UNIT 22 PATTERNS OF COLONIAL DOMINATION-1 : DIRECT RULE

Structure

22.0 OBJECTIVES

After reading this Unit you shall be able to learn :

- how direct rule was exercised by the Imperial Powers in various parts of the world; and
- what impact this rule had on the economy and society of these colonies.

22.1 INTRODUCTION

In the last Unit you were acquainted with the basic features of colonialism as a system. In this Unit we shall introduce you to the direct forms of colonial rule as it was manifested in different forms in the colonies of different European powers. We have taken up three representative areas as case studies, South Asia, Africa and South East Asia, with special focus on India, Egypt and Indonesia. We have taken up an example each from British, French and Dutch colonialism to bring out the specificities.

22.2 INDIA

India was an example of a classic colony. It served as a market for British goods, as a source of supply of raw materials and foodstuffs and as a field of investment of British capital. Foreign companies controlled trade, industry, mining, banking, insurance, shipping and transport. The Indian army defended the British empire all over the world and the Indian administration offered avenues of employment to large numbers of British youth. The consequence was that India became underdeveloped while Britain developed rapidly to become the most advanced nation in the world.

22.2.1 First Stage

The first stage of British colonialism in India was characterised by a concern to ensure the *monopoly of trade* with India and the East. Both the rival European trading companies and the Indian merchants were to be kept out. A charter from the British Crown was the typical device used to restrict other merchant companies in Britain from trading with India. War was the means used to eliminate the competition from the European rivals. As far as Indian merchants were concerned, the Company used its superior naval power to ensure that their rivals were eliminated from the lucrative coastal and foreign trade. Political power was used to compel the craftsmen to sell at very cheap prices and to drive Indian merchants out.

The impetus for conquest came from the *quest for financial resources*. The money for the wars in India and for maintenance of the naval and military establishments could only come from India. The search ended with control over Indian revenues. Expansion of territory was a mechanism for raising large amounts of money through taxes. Money was also needed to finance the industrialisation of Britain. With the conquest of Bengal and South India, both these objectives, of controlling financial resources and wielding a monopoly of trade, were fulfilled. The Company was able to accumulate vast sums of money through taxes and direct plunder from Bengal. Thirty three per cent of Bengal revenues were sent out by the Company in the form of exports. This did not include the illegal exactions of the Company's officials. **The drain of wealth from India amounted to two to three per cent of Britain's national income at the time.**

The policies followed in the field of administration were that of minimal interference in the existing customs and systems. As long as surplus could be extracted reasonably efficiently there was no need to effect any changes in the fields of law and administration or in the organisation of production. It is significant that the two educational institutions set up at Calcutta and Banaras were centres of traditional scholarship. There was no attempt to introduce Western ideas or English education.

What were the contradictions during the first stage of colonialism? A study of the inner contradictions is crucial to the understanding of any system as it is only when the contradictions emerge that the system can be properly studied. Should exploitation be short term or long term, was a question on which opinion was divided. Obviously, short-term exploitation went against the interests of maintaining the colony such that it remained serviceable for a long period. Plunder and exploitation of revenues went against reproduction of the economy of the colony. The Company was in favour of declaring high dividends while the industrial capitalists were in favour of territorial expansion whose benefits would accrue in the longer period. There was clearly a contradiction between the trading interests and the industrial capitalists and between the interests of the Company and British society as a whole.

22.2.2 Second Stage

It was the phase of free trade. An intense struggle developed between manufacturing and trading interests in the beginning of the nineteenth century over which class of British society would control India. A series of regulatory acts severely limited the hold of the Company and brought the Crown in as the power controlling India. The Crown in turn championed the interests of the newly emergent industrial capitalist class whose power and influence had increased vastly with the success of the Industrial Revolution. Hence a new stage of colonialism was ushered in in keeping with the change undergone by the British economy.

The needs of the manufacturing interests were obviously very different from those of the trading companies. The industrial capitalists needed markets for their products and sources of supply of raw materials and foodstuffs for the rapidly growing urban population. This stage has been described as the imperialism of free trade as all tariff duties were removed on British goods. However, this did not mean that there was free trade for all. Duties continued to be imposed on Indian goods. Inordinately high duties were levied on Indian products imported into Britain. The duty on Indian textiles ranged from 30 to 70 per cent. Within India internal customs duties were imposed on Indian manufactures to make them less competitive vis-a-vis British goods.

