12 - 6	34	7	6
1805	_____	66	18 - 9	35	1	3
1806	_____	71	6 - 3	37	7	1

78. See, Three letters addressed to a Friend in India by a proprietor principally on the subject of Importing Bengal Sugars into England, (London, 1792-1793), pp. 8-11. Even then, the net profit fetched by the import of sugar in England during early 1790s amounted to about 27%.

of Britain to make transition into industrialization by converting Bengal into raw material producing province to feed British factory industries especially the cotton and silk. In India, in Bengal in particular, during later half of the 18th century, it was the British core who designed the pattern and structure of administration, land revenue system, demand of various proto-industrial products and its supply according to their industrial needs. In course of the 18th century the Company's administration provided possible promotion to the cultivation of those crops needed for the British industry. Therefore, important crops like indigo, opium, tobacco, jute, sugarcane, sericulture etc. were offered official encouragement and opportunities to be cultivated.⁷⁹ This motive of British industrialists did not necessarily result in the decline of the proto-industrial system of Bengal, but the process of de-industrialization in embryonic stage was gradually taking shape, and in the last decade of the 18th and first half of the 19th century de-industrialization took a definite shape. This is especially evident in the

79. For detailed examination of indigo cultivation and facility for its cultivation in Dinajpur district, Saran district etc. see letter Nos. 4811, June 19, 1795, No. 15; 4812:4858-16 June, 1795, No. 49 and 4859, June 16 of W.W. Hunter, Bengal Ms Records: A selected list of 14,136 letters in the Board of Revenue, Calcutta, 1782-1807 with an introduction and Index, Vol. II, (London, 1894), pp. 131, 135. The Company's advances to the indigo manufactures between 1793 and 1795 were roughly varying between 11 lakhs and 14 lakhs of current rupees i.e. £ 110,389, ₹ 102,045 and £ 137,148 respectively for the years 1793, 1794 and 1795. See Amlesh Tripathi (ed.), Fort William-India House Correspondence, Vol. XII, 1793-95, (Delhi, 1978), p. 5. For importance of opium and cultivation of opium see letter No. 6767, August, 11, 1799, of W.W. Hunter, Bengal Ms Records: A selected list of 14,136 letters in the Board of Revenue, Calcutta, 1782-1807, with an introduction and index, Vol. II (London, 1894), p. 301. Also see Amlesh Tripathi (ed.), Fort-William-India House Correspondence, Vol. XII, 1793-95, pp. 8, 10 for monopoly and importance of opium for British trade triangle. Also see P.C. Gupta (ed.), Fort-William-India House Correspondence, Vol. 13, 1796-1800, (Delhi, 1959), XXI, XXII etc.

case of cotton textile industry. Despite bad qualities of Indian cotton, its import in England reached 1/6th of its total imports in the most favourable year 1799, but in rest of the years it amounted on an average to 1/25th of the total import.⁸⁰

But, the Britisher's and their servant's goods were transported, bought and sold duty free in Bengal. Therefore, the inland trade of Bengal soon grew into a vast monopoly in the hands of the servants of the company and their gumāshtas.⁸¹ The use of dastak as opined by K.K. Datta began in 1704. It caused great loss to the nawab's exchequer and the local merchants who had to pay customs

80. The quality of Indian cotton was far inferior than American or Egyptian cotton, which formed most of the part of cotton import to Britain during the later half of the 18th century. American or Egyptian cottons were lightly attached to the seed, while most of the Indian cottons attached tenaciously to the seed. Bengal's most of the cottons were inferior to Gujarat cotton. The seed was also exposed to a rougher usage in such varieties and was more liable to be broken and crushed than in those in which it is easily separated from the seed. The experiment done during the early 19th century through trials showed that the deterioration observed during the trials in the quality of the lightly attached Egyptian cotton was at the most only 7% of the value of the best sample, it amounted to 32% in the case of Madras cotton. See Dr. Forbes Watson, Report on cotton jins and on the cleaning and quality of Indian Cotton, Part I, (London, 1879), pp. 2-3. For import of cotton in Britain see John Chapman, The Cotton and Commerce of India. (London, 1851), p. 64. For quality of Indian cotton and import of Dacca cotton see J.F. Royle, On the culture and commerce of cotton in India and elsewhere, (London, 1851), pp. 127, 128, 131. "The exports from Dacca to Europe of raw cotton amounted in 1789 to 12 lacs of rupees worth. In the year 1813, they did not exceed 3.5 lakhs and 1817 ceased entirely". Therefore, the increased demand of Indian cotton in Bengal increased the prices of cotton. Upon the commencement of the monopoly cotton was sold at the rate of 16 and 18 Rs. per maund of about 80 pounds weight, were soon run upto 28 and 30 rupees. See William Bolts, Considerations on India affairs particularly respecting the present state of Bengal and its dependencies, (London, 1772), p. 196.

