

## CHAPTER-VI

### CONCLUSION

The second half of the eighteenth century was crucial in commercialization. Some factors like growing demand of food and growing price of goods influenced the commercialization in this period. During the pre-*Plassey* period some factors increased the price of goods in a combined way in South West Bengal. Firstly, it was the Maratha invasion and the abduction of wealth. Secondly, high rate of tax imposed by the regional rulers and natural calamities also influenced the price of goods. Since the Famine of 1770 there grew uncertainty of food and it remained the same in the next thirty years. Sometimes people created the panic of famine. It caused the growing price of food grains and other commodities. More over the traders regulated the price of the commodities. Apart from these the Europeans intervention in the trading of various commodities in South West Bengal and the competitions among the European companies created the scope for intense commercialization.

Considering the high demand in the markets of Europe, the East India Company paid importance to cotton textile, silk goods and raw silk trading in South West Bengal. Before their permanent supremacy in South West Bengal they established factories and *aurungs* in different places to collect goods. The Company would collect the necessary goods from factories and *aurungs* through the system of '*dadni*' and send those to the markets of Europe. The agency system was introduced to collect goods in 1753 when the difficulty arose in collecting goods through the former system and latter i.e. after 1760 the number of factories and *aurungs* grew in the suitable places in South West Bengal for goods collection. When the East India Company acquired the power to rule, they managed

to prevent the difficulties to operate factories and *aurungs*. An integrated trading network was created in South west Bengal centred around the factories and *aurungs* to collect goods. Through this network the hinterland of South West Bengal got connected with the outer world.

The Company's entry into the internal trade had a clear impact on the internal markets. By the regulations of 1773, the merchants were free from the hindrance of the outposts, toll stations and economically important areas. The merchants immediately reacted to it. They re-established the private *gunjs* to collect their necessary goods or buy others from those markets. From the *golahs* and the landing places grains were turned out. The government ordered the customs houses to engage *koyals* at various places. The re-distribution of the markets for the merchants increased the direct control of the internal markets both in network and distribution.

The state introduced more modifications in the existing structure of taxation and duties in 1793. The land holders were prohibited from collecting any *sair* and in return were offered compensation. The Company intended to break what it perceived as the existing bottlenecks in local marketing systems but not for general freedom of trade, but for its own benefit.

So in South West Bengal as well as entire Bengal so many *bazars* smaller or greater were raised for the trading and exchange of grains for the requirement of people. These markets were set up owing to favourable locations, trading routs, administrative zones, religious places, consumption for the army and even the production of different goods. The local *zamindars* and land lords setup *bazars* as the representative of the *Nawab* in *Nawabi* periods; In this case revenue was more important in establishment of markets. Later the representative of the Company established different markets.

Though establishment of the *bazars* by the ruler was quite normal, the local elite persons initiated to establish new markets by issuing some privileges and system lawfully. According to the state regulations no new *gunj* and *haat* would not be operated on the same day and within the adjoining areas where there were the *haats* and *gunjs* already established. More over the new markets would establish far from the adjoining areas of the markets already existed.<sup>1</sup>

The founders of the *haats* used the income for their own requirement from the markets established on the rent free land by the government. Apart from this, the income was also utilized in the different religious and charitable services. Sometimes it was found that the *sebait*s of the *thakoor bari* would spend that amount in their own interest. It was also seen that the orphans were operated with the amount collected from the profiles of some markets set up normally in South West Bengal.

In the case of trading and the exchange of markets the power of the natives and their authority had been tried to recognise with the deep assumption of the legal and economic morality. These were related to the imperatives of the late eighteenth century and philosophy of reformation in the nineteenth century. Here the distinction between rent and tax, the government and private properties, government grants and private conveyance, legal rights and illegal exaction has been clearly discussed.

In 1790 the Company put an end so many duties enacted since the pre- colonial period. But a few duties were existed. The privileges of collecting of duties were offered to the proprietors of the ground on which the *haats* and *bazars* were held as their right to those markets.<sup>2</sup> Those duties were collected from the traders of the *gunjs* markets and *haats*. The *zamindars* were owner of the temporary stall, shad and markets of the open

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<sup>1</sup> Board of Revenue Sayer O.C 29<sup>th</sup> August, 1794, Vol 1, also BOR- Sayer 31<sup>st</sup> January, 1794, pp. 60, 63-64

<sup>2</sup> Revenue Department of Sayer, O.C, 6<sup>th</sup> August, 1790, No-2

streets.<sup>3</sup> The *zamindars* would collect rent monthly or annually from the permanents stall and on the use of the houses.<sup>4</sup>

Thus thesis attempts to set up the general framework of the Company's internal trade. In the eighteenth century the Indian Ocean linked the unknown regions of India through the European ships. Their arrival connected the hinterland of South-West Bengal with the larger world. The Company attempted to control the regional landlords and also petty traders. The Company intended to execute the trading operated freely by the local traders in the regional fields. The Company's attempted regulatory management systems appeared to have met with partial success and evoked a mixed response.

The agrarian economy and the trading structure of South West Bengal of the second half of the eighteenth century (1753-1790) have been analysed. The main purpose of this research is to review the elements like local agricultural production, salt production, producers, local trade, traders' community, collection of *sair* and the system of the *bazars*. The matters related to production and exchange has been specially emphasized. More over the trading organization of the English East India Company and their attempt to set up mastery on different fields as the administrators have also been discussed.

