

UPSC PRELIMS 2018



MODERN HISTORY

Book

BIPAN CHANDRA

Chapter 3-4

No. of pages

30 pgs

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1 hour 30 mins to JUST 30 mins**

YOUR BUDDY FOR PRELIMS - LAWXPERTSMV INDIA**MODERN HISTORY : BIPAN CHANDRA (OLD NCERT)****CHAPTER 3 : THE STRUCTURE OF GOVERNMENT AND THE ECONOMIC POLICIES OF THE BRITISH EMPIRE IN INDIA, 1757-1857****PAGE : 63 :**

- To control + administer – **vast empire of India** – EIC (east India company) devised many changes from 1757 to 1857 but **main the object** did not change which were to :

✓ **Increase EIC profit.**

✓ **To strengthen British control over India.**

- To achieve this end- administrative setup were designed in India **along with maintenance of Law & Order** to carry on the trade without any disturbances.

1. The structure of Government :

- **In 1765 - EIC officials** had no idea to innovate other than to carry on *profitable trade + collect taxes*.
- **1765-1772 had system of Dual Government :** resulted in Indian officials **with responsibility without power** and British officials with **power without responsibility** ; both – were venal + corrupt.
- **1772 – EIC** took direct control of Bengal under its officials

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- EIC company dividends got increased from 10% to 12 $\frac{1}{2}$ + **English servants – made quick fortunes** with illegal + unequal trade + forcible collection of bribes + Gifts.
- To destroy the company monopoly with the east, the retired officials were targeted and given a derisive title of '**nabobs**' + ridiculed in the press + on the stage.

HOW> By condemning the nabobs, the opponents of the EIC wanted to make the company unpopular +displace it.

- ✓ In 1767- EIC was compelled to pay tribute to british government of *400000 pounds every year.*

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- ✓ School of economics – Adam smith attacked on such **monopoly companies** as they are nuisances in many respect.
- ✓ Finally the EIC + various influential sections of British society were delicately balanced.

RELATIONS BETWEEN GOVERNMENT AND EIC :

Basic policies of EIC would be control by the government.	However EIC will have the power to appoint its own officials + details of administration taken care of by directors of the company.
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- 1ST important parliamentary act : **Regulating Act 1773** : It made changes in the constitution of Court of Directors + their action supervised by British Government.
 - ✓ Failed to effectively control EIC.
 - ✓ Failed to resolve the difference between EIC and its opponents in England.
- 1784 – Pitt’s India Act :
 - ✓ British Government now have supreme Control over EIC.
 - ✓ Established 6 commissioners for affairs of India – known as **Board of Control – their role was to guide the work of Court of Directors and Government of India.**
 - ✓ Government of India = Governor- General and a council of three
 - ✓ India was to serve for the interest of all sections of the ruling classes of Britain.
 - ✓ EIC retained its power to appoint + dismiss the British officials in India.

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- 1786 Act – GG can overrule his council in matters affecting **safety, peace or interests of the empire in India.**
- **Charter Act of 1813** – Monopoly of EIC ended (except for tea + trade with china) ; all british subjects can trade with India. EIC had power to appoint its officials.

- **Charter Act of 1833** : Monopoly of Tea + trade with China – came to End.
- **Now** GOI was to run under the strict control of *Board of Control*.
- **Governor – General** – became effective ruler of India – however under the control of the British Government.
- **New system of Administration was created** : To exploit India economically.

2. British Economic Policies in India : 1757 -1857 :

- Commercial Policy : British sold Indians products (goods/precious metals/textiles/spices) in Britain and other countries. This is why Indian rulers tolerated the establishment of British rule in India.
- British manufacturers pressurized their government – to prohibit sale of Indian goods in England. In **1720 law** was passed to forbid wear /use of printed/dyed cotton cloth + heavy duties was imposed + fine for those who used it.
- But Indian textiles had their foreign markets until **English textile industry** developed on the basis of new and advanced technology.

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- Company used its political power – after battle of Plassey : 1) to acquire monopoly 2) to force weavers to sell at cheap prices + workers to work at low wages 3) eliminated the Indian and foreign rivals.
- After 1813 : Indian products – lost its foreign + Indian market.
- Industrial revolution(IR) of British – transformed it socially and economically on the basis of Modern machine factory system and capitalism. Cotton was main vehicle of IR.
- British also acquired monopoly over many foreign markets = **by means of war and colonialism**.
- Absence of IR - resulted in income gap between developing and developed countries; Britain became increasingly urbanised as result of IR.
- Two classes in Britain : **Industrial capitalist** – who owned the factories + **Workers** – who were hired on daily wages + they were in abject poverty, hard work, disease and malnutrition.

