

### New Terms

- ❑ **Contractor Practice** : The practice initiated by the British for revenue collection.
- ❑ **Permanent Settlement** : In this system, the zamindars got permanent and hereditary ownership of land.
- ❑ **Ryotwari System** : A system where the government, on the basis of the fertility of the land and the crop, charged a fixed revenue from the farmer for 30 years
- ❑ **Octroi** : Tax imposed on the sale-purchase of traded goods.

The British rulers were basically interested in exploiting the Indian economy for the benefit of British traders and businessmen. In India, they had found a safe market for their manufactured goods and an evergreen source of cheap raw materials. Thus they adopted such policies which were proper for their interests and developed it. Due to these policies, many changes came about in land revenue system, agriculture industry, trade and commerce. These had the following effects on the Indians.

#### Economic Effect

The British used all the economic resources of India for satisfying the needs of businessmen, traders, rich and aristocratic classes of Britain. The British economic policies destroyed the traditional economic structure of India on one hand and did not provide a chance for new and modern economic system to develop on the other. Railways, roadways, electricity, communication and other basic industries were developed by the British to satisfy their interests and to promote colonization. The British rule had adverse effects on India from all the sides.

#### Political Effect

The main purpose of the British was to maintain law and order in India. The British rule was based on three pillars—public service, police and army. The entry of public service in India reduced the corruption in administration. Written and regular laws were made in place of laws based on the whims of the rulers. Courts were opened in each district to provide justice to people. Everyone was equal before the law. The British had unified all the states politically and administratively.

#### Effect on Agriculture

The British system had nearly finished the Indian agricultural system. The British initiated the contractor practice for revenue collection. In this system, the person who promised to pay the most revenue was given the contractorship. The contractors were not the traditional owners of the land and their only purpose was to earn maximum profit. Thus, they had no interest in developing agriculture or in the problems of peasants.

Commercialization too had a bad impact on agriculture. The Indian peasants were forced to grow cash crops such as indigo and tea and not doing so, resulted in eviction from the land. The high revenue rate and no relief during times of drought had made them debtors to the moneylenders. On the other hand, the economic profit of the contractor, zamindar, moneylender and especially the company went on increasing. All the expenditures of the empire in India and its expansion was being earned from the land revenue only. To increase the land revenue and to make it permanent, the British adopted three kinds of policies.

**1. Permanent Settlement** : According to the land revenue system proposed by Sir John Shore, Lord Cornwallis implemented Permanent Settlement in Bengal and Bihar in 1793 AD. In this system, the zamindar giving the maximum lagaan or tax was given the ownership of the land for a period of 10 years. The company received the 10/11 or 9/10 part of the total tax.

**2. Ryotwari System** : Permanent settlement was

implemented in the coastal districts of Orissa and Andhra Pradesh and also Banaras. But a new system was implemented in Madras Presidency. This was called Ryotwari system. Under this scheme, the land was given to ryot or peasant. On the basis of soil fertility and the crop grown, the land revenue was fixed for a period of 30 years. The government got half the value of the crop as tax. This system made the position of the farmer modern but revenue collection was strictly enforced and this drove the farmer straight into the clutches of the moneylender. This system made the government the biggest landlord and the farmers were left at the mercy of the officials.

**3. Mahaalwari System :** In the villages of western Uttar Pradesh, the land settlement was done with the village fraternities or Mahaal. The group right of the village fraternity on land was called brotherhood. The groups of villages were called Mahaals. Hence the system came to be known as 'Mahaalwari System'. It was implemented, fixing of revenue rates and arrangements for paying it was decided by the head of mahaal or talukdar.

All these systems or policies made no difference to the economic condition of the farmers. The land revenue was realized very strictly and no concession was given for flood or drought. The farmers were compelled to take loans from the moneylenders. As a result, most of the farmers became debtors and agricultural production came down.

The British prompted the farmers to grow crops which had a high demand in foreign countries. For example, the British traders started carrying opium surreptitiously. Hence Indian farmers were prompted to grow opium. In the same way they were asked to grow cotton, indigo, sugarcane, jute, tea and coffee. But this trade benefitted only the British trading bodies and their officials, but not the Indian farmers.

### Know This

Generally, the English were the owners of the tea estates.

### Trade and Industry

Before the adoption of modern methods of production, the Indian artisans and craftsmen made a variety of things such as, the weaver wove clothes, carpenter and ironsmith made tools while potter made utensils, etc. All these professions were hereditary.

The artisans in cities made some special things which were in great demand in foreign countries. Fine muslin cloth had an important place among these things. Besides, silken and woollen clothes were also made. Things made of iron, copper, brass, gold and silver were also famous.

In the 17th and the 18th centuries, India was a big name in the field of ship building. The main ship building centers were Goa, Surat, Machlipatnam Satgaon, Dhaka and Chittagong. Industries were well established in towns and cities. The artisans of Gujarat were organized in guilds. These guilds kept an eye on the quality of the goods produced and looked after the welfare of their members.

### Decline of Indian Industry

These crafts and industries had an important place in the Indian economy till the beginning of the 19th century. But after that, they declined very fast. It had many reasons.

1. During British rule, the princely families and sates slowly finished which reduced the demand for fine goods.

2. Textile industry was growing in England. At the same time, it was helped by Industrial Revolution and new machines. This resulted in reduction of export of Indian cloth.

3. With the arrival of cheap cotton cloth made on machines in India also adversely affected the Indian textile industry.

4. The company officers forced the Indian producers to buy clothes and other things at 20 to 40 percent less than the market cost. The company officials bought cotton at low cost from the wholesale market and sold it at high costs to the Bengal weavers. All these reasons destroyed the cotton textile industry.

