L et me illustrate with examples from different periods of Indian history. The Mughul Empire was one of the largest centralized states of its time, comparable only to Ming China. The wealth of Hind was proverbial in the relatively less fertile and sparsely settled lands of the medieval Islamic world to the west. The standard of achievement attained by the Mughul Indian economy in the early modern period can perhaps best be analysed in an overall Asian rather than a purely Indian perspective. For example, it is now widely recognized that India played a central role in the structure of Asian trade of this period. In part, this indeed was due to the middle location of the subcontinent between West Asia on the one hand and Southeast and East Asia on the other. But perhaps even more important was the subcontinent’s capacity to put on the market a wide range of tradeable goods at highly competitive prices. The most important of these were textiles of various kinds. While these included high value varieties such as the legendary Dhaka muslins and the Gujarati silk emboideries, the main export for the Asian market was the coarse cotton varieties manufactured primarily on the Coromandel coast and in Gujarat. There was a large-scale demand for these varieties in the eastern markets of Indonesia, Malaya, Thailnd, and Burma as well as in the markets of the Red Sea, the Persian Gulf, and East Africa.

While it is impossible to determine precisely what proportion of total domestic demand for mass consumption textiles in these societies was met by Indian imports, the available evidence suggests it was not altogether insignificant. India’s capacity to manufacture these textiles in large quantities and to put them on the market on a highly competitive terms, in a certain sense made it the ‘industrial’ hub of the larger region, consisting, in addition, of West Asia and Southeast Asia. If one seeks to assess the overall level of economic achievement attained by the economy of early modern India, it is much more meaningful to operate on the wider canvas of Asia or the Indian Ocean region as a whole, rather than simply at the level of the regional or national economy of India.

The rise of an early modern world economy, facilitated by the great discoveries of the closing decade of the fifteenth century also allowed the cultivation of cotton and the growth of raw silk to combine, emerged as the single largest among the imports that the European chartered monopoly trading companies brought from Asia to Europe. This created a situation of near panic among the European producers of various kinds of textiles. In England, the manufacturers’ opposition to the import of Indian textiles was sufficiently vocal to induce Parliamentary Acts prohibiting the import and use of Indian calicoes, being passed in 1790 and 1792. Holland also had a fairly well developed linen and silk-textile industry. As early as 1653, several manufacturers of silk textiles in Amsterdam had complained to the authorities that, as a result of the import of silk textiles from the East Indies, a number of their apprentices had been taken out of work. Such perceived threats of a ‘deindustrialization’ in Europe in response to the invasion by Indian textiles, however, makes one wonder as to which region, between Western Europe and South Asia in the early modern period, was the ‘core’ and which the ‘periphery’.

This phase of Indian supremacy in the world market for textiles, however, came to an end in the nineteenth century mainly as a result of the Industrial Revolution first in Britain and later in the other countries of Europe. In the course of the century, India not only lost its textiles markets in Europe but itself became a major importer of cotton textiles manufactured in Lancashire and Manchester. This put significant pressure on the hand-spinning and handloom sectors in India, leading to the phenomenon of so called ‘deindustrialization’ of the Indian economy. Nationalist Indian historians of the period ascribed this phenomenon essentially to the non-interventionist policies of the colonial British state in India which failed to provide tariff protection to the Indian handloom sector.

Colonial states and the agrarian sector

An examination of the workings of the colonial state in India during the nineteenth and the twentieth centuries invites interesting and worthwhile comparisons with colonial states in other parts of Asia. One such state was the Dutch colonial state in Indonesia. One could perhaps argue that as opposed to the nightwatchman character of the British Indian state concerned primarily with law enforcement and the collection of revenue, the Dutch state in Indonesia adopted somewhat more interventionist policies. Here, I shall confine myself to a brief consideration of the agrarian sector in the two economies, for illustrative purposes.

By far the most important direct use of the Indian market for Indian wool and Indigo for European countries was the provision of agricultural raw materials as well as food for the latter. In a large number of colonial European countries, raw agricultural exports were supplied by taking recourse to the plantation system. The colonial governments played an important and sometimes decisive role in the rise and the smooth functioning of the system. This could be in the form of lib- eral land grants, the delegation of coercive authority to the management over labour supply, and so on. Historically, the cases of the West Indies, as well as of several Asian regions such as Malaya and Sri Lanka, would seem to conform to this pattern. But when one turns to the Dutch East Indies, an interesting variant of the usual plantation system comes to light. This is the well-known cultivation system introduced by Generaal Johannes van den Bosch in the 1850s. With the view to encourage the production of crops such as sugar for purposes of export to the Netherlands, the system introduced by Van den Bosch represented in an important way government’s direct entrepreneurial role. More importantly, it operated on the basis of accommodation, and indeed integration, of the existing organization of traditional peasant agriculture.

The land-rent obligations of those peasants who were integrated into the system were translated into an obligatory system by which specified amounts of the designated export crops were to be produced and delivered at prices fixed by the government. The cultivation system has been evaluated in widely differing ways. According to its critics, the impossibilities and abuses associated with the system came to the fore in the mid- and late 1850s when a series of catastrophic epidemi- demics and crop failures brought famine and death to thousands of peasan- ts in the north central Java littoral. The famines resulted from a combination of high taxation and overutilization of land and labour for forced cultivation. The system’s admirers, however, draw attention to the marked increase in general prosperity in Java. In particular, they point to large increases in the acreage brought under cultivation, a busy commercial life, and increases in population and rates of consumption, as evidence for their claims.

The case of nineteenth century India stands out in sharp contrast. The only major export crop for which a plantation system emerged in India was tea grown mostly in Assam. Tea, however, was an entirely new product designed almost exclusively for the export mar- ket and did not in the least involve tradi- tional peasant agriculture. A much more interesting case was that of raw cotton grown overwhelmingly in west- ern India primarily for domestic con- sumption. The interruption of Ameri- can supplies of cotton to Lancashire and Manchester following the outbreak of the Civil War in 1860, created an enormous export market for the Indi- an cotton. The manner in which the Indian peasant responded to this sud- den increase in the international demand for cotton is a great tribute to the market responsiveness and gener- al resilience of the traditional peasant agriculture in the subcontinent.

The significance of developments such as the ones described above is perhaps best appreciated in a compar- ative Asian context rather than in a purely national or regional one. In colonial history writing, an important point that emerges from a cursory look at the work done on Indian history over the past several decades is the intel- lectual isolation that characterizes a very large part of this work. This isola- tion results essentially from the fact that while working on a particular theme in respect of a particular region over a defined period, the researcher almost always confines his attention exclusively to the ‘relevant’ literature, in respect of the theme, the region and the period. The overall limitation of this kind of research, useful as it is in its own right, is that it does not draw attention to the big picture and the broad context. In the process, it miss- es out on a lot of very interesting and instructive outcomes that might have emerged had it been carried out on a somewhat wider plane.

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