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- Industrial capitalist group became hostile to EIC, since they wanted to export their manufacturing, not import manufactured goods from India.
- Soon the EIC was compelled to sell their products + carry their products to India.
- RC Dutt in his *The Economic history of India* pointed the select committee 1812 recommendation as to how to promote British goods at the cost of Indian Industries.
- By 1813 – EIC monopoly was ended.
- GOI now had the policy of ‘free trade’ or ‘unrestricted entry of British Goods’ + this made the British goods flooded in Indian market.
- They also advocated – the westernisation of Indian – so that Indians buy their goods.
- Not only the Indian goods were not protected but there was unrestricted entry of foreign goods were allowed.
- India also exported the **raw materials** (primarily of *raw cotton, jute, silk, oil-seeds, wheat, hides and skins, Indigo and tea*) for the manufacture of the Goods .
- Thus commercial policy of the EIC – after 1813 – guided by the needs of British Industry.

The Drain of Wealth :

- India’s wealth and materials were drained **without adequate return** + ‘*Economic drain*’ was peculiar to British rule.
- As british remained perpetual foreigners, unlike Mughals who got settled in India, – they did not spend on India + always planned to go to Britain.
- Large part of taxes + income derived from India were spent on England, rather than India.
- The drain of wealth began from 1757 + collection of taxes from India were spent on buying Indian goods known to be “Investments”
- From 1765-1770 : Around 33% of net revenue of Bengal was sent to England.
- Drain took in the form of : excess exports over imports + 6% of India’s national income and 1/3 of its national savings.

PAGE 73 :*Development of Means of Transport and Communication :*

- *19th middle century* - means of transports were backward i.e., confined to bullock cart + pack horse.
- *So British improved* - the roads ; steamships ; 1st railway engine – designed by George Stephenson (1814) ; railways developed during 1830-40s ; 1st railway line : from Bombay to Thana was opened to traffic in 1853.

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- **Lord Dalhousie** : became Governor-General of India 1849 – became ardent advocate of rapid railway construction.
- By the end of **1869** = 6000kms were constructed ; **1905** =45,000 kms of railways – built.
- British – also established – efficient and modern postal system & introduced the telegraph ;1st telegraph line (Calcutta-Agra in 1853) ;
- Lord Dalhousie : introduced postage stamps.

Land Revenue Policy : PAGE 75 :

- **All the major changes in Administration and Judicial system** – till 1813 – were geared to the collection of Land revenues.
- Money for the trade + profits of the company + cost of administration + wars of expansion in India.

The permanent Settlement :

- EIC – acquired diwani/ control of the revenue – of Bengal, Bihar and Orissa.
- In 1773 – It decided to manage the land revenues directly. This failed to garner profits.
- Therefore the idea of fixing the land revenue at a permanent amount was fixed ; introduced by Lord Cornwallis in 1793 by Bengal and Bihar.

Two special features :

- Zamindars + revenue collectors – were converted into many landlords. They were made the owners of the land + agents of the government. Their right of ownership was made hereditary + transferable. Cultivators – mere tenant.
- Zamindars were made to give 10/11th of produce and can keep 1/11th of it.

Zamindars were made as owners so that they

- ✓ would act as their political allies.
- ✓ To attain financial security.
- ✓ To increase agricultural production.

This system was extended to Orissa, northern districts of Madras and the Districts of Varanasi.

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Ryotwari settlement :

- **System :** Cultivator was recognised as the owner of his plot of land **subject to the payment of Land revenue.** Introduced by **Reed and Munro.**
- Introduced in Madras and Bombay.
- Revenue demand was revised every 20-30 years. It was collected as rent, not as tax.

His ownership was negated by 3 factors :

1. Revenue demand was exorbitant.
2. Government right to enhance the land revenue at will
3. Payment had to be made in full irrespective of flood /drought.

MAHALWARI SYSTEM :

- Modified version of Zamindari system introduced in the Ganga valley, N-West provinces, parts of central India + Punjab = Mahalwari system.
- Revenue settlement was to be made village by village or estate (mahal) by estate – with landlords / head of families - collectively claimed to be the landlords of the village – **Modified Mahalwari system.**

CHAPTER 4 : ADMINISTRATIVE ORGANISATION AND SOCIAL AND CULTURAL POLICY

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- Under Warren Hastings + Cornwallis – administration was changed + laid foundation of new system based on English pattern.
- Now British administration is based on 3 pillars :

1. Civil Service	2. The Army	3. The Police
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WHY>

- To maintain the **law and order** (without traders won't be able to sell their products)
- To continue the perpetuation of British rule.

1. Civil Services :

- Brought to existence by : *Lord Cornwallis*.

