

CONCLUSION

The purpose of this thesis has been to examine the extent to which the reformist ideologies of Britain influenced the scarcity-relief policies of the Bombay Government in the 1820s and 1830s. It has been demonstrated that policy in western India was not simply always handed down from superior to subordinate. Rather, policy formation was often a complex process that engaged in debate officials at various levels within the Company's administration in London, Calcutta, Bombay, and the districts of the Presidency. It has been shown that reformist ideology influenced every scarcity-relief policy in Bombay, but to varying degrees, and at different times. Why were some policies influenced more, or earlier, than others? Many of Bombay's officials sincerely believed in the *laissez-faire* and utilitarian ideologies emanating from Britain. The sometimes drastic changes that took place in Bombay's policies required, at least as a partial motivation, an equally drastic shift in thinking. But the timing of these changes in policy was sometimes delayed or accelerated by other factors. Western India was not a blank canvas to be painted as the reformers saw fit. The new ideologies encountered varying degrees of resistance from officials within the Bombay administration. An official could be a *laissez-faire* ideologue on one issue, and a conservative on another. The officials' most common cause for concern was the effect that the change in policy might have upon the Government's already dire financial circumstances. Another far less common concern was for the possible humanitarian effect of a change in policy.

Some scarcity-relief policies were more essential to the Government's treasury than others. Officials were more likely to take a conservative position on policies that were believed to be propping up the Government's coffers. This was particularly so of the officials in the upper echelons of the administration, and less so among officials at the district-level. Consequently, the changes first took place in the policies which were considered less vital to the administration's solvency, where conservative opposition was weakest. In time, however, many conservatives were convinced that change was necessary even in the policies which were closely related to the Government's revenues. Yet these converts were turned to the new ideology not purely by ideological argument, but also by pressing financial problems that the conservative approach had failed to resolve. Moreover, conservatives were often less resistant to

utilitarian suggestions, which typically involved a degree of intervention and were therefore more compatible with the conservative standpoint. It was the *laissez-faire* suggestions of non-intervention which made the conservatives of the administration most nervous.

The traditional scarcity-relief policies that were considered the least essential to the Government's finances were the grain trade and charity policies. Granted, previous interventionist governments sometimes benefited financially from intervening in the grain trade. Government sales of grain could render tidy profits from the elevated prices of drought. Yet these opportunistic windfalls paled in comparison with the annual takings of the Government's land revenues, to which other scarcity-relief policies were more closely related. Furthermore, buying and selling large quantities of grain was a gamble in which one abundant fall of rain could drop the price considerably and leave the buyer out of pocket. Moreover, the other aspects of intervention in the grain trade, such as price fixing and the prohibition of grain exports, were largely fiscally neutral. Whether or not the Government decided to intervene in the grain trade was less pertinent to its finances than, for example, whether it decided to reduce its land revenue assessments. Consequently, throughout the 1820s and 1830s there was relatively little resistance offered by Bombay's officials against the application of *laissez-faire* ideology to grain trade policy. It was accepted wholeheartedly by the Council in power during each drought. Only Elphinstone bucked the trend at the Council-level. The handful of officials at the district-level who protested, such as the Kaira Judge James DeVitre, were either ignored or admonished by their superiors. In all three droughts of this time period the Bombay Government strictly observed a policy of non-intervention in the grain trade.

The traditional policy of offering charity to the impotent poor, who were physically unable to work, was not central to the Government's profitability. The Bombay Government's Indian predecessors traditionally offered only trivial sums to give the appearance of a benevolent and active Government. Their offerings were never as much as to jeopardise their financial solvency. Thus, whether the Bombay Government committed to offering charity or not had little bearing on its overall financial well-being. Consequently, in the 1823-5 drought the majority of Bombay's officials saw no financial reason to resist the application of *laissez-faire* ideology to

charity policy. The 1823-5 administration was officially against state relief. The abolitionists' arguments that state charity did more harm than good, and that the impotent poor should be the financial responsibility of private charity, were generally well-received. Only a few officials like Assistant Sholapur Collector Pringle and Surat Collector William Lumsden took a conservative position and recommended humanitarian intervention.

