



British East India in Company

Nandini Choudhary

B.A., LL.B (Hons), Indore Institute of Law
Indore, Madhya Pradesh, India

ABSTRACT

This research paper explores about British East India Company in India. Evolution of East India Company drove from the four factors the decline of Mughal Empire, Anglo-French Imperial Rivalry, French Revolutionary and Napoleonic Wars. East India Company transformed from private stock company to quasi governmental institution. Between early 1600s and the mid 19th century the British East India Company guide the establishment and enlargement of international trade to Asia and lead to economic and political domination of the entire Indian Sub-Continent. East India Company (1600-1857) lease by Queen Elizabeth I for trade with Asia. The main objective of the group of merchant was to break the Dutch monopoly of the spice trade with the East Indies, to acquire exclusive rights to trade and to takeover the financial resources of the country. East India Company had suit a peculiar hybrid, and a corporate state. Company saw rise of fortunes. This research paper also focuses on the Battle of Plassey when one of the military officials, Robert Clive, defeated the force of the Nawab of Bengal, Siraj-ud-Daulah. And focuses on many governors which help in the expansion of British rule in India.

This research paper mainly examines that -How the Establishment and Expansion of East India Company in India has been done? AND How the events which has been taken place for the British establishment and the End of the East India Company and 1857 revolt?

KEY WORDS: *British East India Company, Dutch Monopoly, Joint -stock Company, Spice trade, Battle of Plassey, Robert Clive, State owned enterprise, Opium trade, Merchantile Organisation, East Indies, Revolt 1857.*

INTRODUCTION

East India Company was established in 1600 by Queen Elizabeth I to challenge the Dutch- Portuguese monopoly of the spice Trade. East India Company was a monopoly trading company that linked the Eastern and Western worlds.¹ An early joint-stock company, which was granted an English Royal Charter by Elizabeth I on December 31, 1600. East India Company was privately owned company which was established for profitable trade with other countries in Asia called East Indies and became most Merchantile Organisation. East India Company was not what would be trace to today as state owned enterprise.² Main motive was to acquire exclusive rights to trade. The East India Company ranked second in company sales and volume and profit behind Dutch. However, East India Company greatly expand in India and increase the Global Trade Volume. Contract between both the enterprise is instructive.³

ARRIVAL IN INDIA

In 1608, the first company ships landed in Surat, India on the west coast of India. Sir William Hawkins travelled to meet the Mughal Emperor Jahangir in Agra court to ask permission to set up a trading post. Emperor was reluctant to grant permission out of fear of inflaming tempers of the Portuguese who had been since the arrival of Vasco de Gama in 1498.⁴ They continued their trading for few years and expand their companies around the three towns of Calcutta, Bombay, Madras. During the sixteen century, English

¹ Brad Maguth "In Défense of the Social Studies: Social Studies program in STEM Education", Social Studies Research

² <http://assist.ncsu.edu/>.

³ National Nanotechnology Initiative, www.nano.gov

⁴ Pico Iyer, Smithsonian magazine, January 1988

merchants became increasingly interested in the capturing of some ocean-going trade in the Indian Ocean.⁵ When British arrived, the Hindu were ruled by Muslims people and were in large population. Dutch has taken all the trading post from Portuguese. British started from Madras and Bengal as no European power was there.

East India Company was interested in the commercial opportunities. The East India Company wasn't concerned about the local needs its aim was to make profits. Large chunk of the profits went to the queen thus its motive was to make a successful business enterprise. A variety of economic factors were contributed for the trading reforms. In exchange of Tea from China which approached 5 million lbs per year by 1750.⁶ The Company also shipped Chinese merchandise from Canton: tea, silk, textiles and porcelain. Asian commodities were paid for with exported British woollens and metals, supplemented by silver bullion. As the company increased in India, it was able to use others product such as cotton, silk, saltpetre and opium as a means of obtaining the spices and other goods exported to England. East India Company success in managing the expanding the international trade which has led to some prototype for the modern multinational corporation.⁷

By 1670, East India Company had been granted the right to create its own money, independently acquire territory, command armies.

FOUNDATION OF BRITISH EMPIRE

ROBERT CLIVE

Commander Robert Clive is regarded as the founder of the British Empire in India. Clive became one of the richest men of his time. He was an employee and a leader and was responsible for important victory that helped establish Britain as the major power in India⁸. He moved to Calcutta, which had been captured by the Nawab of Bengal, Sir -ud -daulah, and he recaptured Bengal. Later on 23rd June he defeated the Nawab, largely by means of bribe at the so called **Battle of Plassey**.

BLACK HOLE AND BATTLE OF PLASSEY:

The French and British finance different division in the succession struggle for Mughal viceroyalty in Bengal. Sir -ud- Daulah sided with the French. In 1756, he attacked the trading center of Calcutta with 30,000 foot soldiers, 20,000 horsemen and 400 war elephants. British force was defended by only 200 men, defeated easily.