The problem, of course, was how to finance this entire operation from Indian revenues. For this the British promoted the production of agricultural raw materials such as cotton, jute, silk, oilseeds, wheat, hides, skins, indigo and tea. From being one of the finest producers of crafts in the world, India was reduced to being a producer of raw materials. Of course, the earlier forms of exploitation continued from the first stage. Indian revenues were needed for the further conquest of India and to pay the high salaries of the officials.

The transformation of the economic, social and administrative structure was necessary for the colony to be serviceable. In the economic sphere, free trade was introduced. Fundamental changes were introduced in the sphere of administration. Maintenance of law and order was essential to ensure free movement of goods across the country. In the field of law, basic changes were brought about to introduce capitalist notions of ownership, property, contract, etc. This was the period when the new legal codes were drawn up. Western education was introduced to supply clerks and junior functionaries for the vast bureaucracy that now ran the country. Means of transport and communication underwent modernisation and expansion. Railways were set up under government initiative. The political ideology was one of liberal imperialism, i.e., it was believed that the economic exploitation of the colony could continue even after it became politically independent. Hence there was much talk of self-government in this period.

Coming to the contradictions during the second stage, first of all the colony faced the constraint of limited finances in its attempt to develop India in order to make it more conducive for exploitation by industrial and finance capitalism. Developmental expenditure could not be undertaken on any appreciable scale as the resources went into civil and military expenditure. In the field of agriculture there were two opposed needs-- one to develop agriculture and buttress the position of the peasant so that he could become a producer of raw materials and a buyer of British manufactures and the other to extract surplus from the peasant to pay for the empire. Basically the contradiction was between making India a reproductive colony and the objective consequences of colonialism leading to the opposite result.

22.2.3 Third Stage

It was the phase of foreign investment and international competition for colonies. Three developments led to the ushering in of the third stage of colonial exploitation. The first development was the industrialisation of the rest of the developed world. With this the countries of Europe, USA, Russia and Japan became competitors for markets and sources of supply of raw materials. The second development was that major technological developments took place in the nineteenth century that increased the need for raw materials and foodstuffs. Thirdly, capital had accumulated on a significant scale in the developed capitalist countries and needed outlets for investment. An additional advantage was that colonial expansion could provide a channel along which the discontent of the workers and peasants could be deflected. The dream of national greatness was always a heady one and jingoistic patriotism rallied the country around the state.

Within the colony this period saw the revival of conservative ideologies as imperialist control was sought to be wielded with firmness. Curzon was only the last of a line of Viceroys who introduced policies of suppression and regulation. This was also necessary for ensuring safety for British foreign investment in the railways, plantations, mining, jute, shipping, trade and banking. Firm control was also vital as the army was sought to be maintained as a weapon for the defence and expansion of the empire. There was no more talk of self-government; instead it was declared that the people of India were a 'child people' who would never be fit to rule themselves.

Of course, the contradiction in this grand design of a tightly controlled colony was financial constraints. The goose that laid the golden eggs was in danger of being killed through over-exploitation. The colony needed to be developed in order to exploit it further but over-exploitation had made the country so backward that development was no longer possible. The other contradiction was that modernisation produced social groups which rallied against colonialism.

22.3 IMPACT OF BRITISH RULE IN INDIA

The colonial domination of India converted it into a classic colony whose economy was subordinated to that of the metropolitan country, Britain. India became a market for British goods and a supplier of raw materials and foodstuffs to the mother country. The irony was that the very expansion of capitalism, which took Europe along the path of modernisation and development, created extreme backwardness and underdevelopment in the colony. The entire economy was made serviceable for the interests of Britain.

22.3.1 Agriculture

Agriculture was the sphere of the economy that was most adversely affected by British rule. The British extracted the maximum possible surplus from agriculture by imposing an extremely high land revenue burden. A new social class of zamindars was created by the Permanent Settlement of Bengal, to ensure that revenue collection was efficient. The old collectors of revenue were turned into private landlords who were given some of the rights of the landlords but had to turn over the revenues to the state after keeping a small percentage for themselves. The peasants could be exploited at will by these zamindars. The Ryotwari system implemented in the Madras and Bombay presidencies involved tax collection from individual cultivators. However, the high revenue burden meant that their condition was at best only marginally better than that of the peasants of Bengal.