The cotton and silk industry especially the weavers were greatly encouraged in the regime of the Company. During the pre- Company's regime most of the weavers had to depend on the merchants or the '*mahajons*' for the marketing of their production.<sup>5</sup> There were a few weavers who made clothes for the free markets.

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<sup>3</sup> Ibid , also see Sudipta Sen , 'Conquest of Marketplace' pp. 67-68

<sup>4</sup> Ibid

<sup>5</sup> K.N. Chaudhury ' The Structure of Indian Textile Industry in the Seventeenth and Eighteenth Century' "The Indian and Social History Review" Vol.11, Number, 2 &3, June, September, 1974

We do not have much information on the general financial condition of the weavers in the period before the Company's regime. 'From various reference in records of the Company, it appears that "the lot of the poor weavers" remained in similar condition despite the increase in production and competition among the buyers' The plight of weavers is amply illustrated by the factors' correspondence which often described it in such phrases as –"weavers cannot subsist or lie long idle" or "weavers live from hand to mouth" or such needy a generation as the weavers are"<sup>6</sup>. The *paikars* like Gobidaram Khamrai and Giridhar Dalal exercised their authority over the weavers and the producers of silk violating the orders and instructions of the Company in a large part of South West Bengal. These *paikars* were responsible for the miserable condition of the weavers and silk producers.

The fluctuating production of grain in different places due to different location of land and the hostility of nature encouraged the local traders in grain trade. They could operate their trade quite independently during most part of the second half of the eighteenth century. The Company was not interested in grain trading though they preferred in dealings of opium, indigo, salt. As a result the local grain traders operated their trade without any competition with the Company and the private traders. The local producers and the traders stored grains in the indigenous way. Even the Company stored grains for their own and administrative requirement.<sup>7</sup> The grain was damaged too much storing in the indigenous way. So in order to avoid the damage of grain the old grain were sold and new grain was brought in regular intervals.

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<sup>6</sup> Sushil Chowdhuri; *Trade and Commercial Organisation in Bengal 1650-1720*, Calcutta; Firma KLM, 1975

<sup>7</sup> BRG, Vol. 1, pp. 227-228

As a ruler East India Company was interested in abundant or poor harvests in grain. The Company's government had a reproach that they had been indifferent to the well-being of the larger sections of the indigenous people and also to the country in these early years. But later they were interested in the assessment of the price of grains at the time of havoc production also at the time of scarcity.<sup>8</sup> The Famine of 1770 made them aware of it.

In the pre colonial period the system of salt production the local *zamindars* were obedient to the *Nawab* who controlled the system. The *zamindars* would not give wages to the *malangies* throughout the years. They would give wages only for six months and for the rest six months the *malangies* would be provided with duty- free land. So, besides salt production, the *malangies* were engaged in cultivation for their sustenance. The servants of the Company took part in trading which was under the indigenous traders. It worsened the trading of the indigenous merchants. In 1765 'Society of Trade' founded the Company's officials to establish their supremacy in the salt trading. The Society regulated salt trade through a number of salt contractors they advanced money to the *zamindars* and the *malangis* and collected salt behalf of the society. It kept the indigenous salt traders so called wholesale salt traders, *paikars* and *beoparies* aloof from the salt. It affected the internal salt trading in the country .When the Company established their monopoly in salt trading in 1772, the indigenous merchants took part in again in South West Bengal. In 1780 the Company formed bureaucratic control over salt production by introducing agency system. Salt was sold through public auction. In this course of discussion salt trading by the indigenous merchants was operated through trading network. Despite smuggling, the agency system continued to operate until 1862. The condition of the salt labourers

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<sup>8</sup> Kumkum Banerjee, *Grain Traders and the East India Company; Patna and Its Hinterland in late Eighteenth Century*, *The Indian Economic and Social History review*,23,4(1986) .p. 419

*malangis* was miserable because they were under the economic control of the land holders, salt contractors and the salt agency officials. As such they became prey in the hands of village money lender *mahajans* who had also over their anticipated produce. The abolition of the *ajoor* system did not materially improve the economic position of the *thika molungies*. They had to confront the heavy burdens the land holders imposed on them, the agency advances and usurious credit facilities offered by the country *mahajans*. The salt labourers, *ajoor malangies*, were converted into *thika malangies* in 1794. Later, they worked in the *khalaries* on the basis of daily wages. They took advances from the agents through the *darogas* in the off-season and they were responsible for the delivery of salt basis of contract on the destined period. Actually, miserable condition of the *malangies* pushed them for salt smuggling.

Finally, it is said that the rise of the Company's regime in South West Bengal as well as entire Bengal in the second half of the eighteenth century provides a kind of historical convergence and brought some important matters regarding the nature of the colonial conquest and the imperial beginnings of Europe overseas. There was conflict between the proprietors and the ruler in making the Company's state in the important financial sector. Production and its consumption opened a new era in the field of trade over markets and its transaction got increased. It changed the production system and developed the communicative network. It is thought that this new colonial state was run by mercantile corporation and it was controlled in the technique of survey and modes of governance.