81. J. Talboys Wheeler, Early Records of British India: A History of the English Settlements in India, (Delhi, 1972), p. 300.

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 according to the current rates. For these inland trades a network of the Company's factories and sub-factories was built at convenient spots. In this way the Company, their servants and their hirelings earned great profit. To do away with these malpractices and the exactions of chaukis etc., the Company established a number of dastak peons with badges carrying a Persian inscription signifying their being the Company's servants. With every dastak one of these peons was sent who was responsible for the goods passing free of all duties and impositions. After finishing his work the peon was ordered to return the dastak to the President so that the further use of the dastak may be abandoned. In 1759 the Court of Directors expressed their dissatisfaction with the measures taken, and introduced English colours for the protection of persons working under

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 them. Vansittart realised the abuse of dastak and agreed to impose duties on all Company's inland trade at the fixed rate of 9% on the prime cost at the places where the goods were provided. But the Calcutta Council rejected the plan outright and decided that the English were entitled by the famān to trade in country produce duty free. The nawāb could be allowed a 2.5% duty on salt only and the gunāshtās of the company kept outside the jurisdiction of

82. See K.K. Dutta (ed.), Fort William-India House Correspondence, Vol. I, Introduction, p. XLIV.

83. H.N. Sinha, (ed.), Fort William-India House Correspondence, Vol. II, 1757-1759, (Delhi, 1957), See Introduction, p. XXXI-XXXII.

nawāb's officials.⁸⁴ Finally, in March 1773 Warren Hastings issued new regulations, by which the petty chaukis were abolished except 7 and a single uniform duty of 2.5% was imposed to be paid by all alike—the Company, its servants, Europeans and Indian Merchants.⁸⁵ Up-till now, proto-industrialization received some kind of encouragement in one way or another because the Company and her servants placed orders and advances to the weavers. But from now onwards, proto-industrialization of Bengal received very little or virtually negligible stimulus from foreign and Bengali merchants.

During the later half of the 18th century various duties including custom, town, police, re-export and re-import duties were imposed on goods imported and exported from Bengal. Various rules were promulgated to promote partially or wholly the Company's industrial interests in Bengal.

84. See, C.S. Srinivasachari (ed.), Fort William-India House Correspondence, Vol. V, 1764-1766, (Delhi, 1962), pp. XVIII-XIX. But there were instances which show that Vansittart and his gumastas were indulged in such actions. This is quite clear from the demand of Messrs. Johnstone and Hay to set up an inquiry on nawāb's allegations when he says, "Mr Vansittart's own particular Gomastas shall be excused the duty laid on the trade of the company, from the one part of the country to the other in case they produce Mr Vansittart's public and private dastak it will appear, that a private agreement has been entered into between Mr. Vansittart and the nawab to put all the trade into Mr Vansittart's hands, which the rest of the English were deprived of by the treaty laid before the Board". See, Extract of consultation of March 28, 1763. Johnstone and Hay's Minute. Quoted in, Narrative of the Transactions in Bengal from the year 1760 to the year 1764. During the government of Henry Vansittart, Vol. III, (London, 1966), pp. 77-78. Also see, copy of a letter from the nawab to the Governor, Dated March 22, 1763, for the provision of the Company's duty-free trade. This letter is quoted in the Narrative of the Transactions in Bengal from the year 1760 to the year 1764. During the Government of Mr Henry Vansittart, Vol. III, (London, 1966), p. 80.

85. R.P. Patwardhan (ed.), Fort William-India House Correspondence, Vol. VII, 1773-1776, (Government of India Publication, Delhi, 1971), p. XXVI.

Goods exported from Company's provinces had to pay an export-duty of 2.5% on the valuation specified in the rates books; goods imported in Company's provinces with a rowannah secured at any of the custom houses in that district had to pay an import duty of 2/2% on the valuation specified in the Banāras rowannah and on those goods imported to Company's provinces from dominions of excellency without passing through the District of Banarās was also liable to pay an import duty of 2/2% on the valuation specified in the rates book. Merchants importing or exporting goods to or from the Company's provinces had to pay the duties before their boats arrived opposite to the custom houses. But the boats tried to evade custom duties by passing the said station without paying the customs and securing a rowannah and if traced and stopped were subject to double duties.⁸⁶ The goods invariably confined to articles.

