



**Modern Indian History**

# Economic Condition During British Rule

# Three Stages of Capitalism



- ❑ **3 stages of Capitalism in India** : Given by **R. Palme Dutt**

- ❑ **Mercantile Phase of Capitalism (1757-1813):**

- ❖ Started with the **establishment of British dual rule in 1757.**
- ❖ Also known as the **Period of Monopoly Trade & Direct Appropriation.**

# Objectives:

- ❖ To acquire monopoly of trade in India (against both European & Indian merchants)



# Characteristic Feature of this Period



- ❖ **Large scale drain of wealth** from India which **constituted 2-3 % of Britain's national income** at the time.(This wealth help in industrial revolution in England)

# Industrial phase of Capitalism (1813-1860)



Also termed as **Colonialism of Free Trade**.

## ❑ **Emergence of New Capitalist Class:**

Industrial revolution led to the **birth of industrial capitalism**.

The newly emerging industrial capitalists began to **criticize the East India Company** & its exploitation.

Demanded that **colonial administration & policy in India** should now **serve British capitalist interests**.

# Financial Phase of Capitalism (1860-1947)

- ❖ Often described as the **Era of Foreign Investments & International Competition for Colonies.**

# Changes in the World Economy During this Period



- ❖ Britain's industrial supremacy was challenged by several countries of Europe, the United States & Japan.
- ❖ Application of scientific knowledge to industry increased the pace of industrialization sharply. For instance, use of petroleum as fuel for the internal combustion engine & the use of electricity for industrial purposes.
- ❖ International transport unified the world economy.

# Drain of Wealth...



- ❑ 1<sup>st</sup> man to write about the drain of wealth was **Dadabhai Naoroji**.

He wrote about it in a paper called '**The English debt to India**'.

- ❑ He also wrote a book '**Poverty & un-British rule in India**'.

Other people who wrote were:

- ❖ Govind Ranade
- ❖ **R.C. Dutt** made drain of wealth the subject of his '**The Economic History of India**'.
- ❖ R.P. Dutt

# Drain of Wealth...



- ❖ S.N. Banerjee
- ❖ **G Subramania Iyer** supported the cause of India's freedom & used his newspaper '**The Hindu**' to protest British Imperialism.
- ❖ Gopal Krishna Gokhale



Who among the following used the phrase 'Un-British' to criticise the English colonial control of India?

- a) Anand mohan Bose
- b) Badruddin Tayyabji
- c) Dadabhai Naoroji
- d) Pherozshah Mehta

# Channels of Drain of Wealth



- ❖ Bribes taken by **Robert Clive** from the Nawabs of Bengal.
- ❖ **Interest paid to English companies** who invested in India.
- ❖ The **English government in India borrowed money** from English capitalists & they paid the interest from India's exchequer

# Home charges:



- ❖ The **salaries** of Secretary of State
- ❖ Maintenance of the **army & funds for waging wars** even outside India
- ❖ Other expenses related to **administration.**
- ❖ Profits earned by British capitalists through **illegal channels**
- ❖ Support the **India office** in **London.**
- ❖ **Salaries & pensions** of British personnel engaged in India.

# Development of Modern Industry



- Only in the 2<sup>nd</sup> half of the 19<sup>th</sup> century modern machine-based industries came up in India.
  - ❖ 1<sup>st</sup> cotton textile mill was set up in 1853 in Bombay by Cowasjee Nanabhoy
  - ❖ The first jute mill came up in 1855 in Rishra.

# Development of Means of Transport & Communication



- ❑ 1st railway line running from Bombay to Thana was opened to traffic in 1853.
- ❑ 1853 : The 1st telegraph line from Calcutta to Agra was opened.
- ❑ Dalhousie introduced postage stamps. Previously cash payment had to be made when a letter was posted.
- ❑ The Post & Telegraph Department was also established in the same year.

