

Chapter – 3: Ruling the Countryside

The Company Becomes the Diwan

- 12 August 1765 – Mughal emperor – appointed East India Company – Diwan of Bengal
- Actual event – Clive's tent – few Englishmen and Indians – witness
- Event – drawn as majestic by painter – commissioned by Clive – record memorable events
- Diwan – chief financial administrator of territory
- Company – administer and organize – revenue
 - Yield enough – meet expense of company – buy anything and sell anything
- Over years – company – learnt – move with caution
- Alien power – control – local rulers – cannot be eliminated

Revenue for the Company

- Company – Diwan – primary – trader
- Wanted large income – not setting up – regular collection system
 - Increase revenue as much as it can – buy silk and cotton at cheapest rates
- In 5 years – value of goods – Bengal – doubled
- Before 1765 – Company – import gold – buy goods – BUT – now use revenue from Bengal – buy goods
- Soon – economy of Bengal – crisis
- Artisans – deserting villages – forced to sell products – Company – low prices
- Peasants – unable to pay taxes
- Artisanal production – declined – agricultural cultivation – collapse
- 1770 – famine – 10 million people killed – Bengal – 1/3rd population – wiped out

The need to improve agriculture

- Economy – ruined – company officials – feel – investment in land and agriculture – improved
- 2 decades of debate – company introduced – Permanent Settlement – 1793
 - Rajas and *taluqdars* – zamindars – collect rent from peasants – pay revenue to company
 - Amount to be paid – fixed – not increased ever
- Company – feel – ensure regular flow of revenue – encourage zamindars to invest in land – zamindars benefit from increased production

The problem

- Permanent Settlement – created problems
- Zamindars – not investing in land – fixed revenue – so high – unable to pay – lost zamindari – auctioned by Company
- 1st decade – 19th century – situation changed
- Prices – increased – cultivation – expanded – increase income – zamindars – no gain – company – fixed revenue
- Zamindars – not investing in land
- Some – lost in the early years – others – earning without trouble – not risking investment
- As long as – zamindars – give land to tenants – get rents – no interest in improving land
- On other hand - in villages – cultivator (farmer) – found system oppressive
 - Rent paid – high – right to land – unsure

- Pay rent- take loan – moneylender – failed to pay loan back – land taken away

A new system is devised

- Early 19th century – company officials – convinced – revenue system – change
- Revenue cannot be fixed – company needed more money
- North Western provinces – Bengal presidency – Holt Mackenzie – new system – 1822
 - Felt – village imp. – north Indian society – preserved
- Collectors – went village to village – inspecting land, measuring fields – recording customs and right – different groups
- Estimated revenue – each plot – added up – calculate – revenue from village (*mahal*)
- This demand – revised periodically – not fixed
- Collection by village headman – not zamindar – *mahalwari* system

The Munro system

- British territories in South – similar move – away from permanent settlement
- New system – *ryotwar* – tried by Captain Alexander Read – some areas – taken over after war with Tipu Sultan
- Afterwards – developed (improved) by Thomas Munro – this system – spread over South India
- Read and Munro – felt – south – no zamindars – deal directly with cultivators (*ryots*)
- Field – surveyed – revenue assessed
- British – protect *ryots* – under themselves

All was not well

- In a few years – it was clear – all was not well
- Revenue – too high – peasant – unable to pay – *ryots* – fled from countryside – villages deserted

Crops for Europe

- British – realized – countryside – not only revenue – BUT – also crops – Europe required
- Late 18th century – company – trying best – increase production – opium and indigo
- Next one and a half century – British – persuaded / forced – farmers to grow –
 - Jute in Bengal
 - Tea in Assam
 - Sugarcane in United Province (Uttar Pradesh)
 - Wheat in Punjab
 - Cotton in Maharashtra, Punjab
 - Rice in Madras
- British- variety of methods – expand trade

Does colour have a history?



- Left picture – *kalamkari* print – Andhra Pradesh, India
- Right picture – designed by William Morris – poet and artist – 19th century Britain
- Common – lot of blue colour – indigo – how to produce
- Blue colour – plant – indigo
- Morris painting – blue colour – Indian indigo – India – biggest producer

Why the demand for Indian indigo?