By the 1830s the political situation had changed in Britain. The abolitionists' solution to the problem of the impotent poor had fallen from favour in preference to the revisers' interventionist humanitarianism. The revisers of Britain wanted to reform the old Poor Law, and in particular to restrict, but not abolish, its provision of employment to the able-bodied poor. Thus, for the able-bodied poor the revisers proposed a limited intervention, while for the impotent poor they advocated full intervention in the form of state charity. In the 1830s Bombay followed suit, shifting back to the policy of intervening on behalf of the impotent poor. Thus, in Bombay, the source of the policy-shift was reformist but the policy itself was to return to the conservative. This muddies the waters in assessing the argument that the policies which were least central to Bombay's financial viability were the most open to reformist influence. Yet the timing of Bombay's change in policy back to interventionism indicates that it was driven by the rise to dominance of the revisers in the early 1830s, and not purely by a conservative backlash. Thus it can be stated that the officials of the 1830s were just as compliant to the dominant ideology of Britain as their 1823-5 counterparts had been. The need to intervene was widely accepted at all levels of the administration. Council members such as FitzGibbon and Newnham were joined by district-level officials such as the Collectors Arbuthnot, Anderson and Nisbet in offering alms to the impotent poor.

However, while it is true that Bombay's charity policy had little bearing on its overall financial well-being, this is not to say that Bombay's officials were not cost-conscious in this regard. The financial burden of the Government's military in the 1820s necessitated frugality in relief expenditure. Indeed, the fact that the minor expense of supporting the impotent poor offered no prospect of a financial return to the Government no doubt further facilitated the acceptance of *laissez-faire* policy amongst so many of Bombay's officials. In this case the financial realities of rule in

western India sat well with ideological convictions. The impotent poor were unable to work. Unlike their able-bodied counterparts, they could not offer their labour on public works to offset the Government's expenses. Unlike the able-bodied, their migration or starvation did not translate into smaller harvests and smaller land revenues for the Government. Thus many of Bombay's officials in the 1823-5 drought were very amenable to the abolitionists' *laissez-faire* arguments against state charity.

Moreover, cost-aversion was a factor in determining the extent to which the revisers' interventionism was applied during the 1831-5 drought. Granted, Bombay's policy in the 1830s was to offer state charity to its impotent poor, and this extra financial liability was accepted during an administrative climate of cutting military costs to make the Presidency more profitable. Yet most officials were anxious to ensure that the Government's newfound benevolence was not extended to foreign migrants who entered the Presidency. To avoid this extra cost, foreigners were refused food and told to return home. The 1831-5 Council even rejected its own impotent poor in Sholapur to avoid charitably supporting foreigners and encouraging an influx of others. Thus *laissez-faire* policy was once again embraced to avoid excessive cost. Regarding Bombay's own subjects, the majority of officials were convinced by the revisers' argument that the Government was morally obliged to provide humanitarian relief to the impotent poor. The extra cost was minimal and therefore few officials protested. Yet most officials rejected the extra cost of supporting foreign migrants, who were not considered the financial responsibility of the Bombay Government. In such circumstances most officials re-embraced the abolitionism of the 1820s. The issue of cost therefore sometimes made a *laissez-faire* policy preferable. Yet even when Bombay's officials intervened to support the impotent poor, it was in line with the demands of the revisers. Thus reformist ideology, whether it be abolitionist or reviser-inspired, had free reign with a drought policy that did not cost the Government so much as to threaten its profitability.

Policies in relation to public works, agricultural loans, land revenue assessments, and grain duties, were far more central to the Government's financial well-being. A significant change in any of these policies had the potential to be the make or break of the Company's operations in western India. Consequently Bombay's officials were more reluctant to adopt any changes in these policies. Bombay's policy of offering

public works to the able-bodied poor was an essential means of keeping the poor ryots contributing to the Government's coffers. The failure of the monsoon destroyed crops and thereby removed the livelihood of thousands of cultivators. Many of these cultivators lacked the savings to survive at home. Thus without Government support the poorest cultivators were likely to seek subsistence by either permanently migrating to non-British territories or by joining gangs to harass the Government's remaining revenue-paying subjects. The resulting loss of revenue-paying cultivators had the potential to drastically reduce the Government's main source of income, the land revenues. An absent ryot was not a tax-paying ryot. To mitigate migration and crime the Bombay Government continued the time-honoured policy of providing public works employment to the able-bodied poor. This provided them with a livelihood and negated their need to search for subsistence elsewhere. It therefore bolstered the Government's land revenues by keeping most of the poor cultivators 'near their homes' and ready to resume cultivation when the rains returned.