86. New Custom houses were constructed at Manjee and Chawsah. See Board of Revenue (customs), proceedings, Vol. 1, (9th May-15th August, 1788); pp. 149-152. These chaukis were authorised by the government to stop all the boats loaded with merchandise attempting to go out of the Company's provinces without having paid the export duty and taken out a rowannah in the manner collected at other chaukis. If the merchandise was of a superior quality whereas the merchant had applied to secure a rowannah for goods of different or inferior quality, the custom collector had been authorised either on suspicion or information to stop any good passing through his station. He had been also authorised to examine any part of such goods in the public cutchery, and if the fraud detected he had the power to detain the goods and transmit the necessary proofs to the Board of Revenue who had final authority to direct the order to confiscate the same (the goods). These chaukis were opened every day except Sunday. Such rowannahs had to be sealed and signed by the collector, the darogāh, the munsif, or accountant etc. No collections either on account of fees or otherwise should be levied by the collector or any of his officers on goods imported or exported to or from the Company's provinces beyond the duties specified. If an officer was practising the prohibitory order was subject to be dismissed from his employment. Such officer was also subject to such fine as the board of revenue may think proper to impose not exceeding his salary of six months. A register of all rowannahs granted for goods imported and exported into or from the Company's provinces be prepared and transmitted on monthly or annual basis to the Board of Revenue. But instances were there to demonstrate that such prohibitory actions were practised by British officials.

of provisions and liquors, for gentlemen residing the up country in the civil and military services were offered free passports. The natives furnished the signature of Governor-General and obtained an affidavit of having no merchandise were also given a free passport.⁸⁷ The river collections were abolished in 1790. The police tax of Calcutta increased and became heavy. Prior to the abolition of the Calcutta Government custom house, all exports, under foreign colours had paid a duty of 2½% to that office. But in 1790 this duty was abolished. Foreign ships clearing out for sea from foreign settlements had to pay no duty now, although it was 2.5% prior to the abolition of the government customs.⁸⁸

87. Board of Revenue (Customs), Proceedings, (4th January-29th Dec, 1790), Vol. 2, pp. 43-44.

88. Due to the abolition of river collections on the ships loading in the river excepting foreign vessels, the Dutch, French and Danes conveyed away sugars and gruff articles 4% cheaper than the British and 2% cheaper than the manufactured ones. See Board of Revenue (Customs) proceedings, (4th Jan-29th Dec, 1790), Vol. 2, p. 187. For police tax see, pp. 187-188. The police tax was fixed by a sanctioned law. As a result many merchants were adopted the method of depositing their goods at foreign settlements, bring musters only to Calcutta. For abolition of export duty of the Calcutta custom house see letters from the Custom Master, quoted in Board of Revenue (Customs) proceedings, 1790, Vol. 2, p. 199. For other provision see pp. 201-202, 204. "Public notice is hereby given to all persons, that all goods and merchandise, which contrary to the said rule shall be laden, or attempted to be laden on board any ships or vessel, lying opposite to the town of Calcutta, without having paid the Calcutta duties or which shall be laden or attempted to be laden, either above or below, the said town of Calcutta, for the purpose of evading the Calcutta duties, will, upon detection be seized and confiscated." The person or persons who informed such a contraband transaction, had to be rewarded upon the seizure and confiscation of any such goods or merchandise to the tune of one half (½) of the net produce of the goods. Those goods exported at Calcutta and Baranagar paid it to the Calcutta Government custom House and those exported at Bandell, Chinsura, Chandernagore and Serampur paid it to the Hughli Custom House.

One important provision was implemented on 1st October, 1792. According to this regulation, the custom master was instructed not to refund half the duties on certificates from other presidencies in future which was usually the case previously.⁸⁹

A comprehensive study of various duties, in Bengal on raw materials and finished goods demonstrates that these impositions of town, transit, import, export, police, and other duties on various parts of Bengal were guided by British industrial interests. They wanted to make Bengal a very important market for their factory finished products. If the proto-industries of Bengal existed to manufacture very cheap finished goods compared to Britain, British factory finished products found no outlet there to penetrate into Bengal markets, because quality-wise Bengal's proto-industrial products were far superior. And secondly, the natives of Bengal required very little luxury goods. Now, there was only one channel left. They artificially increased the production cost by imposing various taxes on raw materials and finished products. This will be evident from the following example. A transit duty of 3.5% was imposed, excluding town duties which was at the rate 2%. And importation by

