

CHAPTER VI

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The flourishing condition of the country under the Moghul Emperors is recorded by all European travellers who have visited the East within the last three centuries; and the wealth, the population, and the national prosperity of India, far surpassing what they had seen in Europe, filled them with astonishment. That the condition of the people and the country under our Government presents no such spectacle, is every day proclaimed by ourselves, and we may therefore assume it to be true...

I conscientiously believe that under no government whatever... was any system so subversive of the prosperity of the people at large as that which has marked our administration...

(John Briggs in 1830)¹

Irfan Habib estimated that the per capita agricultural output of India in 1600 was not lower than in 1900 and on this criterion Mughal India was not backward in any way when compared with contemporary west European countries.² Even in the eighteenth century when India passed through a phase of great political upheavals, its economy remained largely intact.³ Hence the concept of 'original underdevelopment' propounded by conventional development economics is

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1. Cited in Romesh Dutt, The Economic History of India under Early British Rule, London 1950, p. 373.
 2. "Potentialities of Capitalistic Development in the Economy of Mughal India", Enquiry, Winter 1971, pp. 4-5.
 3. Cf. Tapan Raychaudhuri, "The Mid-eighteenth Century Background", Cambridge Economic History of India, II, pp. 3-35; C.A. Bayly, Rulers, Townsmen and Bazaars, London 1983, ch. 1-2.

basically untenable. According to Geoffrey Kay it has never been more than a thinly veiled "apology for colonialism".⁴ The underdevelopment of India can hardly be explained in terms of its enervating climate, the legacy of 'oriental despotism', recurring cycles of anarchy, primitive techniques and ignorance, the rigidities of the caste system, the all-pervading spirit of resignation as opposed to enterprise, etc.⁵ On the contrary the phenomenon of underdevelopment can be usefully studied in the operation of British colonialism when Indian economy was subverted and put under the thralldom of world capitalist economy.

Broach was the heaviest taxed district in the Bombay Presidency. While the land revenue per head in 1819 was Rs. 4 1/2 in Surat, Rs. 4 3/4 in Kaira, and Rs. 2 in Ahmedabad, it was Rs. 8 1/2 in Broach (See Table I).

TABLE I

INCIDENCE OF LAND REVENUE PER HEAD IN
DISTRICTS OF THE BOMBAY PRESIDENCY

District	No. of Inhabitants	Land Rev. Rs.	Year	Land Rev. per head
Broach	2,29,527	19,57,399	1817-18	8 1/2
Kaira	3,71,504	17,58,747	1818-19	4 3/4
Surat	3,60,323	16,40,186	1818-19	4 1/2
Ahmedabad	5,50,000	11,20,227	1818-19	2
N. Konkan	4,20,000	13,47,871	1818-19	3 1/4
S. Konkan	6,32,337	13,20,154	1819-20	2

Source : Monier Williams, Memoir of Broach, p. 27.

4. Geoffrey Kay puts it aptly : "In the last analysis, conventional development economics does no more than reaffirm the colonial view that underdevelopment is a natural phenomenon,..." Development and Underdevelopment : A Marxist Analysis, London 1975, pp. 2-3.
5. Cf. Morris D. Morris, "Towards a Reinterpretation of Nineteenth Century Indian Economic History", Journal of Economic History, XXIII, 4(1963), pp. 608-18; also Irfan Habib, op.cit., p. 1.

In the 1830's the revenue burden had further risen to Rs. 9 1/4 per head taking the entire population of the district into account. But it would come to upward of Rs. 15 per head if instead of the whole population we only consider the 60% who inhabited the revenue-bearing territories and about Rs. 18 per head of the 75% of that number constituting the agrarian population who bore the weight of assessment.⁶ Alexander Mackay computed that each cultivator was left with one rupee and six anas, after meeting all the expenditure on the land. Taking five members to a family, he calculated, each cultivating family holding an average of about 30 bighas or 15 acres of land, was left with seven rupees.⁷

