

Impact of 1857 Revolt

- ▶ It shook the very foundation of the British empire in India.
- ▶ It provided an opportunity to British Parliament to end the company's rule in India
- ▶ The English East India Company was blamed for the outbreak of the revolt
- ▶ In 1858, the Government of India Act was passed by the British Parliament
- ▶ It brought an end to the rule of the company—transferred to the British crown
- ▶ The Board of Control and Board of Directors were abolished.



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- ▶ The Governor General was elevated as Viceroy and became the representative of British Crown in India.
- ▶ All the army and land occupied by the company were transferred to the British crown.
- ▶ A new phase of colonial rule known as British Raj was inaugurated after 1857.



ECONOMIC POLICIES OF THE BRITISH

- ▶ Permanent settlement
- ▶ Ryotwari settlement
- ▶ Mahalwari settlement
- ▶ British colonialism of Indian subcontinent began in the regular manner in the 19th century.
- ▶ Indian economy in the pre-colonial period was generally stable and robust.
- ▶ India was far ahead in the field of agriculture—India was self-sufficient in foodgrains and other dietary goods.



- ▶ Until the end of the 18th century, India had high reputation as a great manufacturing country.
- ▶ The organisation of the Indian industry was based on small scale handicraft industry.
- ▶ The demand for artisanal products was great both in India & abroad.
- ▶ India held a pre-eminent position in the world in cloth and silk manufacture.
- ▶ Pre-colonial India also enjoyed a profitable external trade with the countries of Europe and Africa– led to economic progress and stability.



- ▶ British conquest of India brought about a radical transformation in the pre-colonial feudal economy of India.
- ▶ The economic policies followed by the British converted India into a colonial economy. Structure of the following changed:–
 - ▶ Indian modes of production
 - ▶ Forms of surplus appropriation
 - ▶ Class relations
 - ▶ Traditional land relations
- ▶ Structure of all changed under the British.
- ▶ India was exploited in the interests of British capitalists and financiers.

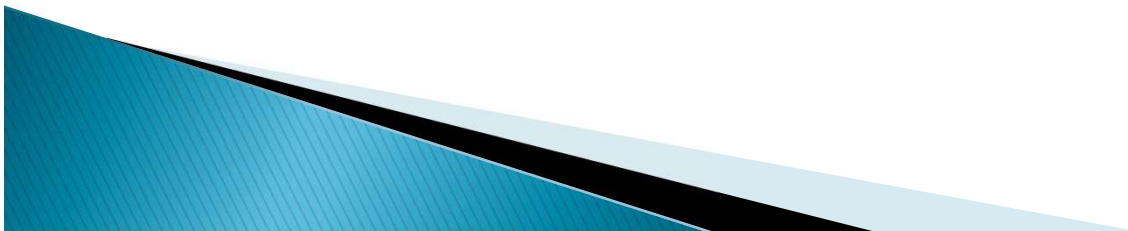


- ▶ Structure of Indian economy was determined by the needs of the British industry.
- ▶ India was turned into a colony to serve the interests of the British industry.
- ▶ The aim of British industry was to transform India into a consumer of British manufactures and a supplier of raw materials.
- ▶ They wanted to make India a subordinate trading partner of Britain, as a market to be exploited and as a colony to produce and supply the raw material and food-stuffs Britain needed.
- ▶ Britain exported goods into India, especially textiles which were produced in factories using advanced technology and less labour.
- ▶ India produced agricultural raw materials through backward methods of production using great deal of labour.
- ▶ This international division of labour was highly unfavourable to India.



Agrarian reforms in India by the British

- ▶ Introduced reforms to secure raw materials for the British industries.
- ▶ Commercialisation of crops
- ▶ Introduction of capitalist forms in land relations
- ▶ Free trade or unrestricted entry of British goods
- ▶ Destruction of traditional industries
- ▶ De-industrialisation
- ▶ India changed into a colonial economy
- ▶ Drain theory– Dadabai Naoroji– Poverty and UnBritish rule in India
- ▶ M.G.Ranade, R.C.Dutt and others



- ▶ The formation of a colonial economy in India was a long process
- ▶ This process started from the middle of 18thc
- ▶ By the end of 19th c, India became a classic colony of Britain.
- ▶ Indian society and economy were were now completely subordinated to Britain.
- ▶ India was linked with the world capitalist system in a subordinate status
- ▶ Britain was able to become a leading capitalist country of the world, keeping India an undeveloped society



- ▶ The agrarian policies of India were determined by British Governors, councils and Boards of the provinces of British India.
- ▶ Chiefly guided by the greed for maximum revenue
- ▶ The fluctuations in revenue collection created financial uncertainties—adversely affected the future plans of the company
- ▶ Company need a steady income— they entrusted Lord Cornwallis to formulate new agricultural policies in India.





**THANK
YOU**