89. See, President and Members of the Board of Revenue, 1st October, 1792, Board of Revenue (Customs), Proceedings, 16th Jan-28th Dec. 1792, Vol. 4, pp. 285-286. Actually, from the certificates of other Presidencies, it does not appear clear that whether the goods were shipped from Madras on account of bad markets or were purchased there perhaps two or three hands from the persons who paid the duties for the purpose of sending to Bengal on speculation. If they were sold here it would be to an advantage, if returned unsold, the duties levied at Madras had to be refunded on their re-exportation goods sold here or bartered at the Port of Calcutta were not entitled, on exportation to any duty or certificate because it was a mercantile transaction on speculation but the duty was returned on all goods exported that have not changed owners.

sea at the Port of Calcutta in total 7.5% duty was imposed, which formed the custom and town duties at the rate of 3.5% and 4% respectively.⁹⁰ If we include police tax, its magnitude further went up. All these taxes were also applicable to finished proto-industrial products. If we calculate, in all, the production cost of the cotton proto-industrial products, it became costlier than British machine products and, therefore, lost many Bengal's as well as foreign markets. Thus, in course of 19th Century, de-industrialization happened in absence of the proto-industries.

During the initial phase of Company's period, considerable demands and advances to the proto-industrial producers came from Dutch, French, Danes and Ostenders, which was injurious to the development of industrial health of Britain. That was why the Britishers in the long-run adopted the policy of compulsory differential advantage by force. It was the Ostender Company and factory at Bānkī-bāzār which was first ruined by Clive in 1752. In 1759 the Danish Chief factor defected to the English bringing with him Rs. 350,000 in cash. Now, Serampore ceased to take active part in the affairs of Bengal and eventually in 1845, all the Danish settlements in

90. Miscellaneous Records relating to Commerce, Custom, Salt and Opium. Copy of Finance Committee's report, (dated 15th Jan, 1809), pp. 23, 24, 25, 30. From the same piece of evidence it is possible to display that the cotton imported from right bank of the Yamunā into the ceded and conquered provinces was liable to a duty of 8 ānas per maund. On the same cotton and cotton produced in the ceded and conquered provinces, a duty of 4 ānas per maund was imposed on its exportation from there. On both kinds of cotton imported into Banāras (Vārānāsī), a duty of 2.5% was imposed on a valuation of Rs. 6 per maund. On the cotton imported from Deccan into Banāras, a duty of 5% was laid on a valuation of Rs. 8 per maund. Therefore, differential duty existed.

India were sold to the English for £ 20,000.⁹¹

It was the policy of retrenchment and economy in all their possessions in India, the prevalence of corruption, dishonesty and private trade, the large number of desertions to the ranks of the English and the decline of the Dutch maritime power, that brought about the downfall of the Dutch.⁹² The process started during the 1750s, finally, ended by the treaty of 1824 when all the Dutch settlements, except Balasore (which was ceded in 1846) were made over to the English and Daniel Overbeek, the Director and 8 others Dutchmen were granted pensions.⁹³

91. Owen C. Kail, The Dutch in India, (Delhi, 1981), pp. 136-137.

92. The Hollanders and Zeelanders were basically sea-farers. They did not confine themselves to the transport of goods but were just as ready to ship cargo elsewhere. The maritime industry flourished especially in the northern lowlands, where little land on very high rent was available. Due to the scarcity of cheap land many people of moderate means invested their savings in buying shares in ships, in the fishing industry etc. Further encouragement to Dutch maritime trade and industry offered by the rederij system, whereby a group of people would join together to buy, build, charter a ship and its cargo, a part-owner usually being the master himself who was personally interested in the sale of cargo. The evolution of the 'fluit' or fly boat, manned by relatively small crew, yet carried a bulky cargo was one contributory factor to the profitability of the maritime trade of the shipowners. It was these techniques which enabled the Dutch to offer lower freight rates than any other nation in Europe. See, Ibid, pp. 7-11. During the first decade of the later half of the 18th century (1755-1760), English trade in opium and saltpetre crossed Dutch trade. p. 134. Throughout the 18th century dishonestly among Dutch merchants and officials was a wide spread phenomenon.

93. In 1781, Ross was instructed to surrender Chinsura to English to prevent it falling to the French. It was retaken in 1795 when France declared war on England and Holland. Chinsura was first administered by a special commissioner and then by the judicial magistrate of Hughli. Chinsura was resorted to Holland in 1817, but the Dutch Government was no longer interested in trading in India. See Ibid, p. 139.