The peasantry was crushed under the exceptionally high and harsh revenue burden. With land becoming alienable under the new capitalist relations introduced, many peasant proprietors found themselves reduced to agricultural labourers as the moneylenders, zamindars and officials gained control over the lands mortgaged to them by the hapless peasant in order to pay land revenue. There was no system of remission of revenues even during times of floods, drought and famine and collection. The number of intermediaries grew as zamindars and revenue collectors sublet their rights to intermediate rent receivers. The system of agrarian relations that developed was thus neither capitalist nor feudal – it was semi-feudal and semi-capitalist. The techniques of production in agriculture remained stagnant. The colonial government paid no attention to modernisation in this area.

Commercialisation of agriculture took place in the nineteenth century with the replacement of foodgrains by cash crops such as cotton, jute, tobacco, sugarcane and oilseeds. The collapse of the supply of cotton from the USA because of the civil war led to the increase of acreage in cotton in India. Credit was advanced to the peasant by the traders to encourage him to grow cotton. Thus, cotton joined opium and indigo in becoming an important commodity to be traded on the world market. While per acre production of foodgrains decreased by 0.18 % per annum, that of non-food grain crops increased by 1.31 % per annum. Production of cash crops increased the role of moneylenders and usurers in the village economy. In some areas, the well-to -do peasants remained free of the stranglehold of the moneylender and accumulated considerable savings from production of cash crops. The process of differentiation of the peasantry thus gathered momentum.

22.3.2 Trade

The pattern and direction of India's foreign trade was subordinated to British interests. There was undoubtedly an increase in the quantum of foreign trade from Rs.15 crores in 1834 to Rs.60 crores in 1858, Rs. 213 crores in 1899 and Rs. 758 crores in 1924. The composition of this trade was, however, skewed so as to serve British interests. India exported raw materials and foodstuffs and imported manufactured goods from Britain. Even the excess of exports over imports was the mechanism for the drain of wealth rather than an asset as in the case of a free country.

22.3.3 Industry

The traditional industries of India were destroyed, first by the Company using its position as a monopolist buyer to force the craftsmen to work at uneconomic rates and then by being forced to compete at a disadvantage with the duty free manufactured goods imported from Britain. The consequence of the destruction of traditional handicrafts was that craftsmen were thrown back on to agriculture leading to further overcrowding and uneconomic production. This process has been described as deindustrialisation. According to noted economic historian, A.K. Bagchi, half the people dependent on industry in the middle Gangetic region in 1809-13 were displaced from their livelihood by 1901.

Modern industry did develop in India in the colonial period. Millions of craftsmen whose livelihood was destroyed swelled the ranks of the workforce. The establishment of a modern system of transport and communications created an all-India market. The first industries to be set up were cotton and jute textiles, coal mining and tea plantations. Ancillary industries came up along with them. The development of an economic infrastructure was also necessary for the expansion of trade and extraction of raw materials and foodstuffs from the countryside. This benefited Indian capitalists also. The spread of railways also led to the setting up of railway and engineering workshops. Most of the modern industry was owned and controlled by British capitalists. The growth of modern industry really took place in the period after the First World War. The depression of the 1930s also gave an opportunity for Indian industry to progress.

Thus, India had modern industry but she did not undergo an industrial revolution. Capital goods industries were not encouraged, as the British industrialists wanted to sell machinery to India. Only those industries developed which did not compete with British manufactures. Thus, **India underwent a commercial transformation and not an industrial revolution.** The share of the industrial sector in the Net Domestic product was 12.7 % in 1900-04, 13.6 % in 1915-19 and 16.7 % in 1940-44. In contrast, the share of the primary sector was 63.6% in 1900-4, 59.6% in 1915-19 and 47.6% in 1940. The per capita income of India was Rs.52.2 in 1900-04, Rs. 57.3 in 1915-19 and Rs. 56.6 in 1940-44, at the constant price of 1938- 39.

The cultural and intellectual spheres also did not undergo transformation in a modern and progressive direction. Modern education was introduced in an extremely piecemeal manner so as to produce the clerks for the administration but not encourage independent thinking. Nevertheless, the educated classes were exposed to Western ideas and came to demand that British rule in India be run along more liberal lines. There were some attempts at social reform in the nineteenth century but these were discontinued after the revolt of 1857. On the whole, policies followed in the social sphere were conservative and even reactionary. The divisive ideologies of communalism and casteism were promoted to prevent the consolidation of the unity of the Indian people.

