

POL SC HELP  
FYUGP Series

# **Impact of Colonial Rule**

**(Agriculture, Industry, Ecology)**

**NEW FYUGP SYLLABUS**

**BA HONS. POLITICAL SCIENCE 1<sup>ST</sup> SEMESTER-2022-23**



# DSC 3: Colonialism and Nationalism in India

## Unit 1. Colonialism and Nationalism:

- Main perspectives on colonialism: Liberalism, Marxism, Postcolonialism
- Approaches to the study of nationalism in India: Nationalist, Imperialist, Marxist, and Subaltern

## Unit 2. Colonial Rule in India and its impact:

- Constitutional developments and the colonial state
- Colonial ideology of civilizing mission: Utilitarians and Missionaries
- Impact on agriculture, land relations, industry and ecology

## Unit 3. Reform and Resistance:

- The 1857 war of Independence
- Major social and religious movements
- Education and the rise of the new middle class

## Unit 4. Nationalist Politics and Expansion of its Social Base

- Phases of the Nationalist Movement: Liberal constitutionalist, Swadeshi and the Radicals, Formation of the Muslim League



# 3 phases of the Colonial Rule: method & mechanism of economic exploitation

## • 1757-1813: Monopoly trade Mercantilism

- Fusion of exploitation by political & economic means/methods
- "monopoly trade and revenue collection" ( Bipin Chandra) which was marked by the 'element of plunder and direct seizure of surplus' and absence of any significant import of manufactures.

## • 1813-1860: Free trade

- exploitation through trade & economic means
  - "exploitation through trade" wherein the colony became the market for (industrial) goods and a supplier of raw materials-the best known mode of colonial exploitation thereby converting the colony into a "subordinate trading partner". ( Bipin Chandra)
- Industrial revolution in England
- Unequal exchange

## • 1860-1914: Financial capitalism

- large scale export of capital in railways, loans to the Government of India, plantations, coal mining, jute mills, shipping, banking, etc.
- Super normal profit by investing capital in the colony
- "Foreign investments and competition for colonies" during which surplus metropolitan capital was exported into the colonies for the direct exploitation of raw material by establishing industry and taking away the profits.( Bipin Chandra)



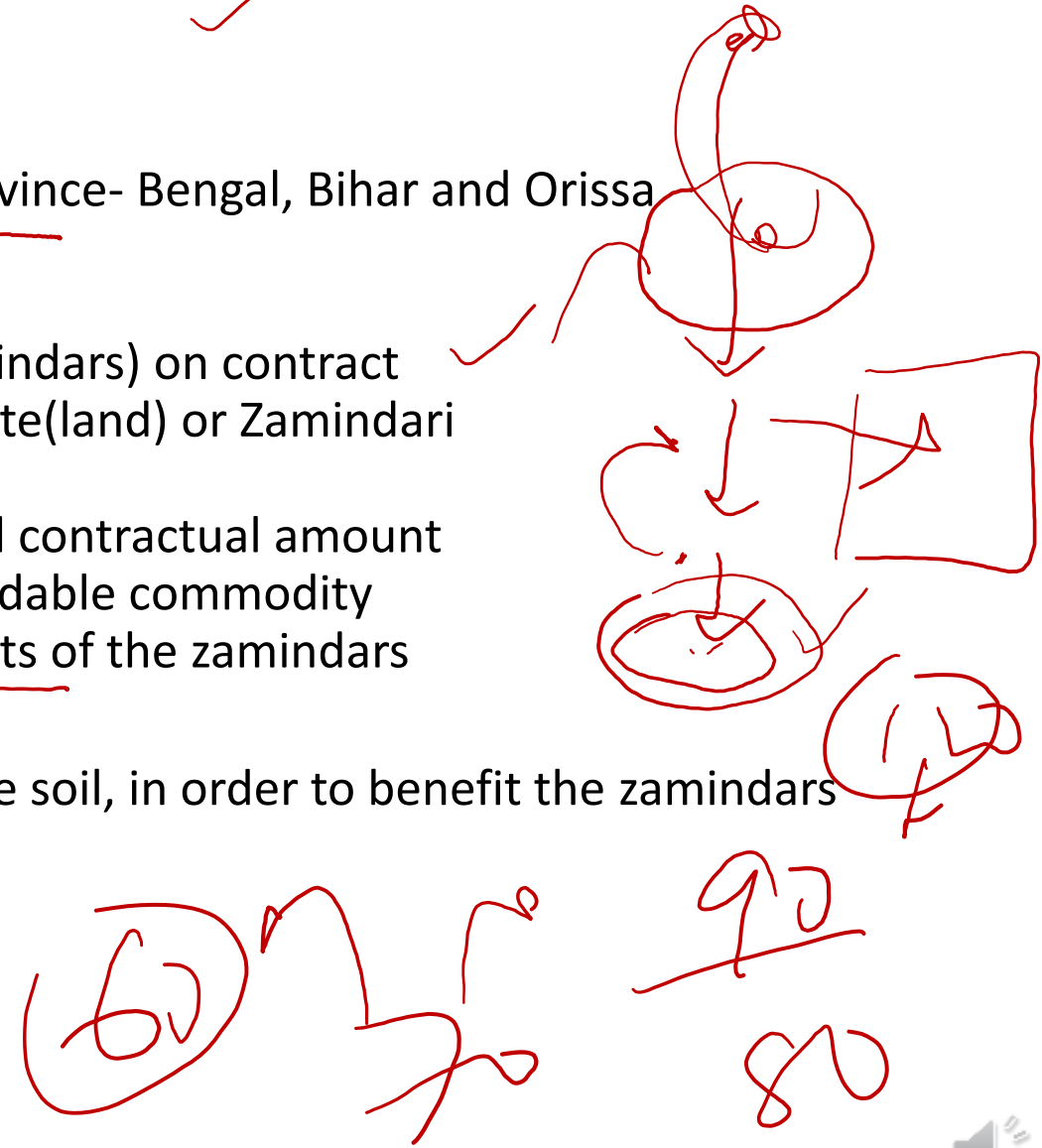
# Colonial Land Revenue System: Permanent Settlement