The French settlement of Chandernagore founded by Bourreau-Deslandes in 1690 gained importance as proto-industrial and commercial centre under the governorship of Dupleix (1731-1741) as a result of his untiring efforts. Before 1763, the trade of Bengal was the most important branch of the commercial operations of the French Company and in 1763, this aim was further consolidated.⁹⁴ At this critical juncture, the affairs of French Company were in the hands of an old man called Renault de Saint Germain who lacked in firmness in dealing with the English. The English in their bid to achieve a monopoly of the Bengal trade and to limit the French trade, applied every means to evade the execution of treaty provisions by imposing new restrictions on French trade either directly through their own agents or indirectly under the guise of the authority of the Nawab. The French dependence on English for the supply of saltpetre, the subjection of French shipping to vexatious inspection

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94. The trading rights and privileges in Bengal granted to the French by the Parwanās of the local rulers. The principal articles of trade were silk, cotton goods of many varieties, opium, saltpetre etc. By the terms of the treaty of Paris, 1763, the French regained their old trading rights. See, S.P. Sen, The French in India, 1763-1816, (Firma K.L. Mukhopadhyaya, Calcutta, 1958), pp. 82-85. Law wrote in his Memoir of 1767, "everybody knows that Bengal is the principal place for the commerce of the Company; it is even the only place which can procure sufficient profit to cover our expenses in India".

95. This aim of the English Company's officials is clearly interpreted on basis of the French contemporary records. These French records contain large number of letters exchanged between the councils of Chandernagore and Calcutta. Large number of complaints were recorded in the different French subordinate factories against the activities of the English agents and the agents of the nawābs acting under English instigation. The main subjects of complaint on the French side were: ill treatment of French agents, physical violence against French agents etc., Ibid, pp. 85-86.

by the English, the exactions by the Nawāb's officers in the transit of French goods, the exactions of internal customs by Nawāb's officers at the French subordinate factories, and the difficulties encountered by the French in the procurement of Cotton, Silk, Opium etc. from different places of Bengal were some of the important examples of English interference in the commerce of French in Bengal. Most of the Bengali proto-industrial producers were strictly controlled and compelled to sell their proto-industrial products to the English Company. The vehement protests of the French were of no avail. The French trade after 1765 decreased ⁹⁶ (especially of Dacca). The French Company's abolition in 1769 and later the outbreak of hostilities between English and French offered an opportunity to English to establish a monopoly in Bengal. Peace treaty was concluded in 1783 and equal terms were offered to the French. ⁹⁷ But, this treaty was not a success and a new convention was signed on the 31st August, 1787 at Versailles. According to the articles of this treaty the freedom of trade by French subjects in Carnatic, Madura, Tanjore, Northern Sarkār, Bengal, Bihar and Orissa was provided (article-1) with French right to import salt in Bengal limited to 200,000 Mds. (article-2) and finally, the English agreed to deliver to the French in Bengal

96. S.P. Sen has observed that "after 1765 the French trade there (Dacca) was valued at 5 to 6 hundred thousand livers per year." Ibid, pp. 91-92.

97. The articles 13th, 14th and 15th of the peace treaty of 1783 were related to the restitution of territories in India. These articles also contained specific provisions that assured the complete freedom of commerce to all French subjects in India, trading either individually or collectively through a Company. These articles also provided the all commercial rights and privileges enjoyed by the old French Company.

18,000 Mds. of Saltpetre and 300 chests of opium (article-3) at prices current before the last year.⁹⁸ But this was not a long-term settlement. Here, also Englishmen's industrial interests were clearly exposed.

It was again the industrial and commercial interest of the English that shaped the land revenue system of Bengal. The original aim of the Company's officers was to decrease the purchasing power of consuming classes, the proto-industrial classes and others by applying any means. Two fundamental facts governed this economic relationships of the British Company in Bengal during the later half of the 18th century: the first was to deepen and intensify the existing poverty among these classes to prevent them from buying raw materials and making finished goods to sell to the highest bidder, the other was the lack of any kind of contractual law which was binding on both buyer and seller.⁹⁹ This factor in combination with inefficiency of agrarian implements increased the agricultural production cost in Bengal by 12 fold compared to Britain during the later half of the 18th century. If we include this

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98. After 1785, French Trading activities in India and particularly in Bengal intensified. The main factor behind this spurt of French trading activities was assigned to a new Compagnie des Indes, established in 1785, commonly known as the Company of Lalonne. The Royal Arrit dated 24th April 1785 and another arrit of the 15th May 1785 appointed 12 administrator and Moracin as Administrator General in India. The share capital, originally fixed at 20 million livers, later increased to 40 million livers by a Royal Arrit dated 21st Sept, 1786. The monopoly was granted for 15 years. But, it was not a success because of French revolution. See S.P. Sen, loc.cit., pp.420-421.