In chapter V we saw that not even a fertile and prosperous district like Broach could sustain the revenue demand for long, and by the 1820's its agrarian economy entered into a crisis that sharpened and grew in scale during the next two decades. Outstanding balances against cultivators and grant of remissions were only the manifestation of this crisis at the end of revenue administration. At the end of socio-economic realities the consequences were far more disturbing and profound. So manifest was the distress that even official eyes did not fail to take note of it and saw its roots in the phenomenon of over assessments. John Malcolm, for one, recorded the plight of the peasantry around 1830 and offered an explanation as to what had brought it about :

6. Alexander Mackay, Western India, London 1853, pp. 125-26.

7. Ibid, p. 129.

the over assessment beyond all other causes had impeded the prosperity of Broach - the heavy taxation imposed upon the country in A.D. 1821... is still in the recollection of the inhabitants and I believe its effects are still felt. The evils of that settlement had unhappily been aggravated by the heaviness of subsequent assessments... The resources of many fine villages burdened with demands higher than they could bear, had sustained serious deterioration.⁸

Malcolm at the same time appended an apology to his analysis by saying that some amelioration was "taking place in the condition of Broach our richest and most fruitful district..." He sounded caution in the handling of revenue affairs.⁹ Pronouncements like these were in effect meaningless since the revenues were not scaled down. On the contrary, notwithstanding recurrent criticisms of the 1821 settlement, we have the even more infamous and cruel Kirkland settlement of 1835-36 when the assessment was raised in a single year from fourteen to nearly twenty-three lacs : an increase of 63% upon the revenue of the preceding season, and of about 62% upon the average of the nine previous years. From the time of Kirkland's assessment till 1848-49, a period of fourteen years, the revenue demand on an average was 28% higher than during the previous nine years. Coupled with worst depression in prices, the exactions wrought havoc. Mackay made forthright assessment of the consequence :

Of the disastrous latter years of that period it is true not only to say, that after the payment of

8. 'Minutes' dated 15.10.1830, R.D., 38/319, 1830 paras 14-15 (emphasis added)

9. *Ibid.* para 22.

rent, and of the wages of labour, absolutely nothing was left to the cultivator, but also that his returns did not suffice to pay his rent and the wages of labour. In other words, the Broach farmer during those years was, after paying his rent, in a worse condition than a labour receiving his daily wages.¹⁰

Thus pauperization of the peasantry was the natural result of colonial rule. J.M.Davies, the collector of Broach district in the mid 40's while making a severe criticism of the economic policy of his government argued for a reduction in the assessment, because it had led to the absence of "means of internal locomotion".¹¹

The disruptive impact of colonialism was felt no less by the urban economy of Broach where it led to the decay of the indigenous manufactory, increasing unemployment and a turn towards ruralization.¹²

Broach's centuries-old textile 'industries' came under

10. Western India, pp. 132-33 (emphasis in original)
11. J.M.Davies, No. 16, 13.11.1848, R.D., 16, 1851, para 17; also see Bombay Selections, No. CXC (New Series), 1874, 2; No. CCCCVII (N.S), 1902, p. 48; and CCCCX (N.S) 1903, p.33
12. In spite of suspicions cast by M.D.Morris, Marika Vicziany and others, there is much strength in Amiya Kumar Bagchi's thesis of 'de-industrialization', Cf. Daniel Thorner, "De-industrialization in India, 1881-1931" in Daniel & Alice Thorner, Land and Labour in India, Bombay 1962; M.D.Morris op.cit; A.K.Bagchi, "De-industrialisation in India in the Nineteenth Century : Some Theoretical Implications", Journal of Development Studies, XII, 2 (1976), pp. 135-64 and "De-industrialization in Gangetic Bihar, 1809-1901", in Barun De et. al. (ed). Essays in Honour of Professor Sushoban Sarkar, New Delhi 1976, pp. 499-522; Marika Vicziany, "De-industrialization of India in the Nineteenth Century : A Methodological Critique of Amiya Kumar Bagchi", I.E.S.H.R. XVI, 2 (1979), pp. 105-46; and Bagchi's "A Reply", Ibid, pp. 147-61.