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- He raised **the salaries of the company servant's** to prevent them from being corrupt ; EIC – became highest paid service in the world.
- Promotion based on seniority was also allowed.
- 1800 – Lord Wellesley established the Fort William College at Calcutta for education of young recruits (however this was replaced in 1806 in Haileybury in England as directors disapproved it)
- Till 1853 – appointments to civil services were made by Directors of EIC who placated the members of Board of Control.
- After Charter Act -1853 - All recruits were to be selected by competitive examination **with exclusion to Indians (as they did not trust the ability + integrity of Indians)**
- Indian Civil Services marked with independence, integrity and hard work- did not serve Indian interest, meant to serve the British interest only + it is called as "Steel frame" – which reared + sustained the British Rule in India.

2. Army : PAGE 82 :

- **2ND Important pillar.**
- It performed 4 important functions :

To conquer Indian powers	To safeguard British from foreign rivals	To safeguard British rule from ever-present threat of revolt	To defend its empire in Asia and Africa
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- EIC army – consisted of Indian soldiers from U.P + Bihar.

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- System of circles/ thanas – headed by a *daroga* ,who was an Indian .
- Later DSP – was created to head the police organisation in a district.
- Police prevented : Organisation of the large – scale conspiracy against foreign control + to suppress national movement.

3. Judicial Organisation :

- British introduced - System of dispensing justice through civil and criminal courts.
- Though started – warren Hastings + system was stabilised by the **Cornwallis in 1793.**
- In each district : *Diwani adalat /civil court* – presided by the District Judge, who belonged to the civil services.
- Below it, Registrars' Court - headed by Europeans + number of sub-ordinates headed by Indian Judges – munisifs + Amins.
- Criminal courts were also established =presidency of Bengal into 4 divisions.
- 1831 – *William Bentick* abolished provincial courts of appeal and circuit.
- 1865 – High courts were established : Calcutta, Madras, and Bombay – to replace the sadar courts of Diwani and Nizamat.
- British –established a new system of laws through the process of enactment and codification of old laws.
- Charter Act of 1833- all law-making power on the governor-general-in-council.
- 1833 – Law commission : headed by **Lord Macaulay** to codify Indian laws.

The Rule of Law :

- **British** - introduced the modern concept of rule of Law.
- **Rule of Law** - was to guarantee the personal liberty of the person.

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Equality before the Law :

- Same law applied to all persons irrespective of their religion, caste, or class.
- However separate courts + laws for europeans.
- Legal process – was quite expensive.
- Widespread prevalence of corruption – in the ranks of police and administrative machinery led to denial of Justice.

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Social and Cultural Policy :

- After 1813- reversal of non-interference policy on religious, social and cultural life.
- Science and technology – opened up new vistas of human progress.
- French revolution gave the Idea of Liberty, Equality and Fraternity.
- Intellectual revolution of 18th century – with new trend : adam smith, locke etc..
- **Humanistic doctrine : gave birth to Individualism, liberalism and Socialism.**

NEW V. OLD OUTLOOK :

- Conservative / traditional attitude : making few changes is only possible in India.
 - ✓ Held by *warren hastings, Edmund burke, Munro, Malcolm* etc...
 - ✓ They also maintained that Indian civilisation was different – but NOT necessarily inferior to it.
 - ✓ They favoured **social stability** and they opposed any programme of rapid change.
- Radical Attitude : They applied the radical thought of the west to the Indian Situation with reason + science. They were never true to that, as they demanded more and more authoritarian regime. It was deemed to be **colonial modernisation** i.e., modernisation promoting colonialism.

Humanitarian Measures : PAGE 89 :

- William bentinck - outlawed the sati in 1829.
- Female infanticide + dowry in virulent form – was regulated.
- Act of 1856 – allowed the hindu for remarriage- following the agitation - Pandit Ishwar Chandra Vidyasagar.

Spread of Modern Education : PAGE 89 :

- 1781 – warren Hastings – set up Calcutta madrasah for study and teaching of Muslim Law.
- 1791 – Jonathan Duncan – started Sanskrit college at Varanasi.

WHY> To help the administration of law in Courts of the Company.

- Missionaries pressurized the EIC to promote westernised education in India.
- Charter Act 1813 – 1 lakh – for the promotion of modern science in the country.
- Oriental Learning was inferior to European Learning – Lord Macaulay.
- In 1835 : English was made as medium of instruction in schools and colleges.
- **Down- filtration theory** : Since funds weren't available to educate everyone, some from upper + middle classes were educated – in turn they would educate the masses.
- **Wood's** Dispatch in 1854.
- **94% illiterate – 1911 ; 92% - illiterate in 1921.**