# Reactionary Policies of Lord Lytton



- ❑ 1876 Lord Lytton reduced age of **ICS exam** from 21 to 19 years
- ❑ 1877 **Grand Delhi Durbar** when country was suffering from famine
- ❑ 1878 **Vernacular Press Act & Indian Arms act** provoked opposition in the country

# Vernacular Press Act



**Why** was it introduced?

- ❑ Post 1857 revolt- Vernacular Press had developed & grown on an unprecedented scale since 1857 became vocal & increasingly critical of the government policies.
- ❑ Vernacular press opinion was restive particularly due to
  - I. **Famine of 1876-77**
  - II. **Delhi Durbar 1877**



So, to check the activities of the vernacular press, Lord Lytton passed the act.

- ❑ The Act came to be nicknamed “the gagging Act”. The worst features of this Act were—
  - I. discrimination between the English & vernacular press,
  - II. no right of appeal.



Who among the following repealed the Vernacular press act?

(a) Lord Dufferin

(b) Lord Ripon

(c) Lord Curzon

(d) Lord Harding



# Ilbert Bill Controversy

□ Ripon's Government wanted :

- I. To “abolish judicial disqualification on racial basis” through this bill.
  
- II. To give the Indian members of covenanted civil service same powers as their European colleagues.



But **Ripon** was forced to modify the bill under severe opposition from European community, which further increased the hatred among Indians for foreigners.



# Pre Congress Associations

## BENGAL

- ❑ 1836: **Bangabhasha Prakasika Sabha** was formed by associates of RM Roy.
- ❑ 1838: The **Zamindari Association**, more popularly known as the '**Landholder's Society**', was founded to safeguard the interests of the landlords.
- ❑ 1843: **The Bengal British India Society** was founded.
- ❑ 1851: Both the Landholder's Society & the Bengal British India Society merged into the **British Indian Association** as they had not been faring well



- ❑ 1875: **Sisir Kumar Ghosh** started **Indian League** to instill nationalism among the people.
- ❑ 1876: **Indian Association of Calcutta** (also known as Indian National association) superseded Indian League & was founded by **SN Banerjee & A M Bose**.



## BOMBAY

- ❑ 1867: **Ranade** founded **Poona Sarvajanik Sabha** with an object of serving as a bridge between the government & the people.
- ❑ 1885: **Badrudin Tyabji, Ferozeshah Mehta, K. T. Telang** formed **Bombay Presidency Association**

## MADRAS

- ❑ 1884: **M. Vijayaraghavachariar, Subramanyam Aiyer, Anand Charlu** founded **Madras Mahajan Sabha**

# Pre Congress Association



## ABROAD

- ❑ 1866: Dadabhai Naoroji in London set up East India Association to promote the cause of India in England & to influence the British people to promote Indian welfare

# Indian National Congress



❑ **A.O Hume** retired ICS officer organized 1<sup>st</sup> session of INC in Dec 1885 in **Bombay**.

❑ **1<sup>st</sup> session of INC** was attended by **72 delegates** presided over by **W.C Bonnerjee** , INC annual meetings took place in December every year after it.

❑ Lord Dufferin considered INC to be "**safety Valve**"

## Continued...



- ❑ *"Young India"* published in 1916, **Lala Lajpat Rai**
- ❑ **R. Palme Dutt's** authoritative work *"India Today"* made the myth of the safety-valve a staple of left-wing opinion.
- ❑ 1939: **M.S. Golwalkar**, had also found the theory handy in attacking the Congress for its secularism &, therefore, called it as anti-nationalism in his pamphlet *"We"*.
- ❑ **C.F. Andrews & Girija Mukherji** fully accepted the theory in their work, *"The Rise and Growth of the Congress in India"* published in 1938.

# Moderate Leaders



- ❑ **Dadabhai Naoroji, Pherozeshah Mehta, Dinshaw E. Wacha, W.C Bonnerjee, S.N Banerjee** believed in liberalism & moderate methods in comparison to the neo-nationalist (extremists like Lal, Bal, Pal) of 19<sup>th</sup> century
  
- ❑ Other prominent leaders included:
  - ❖ Mahadev Govind Ranade,
  - ❖ Sisir Kumar Ghosh,
  - ❖ Motilal Ghosh,



- ❖ Madan Mohan Malaviya,
- ❖ G.Subramaniya Aiyar,
- ❖ C.Vijayaraghavachariar
- ❖ With reference to Indian Freedom Struggle SN Benerjea is often called “**The Indian Burke**”.
- ❖ In 1890, **Kadambini Ganguly** the **1<sup>st</sup> woman graduate of Calcutta University** addressed the Congress session.