Check Your Progress 1

1) What are the distinctive features of colonialism in India?

....

....

....

....

....

....

....

....

2) What was the impact of colonial rule on Indian agriculture?

....

....

....

....

....

....

....

....

22.4 AFRICA

The conquest of Africa took place in the last decades of the nineteenth century. As late as 1880, only a small part, 20 per cent of Africa, had come under European rule. The European powers had been content to trade with Africa and wield informal political influence where necessary. However, the spread of the Industrial Revolution in Europe brought to the fore new political ambitions and rivalries. Direct political control was the watchword of the era of the 'new imperialism' and rival capitalist monopolies. The conquest of Africa was made possible by superior European technology, financial and military resources and relative stability in Europe.

A continent of over 28-million sq. km. was partitioned and occupied by European powers by a combination of two strategies, treaties and conquest. A series of treaties marked out spheres of influence of the European powers. The Anglo-German treaties of 1890 and 1893 and the Anglo-Italian treaty of 1891, the Franco-Portuguese treaty of 1886, the German-Portuguese treaty of 1886, the Anglo-Portuguese treaty of 1891and the Anglo-French convention of 1899 were important milestones. The French were the most active in pursuing the policy of military conquest. Britain's military imperialism was as spectacular and bloody. Nigeria was conquered in stages by the turn of the century. Sudan was occupied in 1896. Zanzibar became a protectorate in 1890 and provided a base for the British conquest of East Africa. Uganda became a protectorate in 1894. The conquest of Zambia, earlier known as Northern Rhodesia, was completed in 1901. It is interesting that the conquests were in the traditional slaving zones—in the east it was in the old ivory trade zones.

Three eras can be distinguished. The first phase, 1880-1919, was one of conquest and occupation. The colonial system was consolidated after 1910. The second phase, 1919-1935, was the period of accommodation. The third phase, 1935 onwards, was that of the independence movements. Within forty-five years from 1935, the colonial system was uprooted from over 94 per cent of Africa. Colonial rule lasted for a hundred years on an average.

22.4.1 Colonial Economy

The colonial economic system reached its prime by the Second World War. New production relations were established between 1880 and 1935. The first signs of the new economy were the development of road, rail and telegraph communications.

The self-sufficient African economies were destroyed or transformed and subordinated by colonial domination. Their connections with each other and with other parts of the world were broken. Money economy was introduced and so was a market in land. Colonial interests dictated infrastructure linkages. Industrialisation was discouraged. According to Fieldhouse, "probably no colonial government had a department of industry before 1945." The traditional crafts were destroyed. Single crop economies with heavy reliance on cash crops were developed. Africa was integrated into the world economy in a disadvantageous position. Inter-African trade was virtually stopped.

Land alienation was common. By 1930, 2,740,000 hectares were alienated in Kenya. Differentiation in African society occurred as a result of the impact of colonial domination. Limited proletarianisation and widespread depeasantisation took place. A class of rich peasants developed. European powers reduced the economies of Africa to colonial dependencies through the power of finance capital. The loans for the Suez Canal enmeshed Egypt in a web of indebtedness. Big international companies controlled the mining of gold and diamonds.

22.4.2 Colonial Impact

The colonial school of African historiography has misrepresented the African response to colonial occupation as one of welcoming the establishment of colonial rule. Similarly, the theory of Social Darwinism justified colonialism by arguing that the domination over the weaker races was the inevitable result of the natural superiority of the European race. Another theory was that of balance of power, i.e., the conflict between European nations was played out in Africa so as not to disturb the balance in Europe. However, it is evident that the primary motive behind colonial rule was economic exploitation of the colony in the interests of the metropolitan power.

According to some western scholars colonial rule was a blessing. It provided modern infrastructure, health and education. David Fieldhouse has described the effects as "some good, some bad". Gann and Duignan have argued that the cultural diffusion effected was important and that it was wrong to stress only on political exploitation. On the other hand, W. Rodney has described colonialism as 'a one-armed bandit'.