5. There was no octroi on the goods coming into India from England whereas octroi was levied on Indian goods in England. Hence the Indian markets were flooded with British goods.

### Social Effects

The British rule in India did not have only negative



Lord William Bentinck



Raja Ram Mohan Roy

effects. It had some positive effects as well. In the beginning of the 18th century, there were many religions and sects in India. Hindu religion and community was divided into many castes and sub-castes. The Hindu society had many social evils, such as Sati practice, child marriage, dowry, etc. Many other social evils such as inequality, hatred for each other, social discrimination, etc. were prevalent. As a result, the Indian society could not progress. Among the British rulers, there were some social reformers too who were trying to rid the society of these evils. First of all, social reforms began during the time of Lord William Bentinck (1828-1835). English education too infused new consciousness among Indians. Raja Ram Mohan Roy tried to rid the social evils through western civilization and English education. He raised his voice against Sati practice and prompted Lord William Bentinck to declare it as a punishable crime. At that time, slavery was also prevalent in India. In 1843, it was declared as unlawful. As the Indians began to learn English language, they slowly began to realize the oppressive nature of the British rule. Due to this, moneylenders, traders and government officials stopped supporting the government. Thus the Indians became more conscious of their needs and rights. This led to the growth of nationalistic feeling among them.

### Effect on Education

**Beginning of Modern Education :** Before the beginning of the company's rule, the medium of education in India was local languages and pathshalas, makhtabs and madarses were traditional centers of education, where mostly religious education was provided. Letter writing and tables were also taught.

Mainly the Brahmins and upper class Muslims got educated. They especially read grammar, classical

languages (Sanskrit, Arabic, Persian), literature, religious law, reason and logic, medical science and astrology, etc. They were mostly unaware of the latest developments in the education of knowledge in different parts of the world. The company was indifferent towards education for a long time.

The British government took its first step for the development of education in India after the Charter Act of 1813 AD. In it, one lakh rupees were set aside for the upliftment and spread of education in India. In 1835 AD, the government decided to provide the education of science and European literature to Indians. After this, English was made the medium of instruction in some schools and colleges run by the government.

After some time, universities were established at Calcutta, Bombay and Madras. In 1844 AD, the government declared that in the government services, Indians with knowledge of English language would be preferred. The British rulers also thought that English educated Indians would be their life-long supporters and help in administering the country.

### Know This

Lord William Bentinck passed a bill in 1835 AD, which led to the beginning of modern education in India.

Though English education created a wide chasm between those who knew English and those who did not, it gave rise to nationalistic feeling among Indians. English education informed them of different political events in different countries. It also created a class of English knowing people which, on the basis of freedom and equality, created public opinion against the British which proved very beneficial in India's freedom movement.

### To Recapitulate

- The main purpose of the British in India was to maintain peace and law and order.
- English rule was based on three pillars—public service, police and army.
- The total economic resources of India were used by the British for satisfying the interests of their own people.
- The British began the contractor system for revenue collection.
- Under Ryotwari system, the land was given to the ryots.
- In western Uttar Pradesh the settlement was made with the Mahaals.
- India was a big name in ship building in 17th & 18th centuries.
- Development of textile industry in Britain led to the reduction in export of Indian cloth.
- Evils such as sati practice child marriage and dowry were prevalent in India.
- For the upliftment of education, the British took the first step after the Charter Act of 1813.



## Exercise

### A. Tick the correct option :

- British rule was based on :  
 (a) public service  (b) police  (c) army  (d) All of these
- When was Permanent Settlement implemented in Bengal and Bihar?  
 (a) 1793 AD  (b) 1798 AD  (c) 1801 AD  (d) 1947 AD
- In the British period, the group of villages were called :  
 (a) Bahaal  (b) Mahaal  (c) Halaal  (d) Malaal
- When did British decide to implement Education Policy in India?  
 (a) 1840 AD  (b) 1845 AD  (c) 1813 AD  (d) 1815 AD
- When was slavery declared unlawful in India?  
 (a) 1843 AD  (b) 1845 AD  (c) 1840 AD  (d) 1815 AD

### B. Fill in the blanks :

- In India, corruption got reduced due to the coming of \_\_\_\_\_.
- British implemented \_\_\_\_\_ system for land revenue.
- \_\_\_\_\_ cloth of India was in great demand in foreign countries.
- In 17th and 18th century, India was a big name in \_\_\_\_\_.
- Social reforms began in India during the time of \_\_\_\_\_.

### C. Write whether True or False :

- British rule did not have any effect on Indian economy. \_\_\_\_\_
- Ryotwari system gave rise to a new class of zamindars. \_\_\_\_\_
- British promoted Indian crafts. \_\_\_\_\_
- In Mahalwari system, village fraternity had the ownership right on land. \_\_\_\_\_
- British government started the contractor system for the collection of land revenue. \_\_\_\_\_

### D. Short Answer Questions :

- What was Permanent Settlement?
- What do you understand by Ryotwari System?
- What is meant by Mahaalwari System?
- What were the effects of British rule on Indian artists and craftsmen?
- Explain the English political system in India.

### E. Long Answer Questions :

- Explain the economic effects of British rule in India.
- Explain in detail the social effects of British rule in India.
- Provide information about the beginning of modern education in India.
- What were the causes for the decline of Indian industry?
- Provide details about the effects of British rule in Indian agriculture.

## Project & Activity

- ▲ On an outline map of India, mark the places where Permanent Settlement, Ryotwari and Mahaalwari systems were implemented.