# Attitude of the Government



- ❑ The British Indian Government was **hostile to the Congress from the beginning** despite the **latter's moderate methods & emphasis on loyalty** to the British Crown.
- ❑ Now, the Government resorted to open condemnation of the Congress, calling the nationalists **'seditious Brahmins', 'disloyal babus' & 'violent villains'**.
- ❑ 1888:, Dufferin attacked the Congress in a public speech & ridiculed it as representing only the elite **'a microscopic minority'**.
- ❑ Dufferin called, the Congress **'a factory of sedition'**.
- ❑ George Hamilton, Secretary of State, accused the Congress leaders of possessing **'seditious & double sided character'**.

## Continued...

- ❑ 1900: He declared: 'The Congress is tottering to its fall, & one of my greatest ambitions while in India is to assist it to a peaceful demise'.
- ❑ 1903: He wrote to the Madras Governor: 'My policy, ever since I came to India, has been to reduce the Congress to impotence'.



# Reactionary policies of Curzon



- He spoke **derogatorily** of Indian character in general.
- Administrative measures adopted during his rule:
  - 1904: **Official Secrets Act** curbed freedom of press.
  - 1904: **Indian Universities Act** ensured greater government control over universities, which it described as factories producing political revolutionaries.
  - The **partition of Bengal**

# Partition of Bengal



- **Day of Partition: 16 Oct 1905**
- **Reasons for Partition:**
  - British Government Explanation:
    - **Bengal was a very big state.** Very difficult to manage the administrative work



**In the context of the Indian Freedom struggle, 16<sup>th</sup> October 1905 is well known for which of the following reasons?**

- (a) The formal proclamation of Swadeshi movement was made in Calcutta town hall
- (b) Partition of Bengal took effect
- (c) Dadabhai Naoroji declared that the goal of Indian National Congress was Swaraj
- (d) Lokmanya Tilak started Swadeshi Movement in Poona

## Swadeshi Movement (After-effects of Partition of Bengal)

- **August 7, 1905**: The passage of the Boycott Resolution led to the formal proclamation of Swadeshi Movement.
- They assembled at Town Hall & formed **Swadeshi Bandhav Samiti** which propagated swadeshi goods & services.



# Spread of Swadeshi Movement

- Soon, the movement spread to other parts of the country:
  - In Poona & Bombay under Tilak
  - In Punjab under Lala Lajpat Rai & Ajit Singh
  - In Delhi under Syed Haider Raza
  - In Madras under Chidambaram Pillai.



# Features of Swadeshi Movement

- ❑ It was the **first** movement under the Indian National Congress.



# Programmes of National Education



- ❑ One of the major planks of the programme of 'self reliance'.
  - Bengal National College, inspired by Tagore's Shanti Niketan was set up with Aurobindo Ghosh as its principal.
  - August 15, 1906: the National Council of Education was set up.
  - In response to the British India Steam Navigation Company trade monopoly, Chidambaram started an Indian-owned shipping company called the Swadeshi Shipping Company.
  - Acharya P.C. Ray's Bengal Chemicals Factory

# Impact in the cultural Sphere

- ❑ Tagore's Amar Sonar Bangla written on this occasion.
- ❑ In Tamil Nadu, **Subramania Bharati** wrote **Sudeshha Geetham**.





The song 'Amar Sonar Bangla' written during the Swadeshi Movement of India inspired the liberation struggle of Bangladesh & was adopted the national anthem of Bangladesh. Who wrote this song?

- (a) Rajanikanta Sen
- (b) Dwijendralal Ray
- (c) Mukunda Das
- (d) Rabindranath Tagore

# Nandalal Bose

- ❑ Left a major imprint on Indian art, was the 1<sup>st</sup> recipient of a scholarship offered by the Indian Society of Oriental Art, founded in 1907
- ❑ To mark the 1930 occasion of Mahatma's arrest for protesting the British tax on salt, Bose created a black on white linocut print of Gandhi walking with a staff.