There is little doubt that the limited positive effects of colonialism were accidental by-products of exploitation. It is true that peace and stability prevailed, but only after the initial period of complete dislocation. The political face of Africa was reshaped. Earlier clans were the unit and now territorial units replaced them. This has left troubled legacies in the form of ethnic conflicts. These ethnic conflicts often arise because of the arbitrary definition of territorial units imposed under colonial rule in utter disregard of the ground reality. New institutions, the judicial system and the bureaucracy, were set up on quasi-European lines. The concept of punishment of the guilty replaced the traditional notion of redress of the aggrieved. Pan-Africanism and nationalism were also by-products of colonialism.

The negative effects, apart from economic ruin, were the undermining of indigenous systems of governments such as traditional monarchies and chieftaincy. A mentality of subservience developed. A standing army became a heavy millstone around the neck of the colony. The loss of African sovereignty was the greatest tragedy wrought by colonial rule. The colony lost its right to control its own development. Colonialism insulated Africa from momentous developments taking place in the world.

22.5 BRITISH COLONIALISM IN AFRICA : EGYPT

British territories in Africa were Nigeria, Gold Coast, The Gambia, Sierra Leone, Kenya, Tanganyika, Nyasaland, Uganda, North and South Rhodesia and South Africa. We take up Egypt as a case study as it demonstrates how colonialism functions effectively even without direct formal political suzerainty.

22.5.1 Conquest

An abortive expedition was made by Napoleon to annex Egypt around the turn of the nineteenth century. The British military intervention repulsed the French and the British occupied Egypt in 1801. However, this lasted only two years till the Treaty of Amiens and the British forces left Egypt by March 1803.The British attacked Egypt again in 1807 but were forced to retreat. In 1840, a British squadron commanded by Napier threatened Alexandria. A convention was signed which limited the powers of Mohammed Ali, the ruler of Egypt. Egypt became a British colony in effect. Though Egypt remained nominally under Turkish rule, the consuls of Britain and France were the real wielders of power. Egypt came under the joint protection of France and Britain and it was only their rivalry that gave Egypt a modicum of independence.

In 1842 the terms of the Anglo-Turkish Trade Treaty of 1838 were applied to Egypt. British merchants and industrialists were allowed to buy cotton directly from the producers and British exports to Egypt were required to pay minimal customs duties, if any. By 1845, England was the predominant partner in Egypt's trade. A quarter of Egypt's imports and a third of her exports were with England. In 1851, the British were given concessions to build a railway from Alexandria to Cairo and Suez, which would be of vital strategic importance to the British in the context of their colony in India. The construction of the railway line enhanced Egypt's importance as a transshipping base. In 1858, the British used the line to transport troops to suppress the revolt in India.

British colonialism in Egypt reduced it to an agrarian and raw material appendage of the metropolitan country. The history of colonialism in Egypt is a sordid tale of exploitation by foreign powers and banking companies who enmeshed her in indebtedness. The nineteenth century saw Britain and France controlling political developments in Egypt, toppling governments and setting up puppet regimes. The rise of nationalism in Egypt was an expression of the discontent of the Egyptian people with their exploitation by the Turks, the Mamelukes, the Albanian notables and the French and the British.

22.5.2 British Economic Policy in Egypt

Two stages of colonialism were merged into one in Egypt. The primary aim of the British industrialists was to develop Egypt as a supplier of cotton for industry. The second motivation was that Egypt could be a valuable field for investment of finance capital. During the financial boom of 1897-1907, foreign capital investments in Egypt totaled 73,500,000 Egyptian pounds. The proportion of industrial investment was extremely little. In 1883-97, it accounted for 29 per cent of the total and it fell during the financial boom. Most of the foreign investment was in commerce, banks, mortgage banks, land companies and public utilities. It has been estimated that 79 per cent of foreign investment was in non- productive fields, such as public debt mortgage and banks, 12.36 per cent was in trade and transport and 5 per cent in industry and construction.

The British industrialists converted Egypt into a primarily cotton growing country. Several irrigation networks were built to this end. The area under cotton increased from 495,000 *feddans* in 1879 to 1, 723, 000 *feddans* in 1913. Cotton yielded 43 per cent of the total value of agricultural output between 1910 and 1914. Cotton exports accounted for 85 per cent of total exports in 1913. Cotton exports multiplied five times from 1860 to 1870 while imports trebled from 1843 to 1872. In thirty years the total volume of Egyptian overseas trade increased fivefold.