- Indigo plant – grow in tropic region
- 13th century – Indian indigo – used by Italy, France, Britain – dye cloth
- Small amount – reached European market – price very high
- European manufacturers – depend on another plant – woad – violet and blue colour
- Woad – temperate zones – easily available in Europe – northern Italy, southern France, parts of Germany and Britain
- Woad producers – pressurized government – ban import of indigo – crush competition
- Cloth dyers – preferred indigo – bright colour – woad – pale and dull
- 17th century – cloth manufacturers – persuaded government – relax ban on indigo
- Indigo cultivation started by –
 - French in St. Domingue, Carribean Islands
 - Portuguese in Brazil
 - English in Jamaica
 - Spanish in Venezuela
 - Many parts of North America
- End 18th century – demand – Indian indigo – increased
- Britain – industrialization – cotton production – increased demand for dye
- Demand for indigo – increased – supplies from West Indies and America – decreased
- Between 1783-1789 – indigo production – halved
- Cloth dyers – Britain – new indigo source

Britain turns to India

- Indigo – rising demand – Europe – Company in India – looked for ways – expand indigo production
- Last decades – 18th century – indigo cultivation – Bengal – increased rapidly
- 1788 – 30 % of import in Britain – from India
- 1810 – 95 % of import in Britain – from India
- Indigo trade – grew – company officials – invested in indigo production
- Company officials – left jobs – look after indigo business
- High profits – Scotsmen and Englishmen – came to India – indigo production
- Those with no money – get loan from Company or banks

How was indigo cultivated?

- Two systems – *nij* and *ryoti*
- *Nij* – planter – controlled land directly – purchased or rented from zamindar – hired labour

The problem with *nij* cultivation

- Planters – difficult to find large lands
- Indigo – require – fertile land – already densely populated
- Small areas – scattered
- Planters – needed – large areas – cultivate indigo

- Tried – evicting peasants – near the factory – lease the land – led to conflicts
- Labour – not easy to mobilise
- Large plantation – lots of hands – labour busy – rice cultivation
- *Nij* cultivation – large scale – lots of equipment – ploughs and bullocks – purchase and maintenance - difficult
 - One **bigha** – 2 ploughs
 - 1000 **bigha** – 2000 ploughs
- Peasants – cannot give supplies – busy in rice cultivation
- Late 19th century – planters – not ready to expand under *nij* cultivation
- Less than 25 % of total production under *nij* – rest – under *ryoti*

Indigo on the land of *ryots*

- *Ryoti* system – planters forced – *ryots* – sign agreement (*satta*)
- Sometimes – pressurized village headman – sign contract
- Some – signed contract – got cash advance – low interest rate
- Loan – committed – *ryot* – cultivate indigo on at least 25 % land
- Planter – gave seed and drill – farmer – prepare the soil, sow the seed, look after the plant
- Crop – provided to planter – new loan given – cycle goes on and on
- Peasants – initially – tempted – realized – harsh system
- Price for indigo – very low – cycle of loan – never ended
- Other problems – planters insisted – indigo cultivated on best soil – peasants preferred for rice
- Indigo – deep roots – soil exhausted – cannot cultivate rice

The “Blue Rebellion” and after

- March 1859 – 1000s of *ryots* – refused to grow indigo
- Rebellion spread – *ryots* refused to pay rent to planters – attacked factories
- Women – fight with pots, pans, kitchen items
- Some – worked for planters – boycotted – *gomasthas* – collect rent – beaten up
- Peasants – swore – no longer take loans – OR – bullied by *lathiyals* – lathi-carrying men
- What gave them power to rebel?
- 1859 – indigo *ryots* – feel they had support of zamindars and village headman
- Villages – headman – forced to sign contracts – mobilised – peasants – fought with *lathiyals*
- Zamindars – urged *ryots* – resist planters – angry with planters – land on long lease
- Indigo peasants – believed – British government – support them
- After Revolt of 1857 – British government – worried – another rebellion
- News spread – revolt – indigo districts – Lieutenant Governor – toured – winter 1859
- *Ryots* – saw tour as – sympathy
- Barasat – magistrate Ashley Eden – issued – notice – *ryots* – not compelled to accept indigo contracts
- Word went around – Queen Victoria declared – do not grow indigo
- Eden – trying to favour peasants – action – read as support for rebellion
- Rebellion spread – learned men – Calcutta – went to indigo districts – write on –
 - Misery of *ryots* – tyranny of planters – horrors of indigo system
- Worried by rebellion – government – brought in military – protect planters – set up Indigo Commission – enquire indigo production system

- Commission – found planters guilty – harsh methods for indigo cultivation – not profitable for *ryots* – asked them to fulfil current contract – can refuse in future
- After revolt – indigo production – collapsed in Bengal
- Planters – shifted to Bihar
- Late 19th century – synthetic dyes – business affected – yet production expanded
- Mahatma Gandhi – return from South Africa – peasant – Bihar – persuaded – visit Champaran – plight of indigo cultivators – 1917 – beginning – Champaran movement – against indigo planters