99. Ainslee Embree, Charles Grant and British Rule in India, (George Allen and Unwin Ltd., Great Britain, 1962), pp.70-71.

100. A.I. Levkovsky, Capitalism in India: Basic Trends in its Development, (Delhi, 1966), p.25. "In Bengal, the value of the gross produce of the land is little more than £ 1 an acre ... in Britain it is £ 5 per acre and the expense of cultivation is less than one-third of the gross produce. So that though the gross produce of Great Britain exceeds that of Bengal five-fold, its net produce exceeds that of the latter 12 fold."

cost in the production cost of proto-industries during period under review in Bengal, we will have a very high rate of proto-industrial production cost.

The raiyats were required to pay two types of land revenue:

(i) the nirkh which theoretically represented the division of the produce at the harvest time and constituted the aṣāl-jama' and the (ii) the abwābs, which were demands locally imposed on the raiyats and were partly of a provincial and partly of a local character.¹⁰¹ It was on 12th August 1765 that the English East India Company achieved the Dīwāni of the provinces of Bengal, Bihār and Orissa. According to the terms of this grant, the Company would remit annually a sum of Rs. 26 lakhs to royal sarkār. The agreement of 30th Sept 1765 between the Nawāb and the Company settled the expenses of nizāmāt and the mode of payment by the Company to the Nawāb. According to this agreement the Nawāb agreed to accept annually the sum of sicca Rs. 53,86,181-9 as adequate allowance for the management of the nizāmāt. Oppression of the raiyats was further deepened by the treaty of 16th August 1765, 19th August, 1765 etc. on questions of war and the tribute to be paid to the Company by

101. W.K. Firminger, Historical Introduction to the Bengal Portion of the Fifth Report, (Indian Studies Past and Present, Calcutta-1962), p. 50. In 1722, Murshid Quli Khān fixed the land revenue of Bengal at Re. 1 Crore and Rs. 42 lakhs. Under Mir Qasim in 1763 it rose to an additional sum of Re. 1 crore and Rs. 26 lakhs on the territory remaining under his revenue administration (excluding Burdwan, Midnapur, Chittagon and 24 Parganas). By imposing abwābs, resuming profits of jāgīrs and carrying hasto-o-būds (Surveys), Mir Qasim nearly doubled the revenue of his territory in course of 3 years - from 1760 to 1763. Although the additional impositions were never collected in full, yet the sternous efforts to realize it began to produce structural distortions in the zamīndārī system. For this see Ratnalekha Ray, Change in Bengal Agrarian Society C. 1760-1850, (Manohar, 1979), p. 38.

the Nawāb.¹⁰²

Now, the Naib Diwān realized that his existence in the office depended largely on the ability to collect as much revenue as possible. Amils now became more significant than zamīndārs. In many districts they agreed to pay a fixed sum, the men who offered the highest being preferred and they practically became farmers of revenue. This was really a destructive plan.¹⁰³ Thus, Mīr Qāsim was the first who adopted the principle of raising larger sums from the province.

Verelst (1767-69) decided to put an end to this state of affairs by appointing supervisors. The process commenced on 16th August 1769. The supervisors were asked to proceed to those districts which had been let out to farm while in other districts they were asked

102. Niranjan Dhar, The Administrative System of the East India Company in Bengal: Political, 1714-1786, Vol. I, (Calcutta, 1964), pp. 7-8. The sum assigned to the management of the niẓāmāt was appropriated through following manner: Rs. 17,78,854-1 were paid for the household expenses of the Nawāb and Rs. 36,07,277-8 were paid to meet the maintenance costs of horses, sepoy, peons etc. Also see Ratnalekha Ray, Change in Bengal Agrarian Society C. 1760-1850. (Delhi, 1979), p. 39. For the articles of the treaty of 16th August 1765 between nawāb 'Shujab-ul-Doula, the nabob Najum-ul-dowla and the English Company' executed at Allahabad see British Parliamentary Papers of the 18th Century, Rare and Authentic Documents, George III, (East India Company, 1767 to 1773), (Delhi, 1985), pp. 52-53. According to the terms and conditions of the treaty of 16th August 1765, "in consideration of the great expense incurred by the English Company, in carrying on the late war, His Highness agrees to pay them 50 lacks of rupees in the following manner, viz., 12 lacks in money, and a deposit of jewels, to the amount of 8 lacks, upon the signing this treaty; 5 lacks one month after and the remaining 25 lacks by monthly payments, so as that the whole may be discharged in 13 months from the date here of." According to the terms of the treaty of 19th August 1765, the Nawab Nizam-ul-Dawla agreed to pay his majesty out of the revenues of Bihar, Bengal and Orissa, the sum of 26 lakhs of rupees per month, without any deduction for batṭa on bills of exchange by regular monthly payments amounting to Rs. 2,16,666-10-9 per month, the first payment to commence from the 1st Sept 1765.