heavy attack quite early. Monier Williams noted in 1820 that "as English cloth, of superior quality, can now be obtained at about half the price of the dotees and baftas, even on the spot where they are made, this manufacture is of course going rapidly to decay".¹³ Williams' contention was not unfounded. In the same year the judge of Broach expressed a similar view. He observed "that so great a part of the Population of the Town of Broach consists of such as will not apply themselves to any persuits that are not habitual to their Families. Weavers, Peons and Klassees abound either totally out of employ or with barely sufficient to furnish a scanty subsistence".¹⁴

The decline in the urban activity was voiced by the nagarsheth¹⁵ of Broach. Narsidas Jagjivandas, the nagarsheth of Broach stated, in a petition to the Bombay government in 1838, that his income had been "almost everywhere reduced for the inhabitants have been reduced to a state of insolvency & their property sold for the satisfaction of their debts".¹⁶ The Judicial Commissioner at Broach lamenting the fast declining state of the city noted : "Broach like Surat bears

13. Memoir, pp. 56-57 (emphasis added). a contemporary pamphlet by an anonymous author declared : "The manufactories of Surat and Cambay piece goods, the Coast (sic) cloths and Muslims formerly imported in such quantities into Europe, are wholly destroyed". Some Remarks on the Cotton of the of the Province of Gujarat in the East Indies, London 1822, p. 8 (emphasis added).

14. Letter to Bombay, 1.1.1820, J.D., 117, 1820 para 4 (emphasis added)

15. The nagarsheth, a principal merchant and head of his guild, was a spokesman of the city. He was also an informal link between the city dwellers and the rulers. He came to enjoy certain financial levies on business transactions of the city. The nagarsheth became an established 'institution' in seventeenth century. For details see, Dwijendra Tripathi and M.J.Mehta, "The Nagarsheth of Ahmedabad : The History of an Urban Institution in a Gujarat City", Indian History Congress Proceedings, 39th Session Hyderabad 1978, Vol I pp. 481-88.

16. Petition dated 12.11.1838, R.D., 119/1082, 1839.

the melancholy remains of a once flourishing City, and all that can now be done is to save it from absolute ruin.¹⁷

There was a slight turn towards ruralization during the period under study. In 1820 a judge commenting on the state of unemployment and the decline of crafts and professions, could wonder why, in spite of all this "no Instances occur of their resorting to agriculture which must be allowed to maintain its followers".¹⁸ But by 1840's, the evidence indicates, some of the professionals had definitely turned to cultivation. The ghanchis (oil pressers) of Jambusar stated in a petition that their "profession is to manufacture oil but as that trade has declined of late and we are consequently unable to earn our livelihood by it, we cultivate small pieces of land".¹⁹

The urban crisis, alongwith the agrarian, reached its climax by mid-nineteenth century. In 1849, the collector reported "total stagnation of all business in the town of Broach". With the result that "some of the Banking, rather perhaps exchanging Establishments, have already been closed, several failures have taken place;²⁰ .. Thus within half a century of British rule, Broach had been materially reduced. This was officially admitted in 1871 :

its only manufactures are a coarse description of cotton plaid and towelling. European looms having

17. Letter of 9.3.1838, J.D., 3/447, 1838.

18. Letter of 1.1.1820, J.D., 117, 1820 para 4.

19. Petition of Ajam Rasulbhai, Rahim Walibhai and other ghanchis (oil pressers) of Jambusar, 20.8.1844, R.D., 197, 1845.

20. J.M.Davies to A.N.Shaw, Rev. Comm.N.D., No. 132, 31.3.1849, R.D., 16, 1851 para 3 (emphasis added)

displaced native fabrics; so that the credit of this once famous place is now solely restricted to its capacities of producing the raw material.²¹

It should be stressed that the colonial programme of curtailing and eliminating the local factor embodied in the traditional intermediate class and castes was not designed to take the burden off the backs of the rural masses but to remove obstacles in the way of expeditious enhancement of revenues. Without forgetting colonial efforts to eradicate certain invidious traits of Indian society (such as female infanticide, sati, slavery, etc.), its overall policy in the first half of the 19th century was to conserve the existing social arrangements and harness them to serve its interests as efficiently as possible. However, the considerable social implications of the new administrative and economic processes went largely unforeseen by a government totally committed to itself.²² At the minimum these resulted in upsetting traditional socio-economic relations. One can see this in the vicissitudes of the bhagdari tenure and the colonial attitude towards it.