The consequence of being a single crop economy was that Egypt had to import foodgrains. Foreigners owned 700,000 *feddans* or 13 per cent of the entire privately owned lands. In addition, they controlled the 27 per cent of the land that was mortgaged to foreign companies. The primary cotton processing and cotton cleaning industry and the steamship lines that transported the bales of cotton were under British control. The British controlled the entire cotton trade in Egypt. It is an index of the exploitation of Egypt that it did not have a single cotton mill!

Means of transport and communication developed on a rapid scale during the second half of the nineteenth century. Railways developed, as did telegraph lines and steamships. Egyptian industry developed to a limited extent. Sugar refineries, small textile and weaving mills, foundries, repair workshops, etc., were the kinds of enterprises set up, which had relatively low levels of technology. The absence of tariff protection was a major drawback for industry.

22.5.3 Suez Canal

In the 1850s, the French financial tycoon, Ferdinand de Lesseps, proposed the building of the Suez Canal. Abbas Pasha, who had opposed the project, died and the new ruler, a personal friend of de Lesseps, granted concessions for the construction of the Canal. The construction of the Canal was to hasten the process of the conversion of Egypt into a colony. 44 per cent of the share capital came from Egypt, apart from the labour and the land, which was provided free. Egypt was forced to go in for massive foreign loans to finance this project. 25 to 40,000 labourers were employed at any one time and this was mostly forced labour. **Thus it was the compulsory semi-slave labour of the Egyptian *fellaheen*, which built one of the biggest structures of capitalism.** Colonialism, as we know, utilises forms of labour of earlier pre-capitalist economies. In fact, the continuation of survivals from the medieval period was a special feature of Egypt's capitalist development. This hampered the development and modernisation of both agriculture and industry.

The Suez Canal project embroiled the Egyptian government in a financial imbroglio. The total cost to Egypt was 400,00,000 francs. Of this, she was able to recover only a quarter through sale of her shares. Millions of pounds were thrust as loans on her for a project from which she drew little benefit and which was implemented to reduce the time and the cost of travel to the East. The bankers of London advanced millions of pounds to the Egyptian government, interest payments on these loans alone amounted to the revenues of the richest provinces. By 1876, Egypt's total foreign debt amounted to 94,000,000 pounds. The interest on this was a staggering 8,000,000 pounds every year. The government sold its shares in the project to Britain, which used her clout as the biggest stockholder in the Canal to oust France from her position as a rival. The roots of this new policy lay in the ushering in of the stage of monopoly capitalism in Europe. The European powers adopted more aggressive postures in their colonial policy.

Britain forced a commission of inquiry into Egypt's finances. Dual control of France and Britain over her finances was enforced. A new cabinet was set up with primarily European officials in 1878. Egypt now became a colony of the Anglo- French bankers. Resentment was naturally intense and widespread. The nationalists or *wataneun* gave expression to this discontent. A national government replaced the infamous European cabinet but this was short-lived and the European powers continued to wield power.

22.5.4 State Structure

Egypt became a colony of Britain in 1882 but was not formally annexed or recognised as a protectorate. Egypt continued to be part of the Ottoman Empire. Britain described herself as a temporary occupation power. The British desisted from annexing Egypt as that may have triggered off a serious international crisis. The excuse of internal anarchy was used to continue their occupation in the coming decades. France accepted Britain's domination over Egypt as part of the Anglo-French Entente in 1904. The Suez Canal was to be controlled by an international commission. In 1906, Britain annexed the Sinai peninsula. Dual control over Egypt's finances was ended, and with it French influence. The British administrator was the supreme authority in practice though nominally the Khedive ruled and a Legislative Council and General Assembly existed. The consul general of Britain wielded the dictatorship of British finance capital. Lord Cromer was the longest serving administrator, followed by Gorst and General Kitchener.