After the defeat of the British men 146 British officers and civilian were kept in a 18 x 14- foot prison cell known as the "Black Hole". Where they were left with no water and forgotten about. A total 123 of 146 prisoners died in suffocating condition. Survivors stayed alive by sipping up their own sweat and drinking their own tears.

HOLWELL wrote "From about nine to near eleven ..my legs were almost broke with all the weights against them. by this time I myself was near to death, and my two companion ..were really so..my ..friends .. for whom I had a real esteem and affection, had for some time been dead at my feet and were now trampled upon by every corporal, had forced their way to the window"⁹.

When news of the 'black hole' reached London, a relief journey led by Robert Clive was immediately assembled and subsequently arrived in Calcutta from Madras with 800 British troops and 10,000 sepoy to face a Bengal French force of 55,000 men at Calcutta.

On June 23rd, 1757 at the battle of Plassey, a small village and mango grove between Calcutta and Murshidabad, the forces of the East India Company under Robert Clive defeated the army of Siraj-ud -Daulah, the Nawab of Bengal. The trouble between Siraj - ud - Daulah and the British led to the battle of Plassey. During seven years (1756-63) the battle was fought. French East India Company sent a small group to fight against British. Sir -ud-Daulah had more soldiers and chose to fight at Plassey.

Jawaharlal Nehru, in the discovery of India (1946) justly describes Clive as having won the battle "by promoting treason and forgery"¹¹

⁵ Theme 8: Science, Technology and Society

⁶ Social Education 77(2)pp78-81,98,2013

⁷ Ann M. Carlos and Stephen Nichols "Giants of an Earlier Capitalism" 62(1988),398-419

⁸ Micheal Olmert, Smithsonian Magazine

⁹ John Carey, "Eyewitness to History", 1987

¹⁰ <https://www.historic.uk.com>

¹¹ Factsanddetails.com

BASIS OF MONOPOLY

Opium was introduced by the Arab and Turkish Traders. Drugs was used in a large quality until 17th century. First opium was introduced to China. In 18th century Portuguese started importing opium from India. By 1773 British had become the chief supplier of Chinese market.

British East India company has fixed a monopoly of Opium cultivation in Bengal, India. For opium trade, western countries has also join the Trade. European has also undertake opium trade which lead to imbalance with china. East India Company itself don't carry opium itself because of the Chinese ban. The opium sold to the smugglers along Chinese coast. In return they received gold and silver which then turn over the East India Company.

MILITARY EXPANSION

When war between Britain and France spread in India. East India Company become purely commercial enterprise. Company established more authority over European companies and local rulers of the province of Bengal.

British raised their forces between 1740-1757. The Presidency Armies were the muscle of the company which managed to achieve dominance over the Sub Continent¹²

EXPANSION OF BRITISH RULE UNDER THE GOVERNER GENERAL

WARREN HASTINGS

He was appointed as a Governor of Bengal in 1772 and became governor-general of Bengal in 1774. He was a man of great ability. His main focus was to improve the administration. He brought many reforms in the different field of administration such as

Revenue reforms- Indian officer called Rai Raian was appointed to maintain the record of the revenue. Cultivators should pay revenue to the Zamindars. Accountant General was also appointed. Five years settlement was removed and annual agreement with the Zamindars were made. Collectors were appointed and were given direct responsibility of collecting revenue.

¹² <https://history.stackexchange.com>

Commercial reforms- Large no. of chowkies were destroyed as they were obstructing in trade. Monopoly trade has been done on salt, betelnut, tobacco.

Judicial reforms- Two courts one Civil and one Criminal court. Appeals of district court were sent to Sadar Adalats for final decisions. All cases should be recorded in courts. Dacoits were deal with severe punishments. The Judges are paid fixed salaries.

LORD WELLESLEY:

Lord Wellesly became the Governor General in 1798. He developed subsidiary system. He suspended the restoration of the French possessions in India after the treaty of amiens.

Subsidiary System- It is used to make the company the paramount power of India. He enable him to add the resources and foreign influence in India and to make East India Company supreme in India. There was special provision made for the subsidiary system they are i) to have a British Resident in his State. ii) not to have non-english European in the service of British Company. iii) keep the British force in the territory of expenses.

LORD DALHOUSIE:

Dalhousie was the greatest Governor General became member of parliament in 1837. He was a great administrator. He began his administration in modern lines. He later appointed as Lieutenant Governor of Bengal. He also introduced NON REGULATION SYSTEM this act has been made for the sake of economy.

Development of Railways, Telegraph and Posts Reforms were introduced with the investments of the British Company and governments in India. Railways has improved trade in the country. Postal reforms were also introduced.

He wanted the British manufactures should follow a Free Trade policy in their interest. Lord Dalhousie has separated Public Works Department, and a separate member is incharge of it.

He introduced educational reforms. There was a department of education in every province. Training institution has been started for the training of teachers. Western education has been taught to people. Some peoples of India also knew English. He introduced reforms in the interest of British to improve the condition in India.