103. For the details of the deceit, abuse of trust, oppression of the peasantry etc. by this method, see N.K. Sinha, The Economic History of Bengal: From Plassey to the Permanent Settlement, Vol. II, pp. 34-35.

to operate after the collections were over. The institution of supervision was regarded as annulling the authority of āmils and was opposed by them although āmils were told the supervisors (āmīns in their language) would not interfere with the business of collection.¹⁰⁴ The system of revenue farming through āmils was finally abolished by the end of 1770 and the āmīns became collectors in 1772.¹⁰⁵

Under this system, a public advertisement had been made for would-be revenue farmers. The proposals offered were vague, uncertain and very low. Therefore, the committee decided to have a public auction, though with ruinous effect. Ta'alliqdār and petty zamīn-dārs who paid revenue directly at Murshidābād were exempted from public auction. Settlement was made with these ta'alliqdārs and zamīn-dārs on the footing of farmers. They had to enter into all the

104. It is believed that the āmils caused heavy expense. Very little benefit was derived from their services. It was pointed out by āmīns at Rungpore that the āmils of Rungpore was paid Rs. 52,000 Narayani Rupees of which Sebundy was 27,000 and commission 25,000. The servants employed by āmils were paid out of sebundy. Thus, it was these evil practices all over Bengal that encouraged the appointment of āmīns to stop the evil practice of the āmils. Reza Khān at first made a weak protest against the challenge of controlling power of āmils by supervisors or āmīns. See Ibid., p. 37.

105. The system of revenue farming through āmils was entirely displaced by the end of 1770 by the Court of Directors expressing their approval of the measure in their letter dated 25th March 1772. Ibid., pp. 37, 38, 68, 69. Most of the Englishmen connected with land-revenue collection were in favour of a three or a five year farming of land revenue collection as the best method to be adopted. Supervisors (āmīns) like Becher, Boughton Rous, Lawrell, Ridger, Harwood and others laid especial emphasis on this measure as the Panacea for all the ills. This system was first introduced in June 1772 at Nadia. It was decided by the Committee of Circuit headed by Hastings, subordinated by Samuel Middleton, James Lawrell, John Graham and Philip Milner Dacres, all seniormost servants of the Company that the Nadia model of farming (system) had to be introduced in other districts as well.

conditions of a farmer's paṭṭa (written lease) and furnish responsible securities. In these bidding hereditary zamīndārs were preferred. The lease (Paṭṭa) was for five years. Later, a new experiment, under which a whole district was farmed out was tried. By now a farming system was established throughout Bengal; a new departure rather than a variation of an old system.

One of the most glaring characteristics of five-year farming system was over-assessment throughout Bengal providing sufficient fertile ground to Calcutta baniāns to secure the most beneficial farms. Zamīndārs tenacious of their hereditary possessions outbidding others composed the body of farmers under this new system. A large zamīndār rarely supervised revenue collection; the zamīndārī dīwān with his subordinates managed the collections and obtained the revenue from mofusils. In large zamīndārīs the top intermediaries were kūtkinādārs and mustājirs, who contracted to pay a fixed revenue and yielded income out of any excess collections made by his subordinate payers. Below these intermediaries were the shiqq-dārs in large zamīndārīs, who were the highest intermediaries in smaller zamīndārīs.¹⁰⁶ Some of the principal farms were held by the Indian underlings of the Company's servants, but the real farmers

106. For the farming system see Binod Shankar Das, "Agrarian Relations in the South West Bengal Presidency"; Journal of the Asiatic Society, Vol. 15, Nos. 1-4, (1973), pp. 112-116. See also N.K. Sinha, The Economic History of Bengal From Plassey to the Permanent Settlement, Vol. II, (Calcutta, 1962), pp. 68-69. For the impact of this system on Peasants and zamīndārs see Ratnalekha Ray, Change in Bengal Agrarian Society, C. 1760-1850., pp. 41-45. Also see John R. McLane, "Land Revenue Transaction in 18th Century Western Bengal," Bengal Past and Present, Vol. CIV, Parts 1-11, Nos. 198-199, (Jan-Dec, 1985), pp. 7-8. John Shore viewed this new farming system as one that was introduced to securing for the baniān the most beneficial farms. Francis argued "they strained the country in order to accumulate a rapid fortune and in the end perhaps obtaining the remission in the very lands, of which they were themselves farmers and collectors put those remissions into their pockets".