Britain drew Egypt into the First World War despite her not being a colony formally. Extensive use was made of Egypt's natural resources and manpower for the war. Her entire economy was martialled for the war effort. The peasants were oppressed by the forcible seizure of their crops for the armed forces. The gold reserves of the National Bank of Egypt were handed over to the British Treasury. Egypt was incorporated in the sterling area, which allowed Britain to pay for her military expenses in paper currency. Inflation rose dramatically during the war. The rupture in foreign trade brought about by the war stimulated local Egyptian industry. Martial law was imposed in 1914, the dictatorship cracked down on political dissent and thousands of intellectuals were exiled. The nationalist movement spread rapidly. On December 18, 1914, Egypt was formally declared to be a British protectorate.

22.6 FRENCH COLONIALISM IN AFRICA

In the following account, we have discussed French colonialism in Africa with special reference to Algeria and Tunisia.

22.6.1 Algeria

Algeria was the first colony of France in North Africa. Charles X sent an expedition in 1830. In the following years the civilian administration was organised. By 1839, 70,000 Frenchmen were concentrated in Algeria. French colonisation began after 1839 when the lands of subdued tribes were given over to French colonists who established large estates and built huge palaces. Initially, France only controlled towns along the coast. Gradually, they conquered most of the country.

Algeria was developed as an agrarian appendage of France. Raw materials were produced there and French manufactures sold at great profit. The domestic industry and trade that existed prior to the French conquest were destroyed. Artisans were ruined. Acquisition of land was the main form in which control was expressed. By 1871, colonial settlers had been given 480,000 hectares of land. French capitalist companies acquired extensive lands. However, despite concentration of land in the hands of big capitalist companies, Algeria remained a backward agrarian economy. Exploitation of Algeria's mineral wealth was another source of profit. French companies exploited iron ore and phosphorite deposits. Railways were laid to facilitate trade and for military and strategic purposes. The growth of foreign trade from 1871 to 1914 was marked, suggesting that Algeria's utility as a colony was increasing. Imports comprised primarily of cloth, indicating that Algeria was a consumer of French manufactures.

The collapse of the Second Empire in 1871 was a signal for the Algerians to attempt to shake off the French rule. The local French bourgeoisie resented the monopoly of the Parisian bourgeoisie and the military regime. The rest of the people were also against colonial rule as the economy was ruined by the depredations of the colonialists. Famine and pestilence accounted for the death of one-fifth of the population between 1866 and 1872. The Arab and Berber uprising, led by Mohammed el-Mokrani, started on 14 March 1871. The rebels won substantial military victories but the collapse of the Paris Commune weakened their position disastrously. However, the uprising was put down with a firm hand.

The years to follow saw colonial misrule at its worst and imperialist exploitation at its height. Seizure of land from the Arabs consolidated the position of the French colonists greatly. They acquired another 500,000 hectares of land and by 1917, 55 per cent of all land was owned by

French colonists. The native peasants and nomads were forced into the inhabitable areas and perished in great numbers. The French colonists were given political privileges that were denied to the Arabs and Berbers. The former were citizens while the latter were subjects. They were subject to different laws and different rates of taxes. The native Algerians who demanded equality and democracy resisted this.

22.6.2 Tunisia

France established control over Tunisia by encouraging her independence vis-à-vis Turkey. Tunisian territory was invaded in 1837 but France retreated under pressure from Britain. The attempts at modernisation placed the rulers in a precarious financial position and made them vulnerable to the persuasion by foreign banks to undertake huge loans on extremely unfavourable terms. Taxes were extracted from the peasants and artisans with the use of brute force.

In 1881 the French seized Tunisia. Italy had already established its presence there and obtained concessions in railways and telegraphs. The defeat of France at the hands of Prussia in 1871 emboldened Italy to secure certain privileges. At the Berlin Congress of 1878, France was informally permitted by the European powers to annex Tunisia. The annexation took place in 1881 on the pretext of a border incident. France declared that it would control Tunisia's foreign relations henceforth. The state set up was to serve the interests of French monopoly capital. In 1884 financial control passed into French hands from the international commission. However, Italy maintained her interest in the colony and Italian settlement continued. Italy signed the Triple Alliance with Germany and Austria-Hungary to check French expansionism. In 1896, the French recognised the special position of the Italian residents and Italy, in turn, recognised that Tunisia was a French protectorate. It is to be noted that the number of Italians exceeded those of the French in Tunisia. Seizure of land was the common form of exploitation. Another form was exploitation of mineral deposits.