THE REVOLT OF 1857

By the first half of the 19th century, the East India Company had brought major portions of India under its control. After one hundred years of Battle of Plassey, anger against the brutal British Government took the form of a revolt that shake the foundations of British rule in India . Indian historians named it the Revolt of 1857 or the First War of Indian Independence.

The first half of the nineteenth century also witnessed a number of tribal revolts. In this context, mention may be made of the rebellions of the Bhils of Madhya Pradesh, the Santhals of Bihar and the Gonds and Khonds of Orissa¹³.

Revolt of 1857 was a landmark in the history of modern India as it is a watershed in the history of British in this Sub continent.

POLITICAL CAUSE

The political causes of the revolt had their origin in Dalhousie policy of the Doctrine of Lapse and Direct Annexation. Rani Lakshmi Bai's adopted son was not permitted to sit on the throne of Jhansi. Satara, Nagpur and Jhansi were annexed under the Doctrine of Lapse.¹⁴ The attitude of British Government produced general discontent throughout India.¹⁵ Prevented the inheritance and denied the right to succession.

SOCIO-RELIGIOUS CAUSES

A large section of the population was alarmed by the spread of Western civilization in India. Both Hindu and Muslims were forced to change their religion to Christianity. They encouraged female education and provided religious education in the schools , prisoners in jail were also tempted to accept Christianity.¹⁶

The abolition of practices like sati and female infanticide and the widow remarriage ,established the uniform system of law and administration.

ECONOMIC CAUSES

In rural areas, peasants and zamindars resented the heavy taxes on land and the strict methods of revenue collection followed by the Company. The trade interest of the British resulted in the destruction of the cottage industries of India. Import of manufactured goods from British India at cheap prices. Traditional economy was completely destroyed.

CENTER OF REVOLTS

The revolt spread over the entire area from the neighbourhood of Patna to the borders of Rajasthan. There were six main centres of revolt in these regions namely Kanpur, Lucknow, Bareilly, Jhansi, Gwalior and Arrah in Bihar.

Causes of the failure of the revolt:

LACK OF UNIFYING LEADERSHIP: Local Leaders like Nana Saheb, Tantia Tope, Laxmi Bai , Though fought bravely ,but could not compete with the British when it comes to Mass Mobilisation of their Troops and displaying effective Leadership.

COMMUNICATION AND COORDINATION : Britishers has Electric Telegraph. They can mobilise their troops much master. They can keep an eye on the movements of rebels and plan in Anticipation .

EQUIPMENTS: Indian soldiers, by and large ,used swords, pikes and spears to fight, may be a few gun or muskets, which were not part of advanced technology. European soldiers had better training, were more organise and used latest weapons like Enfield rifle .

TERRITORIAL SPREAD: It was not an All-India movement, limited to certain regions. Southern India remains unaffected , Eastern and Western India has done all activity ,as far as the revolt is concerned. Neutral supporters of british included.

OPPOSITION : 50% of the Indian soldiers rather than supporting the revolt, fought from the side of the Britishers to crush it .

RESULT OF THE REVOLT AND DECLINE OF BRITISH EAST INDIA COMPANY

The great uprising of 1857 was an important landmark in the history of modern India. The revolt was the end of the East India Company's rule in India. India now came under the direct rule of the British Crown. The Doctrine of Lapse was abolished. The right to adopt sons as legal heirs was accepted. The Revolt of 1857 surface the way for the future struggle for freedom in

¹³ Mamta Agrawal, The Revolt of 1857 -the First war of Independence , www.historydiscussion.net

¹⁴ Mamta Agrawal, The Revolt of 1857 -the First war of Independence , www.historydiscussion.net

¹⁵ Hansards Parliamentary Debates, 1857

¹⁶ C.F, L.P. Sharma: History of Modern India,(2004),p.195.

India. It had sown the seeds of nationalism in the hearts of people.

The Great revolt of 1857 was forcibly put an end but it could not be crushed. The spirit which this popular revolt had fill into the hearts of Indian could not be vanished. The 1857 revolt was, thus the First War of Indian Independence.

CONCLUSION

The researcher has concluded the research as the establishment of British East India Company was somewhere **good** and **unpleasant** both. East India company has been developed in India to break the Dutch monopoly on spice trade. Firstly the East India Company has occupied some of the princely state like Madras ,Bombay, Chennai ,Bengal to spread their trade. Their main motive was to acquire exclusive right to trade. They have introduced Railways , Telegraph and the postal service and they had also

improve means of communication. Many Governal - General has made reforms in socio religious which has proved very superior for the people of India . Sati System, female infanticide ,human sacrifices was Abolished . The positive aspects of Social, Education and Communication were overshadowed by the British.

But the Indian people were suppressed for about 200 years ,people has lost their forests, handlooms industries etc. British people who has come to India for the purpose of quality Trade started thinking to rule over Indians people and the country. Britishers started forcing people to change their religion to Christianity. Started imposing taxes on mosques and temples. Goods were import in cheap prices and sell to people in high prices. This all situation give rise to 1857 Revolt , the1st war of independence and the Decline of East India Company.