## • Permanent Settlement: What it was

- Implemented 1793 by Lord Cornwallis in Bengal Province- Bengal, Bihar and Orissa
- Land tax/revenue was permanently fixed
- But the tax was fixed at a very high level
- Tax collection assigned to rich & landed gentry( Zamindars) on contract
- Zamindars could sell, mortgage or transfer their Estate(land) or Zamindari
- Zamindari was hereditary
- Zamindars were owners of their estates till they paid contractual amount
- The Zamindari or the Estate(Land) became freely tradable commodity
- Actual peasants were reduced to the status of tenants of the zamindars

## • Impacts

- worsened the position of the actual cultivators of the soil, in order to benefit the zamindars and the British Government.
  - No tenancy rights, Oppressive conditions, no surplus left
- Surplus extraction without investment in agriculture
- Renteering, subletting or subinfeudation
- Agriculture land became commodity



# Colonial Land Revenue System: Ryotwari System

## • Ryotwari System

- Implemented in Madras Province by Munro and in Bombay Presidency by Elphinstone
- Land tax/revenue was fixed for each field cultivated by individual peasants (Ryots)
- The rate( land revenue) so fixed could be revised
- this system depended on a detailed survey of each field, cropping pattern, soil type, productivity, yield, etc.
- But the estimates were largely guesswork, and the amounts demanded very high
- 'putcut' assessment: Later on, tax was fixed arbitrarily fixed based on previous years
- Initially doing farming on assessed fields was voluntary, but later on became forced/mandatory
- Improvements after 1860- scientific survey, lower tax , option not to till the assessed fields

## • Impacts

- Since there was no intermediaries, and tax rates so high it resulted into a larger revenue than the permanent settlement
- But it was at the cost of the Peasants, who became impoverished and lacked the resources to cultivate new lands
- Huge areas remained uncultivated
  - in 1855 that only 14 million acres of Ryotwari land were cultivated, while 18 million acres were waste
  - Many peasants deserted and shifted to nearby princely states
- heavy burden of taxation distorted the land market- on one wanted to buy land due to such heavy tax
- Surplus extraction was through economic means
- Entry of money-lenders and merchants in agrarian economy
- Factor behind the rural uprising in the Bombay Deccan in 1875.

# Other Impacts on Agriculture

- Commercialisation of Agriculture
  - Change in cropping pattern- focus on cash crops for world market
  - Opium, Indigo, Sugarcane, Cotton, Tobacco, Jute, oilseeds, etc.
  - Increasing role of money-lenders and merchants (village bania)
  - Oppressive conditions for the cultivators- lost freedom, alienation
- Inadequate investment in agrarian economy
  - Lopsided Irrigation infrastructure
- Break between agricultures, artisanship, handicrafts, and manufacturing
- Class differentiation increased
- Disposition of land – increase in landless farmers
- Less focus on food crops for domestic consumption led to famine
- India as a supplier of agricultural commodities and raw material for the industrialized West
- International division of labour?



# ECONOMIC EFFECTS OF COLONIAL RULE

- De-industrialization
- Drain of Wealth
- Famines
  - The per annum increase in population in 1891-1947 was 0.67%, while total food-grain production increased by only 0.11% in this period.
  - The per acre production of food-grains decreased by 0.18% per annum
- India integrated to global capitalist system as Periphery
- Dependent Development





# Ruination of Indian manufacturing

- **Mercantile phase:** Indian artisans were forced to sell their goods at cheapest price to the Company- the ruler and monopolist trader
  - This excessive exploitation of Indian artisans weakened the very basis of Indian handicraft industries
- **Industrial Revolution phase:** (last decade of 18<sup>th</sup> & early 19<sup>th</sup> century): Indian artisans faced competition from cheap factory produced goods imported at minimum tariff
  - This ruined the Indian manufacturing in cotton textile, silk, and other handicrafts
- In the middle Ganga basis, a study of A.K. Bagchi showed that the weight of industry in the livelihood pattern of the people was reduced by half from 1809-13 to the census year 1901.
- Soon the colonial India became exports of raw material and agricultural commodities- Indigo, Cotton, Silk, Tobacco, Oilseed, etc.
- Thinkers who studied impact of the colonial rule on Indian Manufacturing: Romesh C. Dutt, Madan Mohan Malviya, N.K. Sinha, A.V. Raman Rao, R.D. Choksey, A.K. Bagchi, etc.
- **Imperial apology** : division of labour and competitive advantage thesis: de-industrialization of India was good for both India as the colonies were specialised in the production of agricultural goods