As we have already pointed out in the preceding chapter, the bhagdars, made the village elite and belonged to the dominant caste. They were considered the 'representatives' of the village society and it was

21. N.B. Beyts, Acting Superintendent, Rev. Survey and Assessment, to J.G. White, Acting Collector of Broach, No. 1025, 20.10.1871, Bombay Selections, CCCC VII (N.S.), Bombay 1902, para 58, p.45 (emphasis added).

22. "The new administrators...drifted into change rather than aimed for it", says Sumit Guha in "Society and Economy in the Deccan, 1818-50", I.E.S.H.R., XX, 4 (1983), P. 412.

convenient for the government to deal with them rather than with each individual cultivator especially when the task was collecting revenues.²³ Hence the British followed the policy of perpetuating, and extending this conservative village arrangement. It was argued that "the happiness of the people depends more upon the perpetuation of the original form of village government than in making them richer".²⁴ In spite of the apprehensions expressed by the Court of Directors that the bhagdars might perpetuate the oppression on the rest of the village society,²⁵ the Bombay government continued strengthening them.

However, irrespective of official intentions and endeavours to retain and promote the bhagdari tenure, it entered a phase of crisis around 1830. As the ever-widening circle of poverty engulfed the more vulnerable of the bhagdars, it became difficult for them to maintain their position in the collective village organisation. By 1840 the crisis became acute. Many bhagdaris got dissolved. By official estimates (1847) of the 263 original bhagdari villages of the district, 37 disintegrated while 26 were on the brink of collapse (See Table II).

23. G.D.Patel, Agrarian Reforms in Bombay, Bombay 1950, pp. 26-27.

24. Memoir of Broach, p. 38.

25. Court of Directors to Bombay, 23.5.1827, R.D., 50/737, 1836 paras 14-18.

TABLE II

PROFILE OF BHAGDARI VILLAGE IN
BROACH DISTRICT IN 1847

Talukas	Original BH. Vill. 1827-47	New Adds 1827-47	Total of 20 yrs. standing	Broken during 1827-37	Broken during 1837-47	Tott- ering	Total
Broach	59	5	64	2	3	3	8
Wagra	49	-	49	-	10	1	11
Ankleshwar	24	2	26	-	13	1	14
Hansot	21	2	23	-	1	9	10
Jambusar	31	1	32	-	7	4	11
Amod	70	5	75	-	1	8	9
Dahej	8	-	8	-	-	-	-
Total	262	15	277	2	35	26	63

Source : J.M.Davies to D.A.Blane, Rev.Comm., No. 202,
30.9.1847, R.D., 16, 1849, para 14.

Curiously these dissolutions were the outcome of less than three decades of colonial rule and yet occurred against the wishes of the government. The second column in Table II speaks of a conscious policy to extend the bhagdari tenure to villages hitherto under different tenures. But for some time to come the government's effort to extend the tenure was more than offset by the number of breakups. Every dissolved share loosened the control of bhagdar land holders over their lesser partners and tenants. In 1850 the collector reported that some of the patels belonging to the dissolved bhagdari village applied for the restoration of their tenure but he found it extremely

difficult to accede to the request in the face of committed²⁶ opposition from the rest of the village people.

In the town of Jambusar for example, where the bhaggdari tenure was introduced in 1838-39, most of the peasants including tenants opposed it vehemently. In 1847 there arose a severe dispute between the leading bhagdars and the rest of the peasants who 'rioted' against the former. The collector reported that "the tenants entertain no hereditary regard to their landlords, and have petitioned to have the coparceny dissolved for their own individual benefit".²⁷ Another district officer emphasized that the bhaggdari tenure might have been effective in keeping the village intact in the past but under British rule, it had long ceased to be so. He continued that although the government had always "expressed their anxiety to preserve this mode of Tenure, I regret to have to report symptoms of its failing efficiency".²⁸ Three years later while commenting on Mackay's book the same official expressed his conviction that "no amount of Government support, will ever render it popular. It seems to have originated, in a more primitive state of society, than is now springing up; and to be inconsistent with the centralizing tendency of our rule".²⁹