were their masters. Some of the amīns (revenue farmers) were ignorant of the mode of collection which was productive of extortions and it were they who were much more exposed to such artful agents. The farming system was discredited by 1777 as was evident from Amini Commission Report, the Hastings-Barwell Plan and Francis Plan. 157

Consequently, Hastings restored the zamindārī system in 1777 in practically the older forms with certain modifications. Police, embankments, customs duties and other old functions were reassigned to the authority of the zamindars. This system was in operation till 1789. But this was again not a success. - 107

The British Company always viewed the zamindār as simple revenue collector and ousted them without any hesitation when more lucrative terms were offered by others. In such situations, the zamindars were least bothered for the welfare of the ra'iyats, improvement of the lands, and the interests of the state rather than their objective of pecuniary gains. Thus the improvement of the soil was prevented due to ignorance, possessions too large and too much power over immediate cultivators. It was the zamindār 108

107. The zamindārī system was restored on the basis of recommendations passed by Amini Commission Report, Hastings-Barwell Plan and Francis Plan which condemned the failure of granting Pattas to ra'iyats and the failure of most of the farmers and the accumulating arrears. See N.K. Sinha, The Economic History of Bengal, Vol. II, p. 89. Under the zamindārī system, at the lowest rung of the chain was the mandal (village headman) who worked as mediator between ra'iyats and the petty collectors, with the help of a Patwari (the lowest officer of the zamindar). The office of the Patwari was hereditary and could not be brought under proper bureaucratic control of the zamindār. Thus, the proper zamindārī bureaucracy started at the level of the gunāshtās, who was appointed to control the Patwari. The gunāshtās paid their revenues to Shiqdars, (a temporary officer). For details of the administration of zamindārī system see Ratnalekha Ray, op.cit., pp. 45-46.

108. J.C. Marshman, The History of India, Vol. II, (London, 1867), pp. 30-32. Also see James Mill and Wilson, The History of British India, Vol. V., pp. 344-346.

who arranged loans for the ra'iyats on interest. The bankers never extended loans to zamīndārs to clear of the balance of unpaid revenues but extended loans for two or three years with a view that in case of non-redemption he could press for the auction of his zamīndārī. If the zamīndār refused to place his zamīndārī at the public auction for sale, the banker would file a suit in the Court of Law for the payment of loan. Therefore, the bankers had secret designs to purchase zamīndārī by extending financial securities to the zamīndārs.¹⁰⁹ The magnitude of land revenue demand was further diversified by the introduction of discretionary imposts called the abwābs, taken proportionally from all revenue-payers in each zamīndārī. In fact, during the Company period the abwāb had no general proportional relation to the aṣāl-jama' since in many areas of Bengal some abwābs had been consolidated in the aṣāl-jama' figure and thus the figure never remained aṣāl or original.¹¹⁰ From this critical examination it appears that the purchasing power of the poor consuming classes, the old zamīndārs, the proto-industrial

109. Z.U. Malik, "Agrarian Structure of Bengal at the Beginning of British Conquest: A Contemporary Persian Account, Medieval India: A Miscellany, Vol. IV, (A.M.U., 1977), p. 188.

110. In one area the total demand might consist of one part of aṣāl-jama' and five parts abwābs while in other areas the proportion might be reversed. The great increase in the demand of state's revenue during the 18th century had taken place under the headings abwābs. Bengal had never systematically measured and the abwābs imposed on ra'iyats in Bengal was rarely based on detailed survey of the current state of cultivation. John Shore estimated in 1789 that the cost of revenue collection from the ra'iyats by the zamīndārs downwards equalled 15% of the Government's net demand and the profits of the intermediaries amounted to an additional 35%. Therefore, approximately 1/3rd or a third of what ra'iyats paid had taken by the zamīndārs and their subordinate collectors. See John R. McLane, loc. cit., pp. 11-17.

classes and others have declined considerably. The new zamindars were least or not interested to provide stimulus to the proto-industrial system of Bengal because of their money-mindedness and also because of the instructions tendered by their British superior. Thus, the foreign as well as inland demands for proto-industrial products of Bengal had been considerably reduced due to high production cost, competition from cheap factory products. Hence, the considerable reduction in the demand from international as well as internal markets for the proto-industrial products in combination with varieties of other factors was largely responsible to a substantial reduction in the proto-industrial activities in the last two decades of the 18th Century Bengal.