# Continued...

- ❑ He was also famously asked by **JL Nehru** to sketch the emblems for the Government of India's awards, including the **Bharat Ratna & the Padma Shri**.
  
- ❑ Along with his students, Nandalal Bose took up the historic task of beautifying/decorating the **original manuscript of the Constitution of India**.





**The `Swadeshi' and `Boycott' were adopted as methods of struggle for the first time during the**

- (a) Agitation against the Partition of Bengal
- (b) Home Rule Movement
- (c) Non-Cooperation Movement
- (d) Visit of the Simon Commission to India

# Extremist Leaders



# Calcutta 1906...

- ❑ 4 resolutions supporting the programme of **swadeshi, boycott , Self-Government & national education** was passed.
- ❑ The word swaraj was mentioned for the 1<sup>st</sup> time, but its connotation was not spelt out, which left field open for differing interpretations by Moderates & Extremists.





Four resolutions were passed at the famous Calcutta Session of Indian National Congress in 1906. The question of either retention or of rejection of these four resolutions became the cause of a split in Congress at the next Congress session held in Surat in 1907. Which one of the following was not one of the resolutions?

(a) Annulment of Partition of Bengal

(b) Boycott

(c) National education

(d) Swadeshi

# Surat Split (1907)

- Rash Bihari Ghosh
- Congress Division
- Minto immediately wrote to Morley that the '**Congress collapse**' at Surat was '**a great triumph for us**'.





Which one of the following movements has contributed to a split in the Indian National Congress resulting in the emergence of 'moderates' and 'extremists'?

- (a) Swadeshi Movement
  
- (b) Quit India Movement
  
- (c) Non-Cooperation Movement
  
- (d) Civil Disobedience Movement

# Suppression



- Tilak, was sent to **Mandalay** jail for 6 years.
- Aurobindo & B.C. Pal **retired** from active politics.
- **Lajpat Rai**, who had been a helpless onlooker at Surat, left for **Britain** in 1908 to come back in 1909 & then to go off to the **US** for an extended stay.



He wrote biographies of Mazzini, Garibaldi, Shivaji and Shri Krishna stayed in America for some time and was also elected to the central assembly he was

- (a)Aurobindo Ghosh
- (b)Bipin Chandra pal
- (c)Lala Lajpat Rai
- (d)Motilal Nehru

# Muslim League



- Formed at **Dhaka** in **1906**
- **Sir Sultan Muhammad Shah (Aga Khan III)** was appointed the 1st Honorary President of the League.
- **Aga Khan** (Not a name but a spiritual post within Shia Muslim community)
- **Nawab Waqar ul Mulk & Nawab Mohsin ul Mulk (political heir)** were the other notable names in its formation.

# Continued...



- Shimla deputation
- 58 delegates from all over the Subcontinent were the founding members of League.
- The headquarters were established at Lucknow.
- To preach loyalty to the British Government & to keep the Muslim intelligentsia away from the Congress.

# Important Leaders

- Muhammad Ali Jinnah
- Muhammad Ali Jauhar
- Shaukat Ali
- Hakim Ajmal Ansari
  - **Sole** person elected to the Presidency of the Congress, the Muslim League & the All India Khilafat Committee.
  - Elected **1st** chancellor of the **Jamia Millia Islamia University**.
- Raja of Mehmoodabad



# Indian Councils Act(1909) - Minto-Morley Reforms



- Act increased the number of elected members in the imperial & provincial legislative councils.
- 1<sup>st</sup> attempt at introducing a representative & popular element: **Direct election** for some seats along with nominations for the others.
- At least **1** Indian in the Viceroy's Executive Council ( **Satyendra Sinha** was the **1st** to be appointed as the law member ).

# Separate Electorate

- Reforms introduced the system of **separate electorates**.
  
- Act 'legalised communalism' & **Minto** came to be known as the **Father of Communal Electorate**.



# Delhi Darbar(1911)

- ❑ Set up to welcome King George V.
- ❑ Decisions taken during this were:
- ❑ **Annulment of Partition of Bengal** but **Separation of Bihar & Orissa from Bengal**
- ❑ **Transfer of capital** from Calcutta to Delhi in 1912