26. J.M.Davies to A.N.Shaw, No. 193, 17.9.1850, R.D., 14, 1852, para 16.

27. J.M.Davies to D.A.Blane, No. 202, 30.9.1847, R.D., 16, 1849, para 61.

28. L.Ashburner, Second Asst. Coll. to C.J.Davies, Acting Coll. of Broach, 17.11.1851, R.D., 11, 1853, para 18.

29. L.Ashburner to E.L.Jenkins, No. 15, 24.7.1854, R.D., 52, 1856, para 20 (emphasis added)

Inspite of the knowledge of the 'liberating' tendency inherent in the dissolution of bhagdari tenure, or more accurately, on account of this knowledge, the British officials continued to uphold it. J.M.Davies argued :

Interference more than is absolutely necessary between sharehold proprietors and their sub-tenants, I think, should be deprecated. Indiscriminately extended it fosters an inclination amongst the latter to combat and resist the rights of the former, as superior holders, and this disposition calls for control.³⁰

This call for 'control' seems to have worked as the tide of dissolution receded by the mid 1850's. Out of a total of 420 villages in Broach the tenure was reported to be intact in 238.³¹ The government used its last weapon to protect the conservative village arrangement when in 1862 the Bombay government passed a legislation providing permanent legal security to the bhagdars.³² In inaugurating this policy, colonialism, among its other concerns, seems to have been guided by the desire to perpetuate a kind of landlordism as its support base.³³

30. Letter to D.A.Blane, Rev. Comm. No. 202, 30.9.1847, R.D., 16, 1849, para 58 (emphasis added).

31. Broach Coll.'s 'Statistical Memorandum' on the District, No. 517 15.5.1856; R.D., 19, 1856, para 15.

32. See Manual of Bhagdari and Narwadari Act No. V of 1862 and Standing Orders, Bombay 1914.

33. Cf. Crispin Bates on his study of Kheda district : "As a result of the conservative British approach to the settlement of the shareholding nurwa villages of the charotar, quasi-feudal stratifications persisted and, once the old aristocracy of office had fallen into desuetude, the 'Superior Patidars' managed to find new ways to prosper and exploit the lower castes". "The Nature of Social Change in Rural Gujarat", M.A.S. XV. 4, P.772.

We had noticed in the last chapter the growing polarization of the rural society with a tiny group of rich peasants gradually emerging through manipulations, corruption and the use of the pre-existent levers of social and political status. On the other hand the large mass of the peasantry was pushed towards bankruptcy, indebtedness and misery. Against the background of this profile, there was also an effort to organise agriculture along capitalistic lines. The evidence relates to the 'enterprising' Pranu Harlochand Desai of Ankleshwar, who took 872 bighas of land on lease for 15 years. Ashburner justified this lease in the following terms :

The Desai is a man of Capital and has engaged to cultivate Beegas 500 of land himself, and I hope the demands for labour thus created, will absorb a large number of the poorer Cultivators, who cultivating without Capital, are earning a bare subsistence, and unless the seasons are very favorable depending on the remissions granted by Government, for their very existence.³⁴

This colonialism was riddled by its own contradictions. It sought to introduce capitalist farming but paradoxically curbed native capital by siphoning out almost the entire agrarian surplus. Unconsciously it subverted the traditional social fabric but consciously attempted to preserve it through political and legal means. It destroyed traditional crafts and simultaneously arrested the growth of modern industry by its restrictive policies (at least in the transitional phase). In the final analysis British

34. Letter to C.J.Davies, 17.11.1851, R.D., 11, 1853, para 18. (emphasis added)

colonialism was the prime vehicle for the "development of underdevelopment" to use the felicitous expression of Andre Gunder Frank.³⁵

35. Andre Gunder Frank, On Capitalist Underdevelopment, Bombay 1975 and his Capitalism and Underdevelopment in Latin America, Harmondsworth 1971; Cf. A.K. Bagchi, The Political Economy of Underdevelopment, Cambridge 1982, chs 1 - 2.