# Drain of wealth

- During the British rule India continuously transferred net income/ wealth to England
- This happened systematically by the political and economic policies of the colonial rule
- **Mercantile phase:** Drain of wealth by company which was monopolist trader and ruler
  - Excessive revenue from land taxes funded profligate company rule and industrial revolution in Britain
  - Trade and revenue were then the two direct means through Colonial master exercised its control to exploit the Indian economy and transfer the surplus to Britain which was soon to enter on the stage of a long Industrial revolution.
- **Free trade phase:** huge profit by traders in Indian goods( cotton, Indigo, Silk) shifted to England
  - Unequal Exchange
- **Financial capitalism phase:** drain of wealth through transfer of super-normal profit to England



## \*Amount of Drain

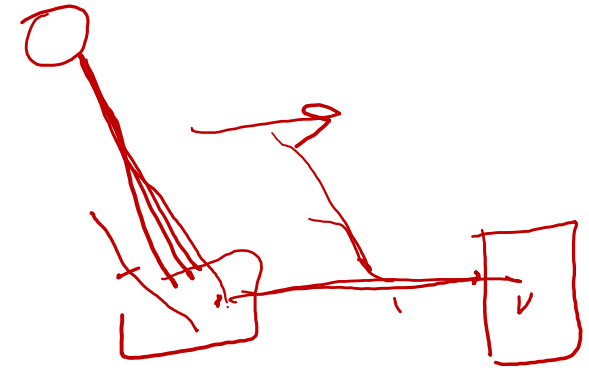
- **RC Dutt:** One-half of India's net revenue flows out of India each year, according to R.C. Dutt. This is estimated to be around £20 million in early 20th century British currency.
- **MG Ranade:** more than a third of the national income of India was taken away by the government in one form or another.
- **Dadabhai Naoroji:** approximately one-fourth of the money which is raised in India goes to England, approximately \$12 million per year.
- **William Digby:** According to his calculations, the annual drainage was £30 million.

\*<https://unacademy.com/content/upsc/study-material/modern-indian-history/drain-of-wealth>



# Dependent Development

- Not organic, endo-genetic, and tied to Agriculture
- Disjunction between Agriculture & Industry
  - Most areas which developed industry remained agriculturally backward and those which became agriculturally advanced like Punjab remained industrially backward
- It was dependent development, directed towards and for the benefit of the metropolitan core
- India was integrated to the global capitalist system as periphery
- The colonial rule created bourgeoisie class (English educated professional middle class) and neo-capitalist class, both dependent for ever on the world of the colonial masters
- Colonial rule thus created permanent market, source of raw material, and labour for its economy



# Ecological Imperialism

- Environmental historians Alfred Crosby and Richard Grove developed the concept of 'ecological imperialism'
- Madhav Gadgil and Ramachandra Guha, two prominent historians, also studied environmental impact on colonialism in India & South Asia
- 500 years long history of western domination of the world was not just political and military domination but systematic expansion of ecological dominance
- Imperial botanists, European settler-farmers and plantation entrepreneurs played crucial role in transforming ecological specificities of colonies to commodify their natural resources.
- Massive transfer of natural resources of colonies to metropolis core resulted in massive ecological destruction, changes in livelihood patterns, spread of epidemic diseases, species extinction and dispossession and elimination of indigenous population



# Ecological Impact of British Rule

## • **Commercial farming**

- Wealth of Britain's empire was largely based on plants: cotton, timber, tea, spices, dyes and indigo
- Large-scale monocropping of cash crops reduced soil fertility, soil salinity, and deterioration in soil health
- Such rapid change in cropping pattern radically altered existing food-production systems and their ecological basis
- Thus, European planters produced sugar, tea, spices, cotton and indigo at the cost of fertile soil and small peasantry

## • **Mining:**

- Large tracts of dense forests were cleared in Chotanagpur Plateau for Mining purpose
- Apart from deforestation, large scale mining displaced tribal, destroyed forest soil, bad lands, disease, and loss of lives & livelihood



# Colonial forest policy and ecological degradation

- Colonial forest policy promoted replacing of mixed forest with single-species and commercially valuable trees such as: Teak, Sal, and Deodar.
- It disturbed the bio-diversity and natural forest ecosystem
- Dependence of tribals on forest for livelihood was controlled by forest Acts
- Community-managed livelihood resources were taken into control by colonial planters and industrialists.
- Colonial rule introduced a series of forest acts to control forest resources in India. This was to meet heavy demand from Europe to provide wood as crucial material to develop industrial infrastructures like railways, factories, furniture and carts to package materials.
- Large scale destruction of forest resources were done for laying railway track, paper, boards, factories, and packaging products.



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