22.7 SOUTH EAST ASIA

The use for the term South East Asia goes back to the Pacific War of 1941-5. The countries it comprises are Burma, Thailand, North and South Vietnam, Cambodia, Laos, Federation of Malaysia, Brunei, Indonesia and Philippines. Colonialism in South East Asia lasted from the late fifteenth to the mid-twentieth century. Europe's military and naval superiority enabled her to dominate the rest of the world. The cannon and the steam-powered gunboat outmatched the weapons of the Asian countries. Motives were wealth, prestige and converts to Christianity. Even after the heyday of the spice trade, South East Asia remained significant for Europe as she supplied raw materials for European industry – oil, rubber, metals, rice, coffee, tea and sugar. After 1870 the interior of the colonies were opened up at great momentum. Even Thailand was affected, though it was not a colony.

According to Victor Purcell, "trade, treaties, persuasion and legality were the usual instruments of European expansion – not fire and the sword." Ancient states were dismantled, patterns of commerce were transformed and the cultural and intellectual assumptions of Asian civilisations were challenged.

22.7.1 Indonesia

The spice trade was extremely lucrative and attracted the European powers. The Portuguese came to Malacca in the early sixteenth century but their power was broken by 1600. They were the first to introduce maize, tobacco, sweet potato and cocoa. The Dutch merchants formed a company in 1594. The companies were amalgamated in 1602 and given a common charter. Territorial expansion followed as an offshoot of trade. A secure base was needed to conduct trade and keep rivals away. Revenue collection provided important financial resources. Competition with the French and British continued till 1682 when the British and French withdrew. The Dutch monopoly system was broken in 1784 under the provisions of the Treaty of Paris.

The Javanese peasant was forced to cultivate export crops. The native people were forced to work for a pittance and buy food at exorbitant prices from the Dutch traders. All agricultural exports were to the Netherlands. The peasant could not grow cash crops without permission from the colonial authorities. Dutch patrols destroyed any unlicensed trees of cloves and nutmeg.

There was very little capital investment in the colony. Mineral development was in its infancy. Railways developed in the 1860s. By 1900 there were 3000 km of railways. The telegraph service was started in 1856 and the postal service in 1866.

Colonialism fatally weakened the old political order in the archipelago, opening the way for new structures. Dutch colonial rule paved the way for a modern state by suppressing the old kingdoms.

22.7.2 French Indo-China

France occupied Saigon in 1859. In 1861, Cambodia became a French protectorate. The Union Indochinoise was formed in 1887 – Cochin China, Annam and Tongking.

Tariffs were imposed by France to benefit its own industries, especially textiles, iron and steel and machinery. The result was an extremely slow tempo of industrialisation. Mining of coal, tin and zinc attracted French capital. Timber extraction and rubber planting developed. Between 1911 and 1920 19.6 per cent of exports from Indo-China were to France. By 1938, this had gone up to 53 per cent.

Peasant ownership was replaced by landlordism. Landlords controlled 80 per cent of the land and employed 200,000 as sharecroppers. Absentee landlordism was rampant. Overpopulation, undernourishment and progressive pauperisation of the countryside were the inevitable result. Taxation was extremely heavy.

French colonial policy was to "gallicise" (frenchify) their territories. In contrast, the British and the Dutch maintained traditional ways. Indirect rule was a double burden as two bureaucracies were to be supported, one French, the other ceremonial and impotent.

Check Your Progress 2

1) Discuss the British economic policies in Egypt in 100 words.

....

....

....

....

....

....

....

....

2) What was the impact of French colonialism in Algeria and Tunisia?

....

....

....

....

....

....

....

....

22.8 LET US SUM UP

Colonial exploitation through direct rule occurred mainly in three stages : plunder and monopoly of trade, free tree and capital investment in the colonies. Although these stages can be said to follow each other on the time scale, there has been a lot of interminingling particularly between the second and third stages. The concept of free trade continued till very late in many forms along with the direct financial investment in some colonies. But in all these forms of relationships with the metropolis, the colonies were economically exploited, their traditional industries suffered decline and, in many cases, they were reduced to the level of suppliers of raw materials for the upcoming and growing industries of the imperial countries. For the colonies, it always remained an unequal relationships which impoverished them while enriching the imperial countries.

22.9 WANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress 1

10 See section 22.2 for answer.

2) See subsection 22.3.1

Check Your Progress 2

1) See subsection 22.5.2

2) See section 22.6