The abolitionists of Britain demanded that the old Poor Law provision of employment to the able-bodied poor be entirely scrapped. Yet the application of this *laissez-faire* ideology to public works policy in Bombay was strongly resisted. In fact, none of Bombay's officials at any level of the administration even suggested such a change in policy. The Collectors Richard Mills and G. W. Anderson had recommended temporarily withholding state employment during drought. But only Anderson was influenced by abolitionist apprehensions, and neither official advocated a permanent abolition. The 1823-5, 1831-5, and 1838-9 administrations all intervened in the labour market to protect their most valuable assets. Many officials agreed with the abolitionist arguments that providing state relief to the able-bodied undermined their self-reliance and industriousness. Yet entirely abolishing the public works policy was financially unthinkable. Instead, all three administrations of the 1820s and 1830s continued to offer public works employment, but applied the revisers' 'less eligibility principle' in the form of a minimal wage. Bombay's officials accepted the revisers' argument that only the truly desperate individuals would seek hard labour for minimal wages. This midway solution enabled the administration to continue to protect its land revenues without severely undermining the independence or hard work ethic of its cultivators. Thus reformist ideology did influence Bombay's public works policy. But the most extreme *laissez-faire* demands of the abolitionists of Britain were not even

seriously considered by the Bombay administration. Only the less extreme solutions offered by the revisers of Britain were implemented in Bombay to fine-tune the administration's public works policy.

The offer of public works also performed the function of intercepting foreign migrants en route to Bombay city. The Government's land revenues were entirely independent from the suffering of foreign migrants. But to protect the administration's main seat of power the Councils of the 1823-5 and 1838-9 droughts were forced to provide employment to desperate foreign migrants who had entered, or were en route to, Bombay city. However, the foreign migrants who entered Bombay territory in the 1831-5 drought remained in the south and east of the Presidency's outlying districts. Only in this drought could the Council afford both financially and politically to ignore their distress, and only in their case was the *laissez-faire* ideology of the abolitionists fully applied.

Bombay's policy of offering loans to cultivators during drought was also closely related to its land revenues. The policy was followed in normal years to facilitate long-term economic development, but was drastically expanded during drought to financially support the operations of a large number of cultivators who were encountering financial difficulties. The solvency of the ryots was essential if they were to continue cultivating and paying their taxes. The issue of loans relief in Britain did not attract considerable attention from the abolitionists. It was part of the revisers' package of poor relief, but it was not advertised with much fanfare. Thus the issue of agricultural loans does not represent a strong testing ground for the argument that officials were most reluctant to changes in policies that were closely related to the Government's revenues. Yet some officials, like the Collectors Archibald and Henry Robertson, Commissioner Chaplin, and Governor FitzGibbon, argued that the loans offered to cultivators should be restricted to avoid undermining their independence and encouraging frivolous expenditure. However, even these officials explicitly accepted the indispensability of the loans scheme. Moreover, the loans were also restricted to mitigate corruption, quite aside from any ideological convictions against the policy. No-one in the Bombay administrations of the 1820s and 1830s went so far as to recommend the complete abolition of offering loans. This was a far cry from the

degree to which *laissez-faire* ideology was applied to the grain trade, where the policy of non-intervention was warmly accepted into official orthodoxy.

Bombay's policy toward its land revenue assessments was key to its overall financial viability. The land revenues constituted roughly four-fifths of the Government's entire income. An assessment that was too heavy would impoverish the ryots, reducing the extent of cultivation and thereby diminishing the Government's long-term land revenues. Yet an assessment that was too light might constitute an unnecessary sacrifice of short-term revenues. Moreover, the policy of remissions was essential for maintaining the solvency of the struggling ryots during drought and thereby the long-term financial viability of the administration. The failure of the monsoon destroyed large portions of the ryots' harvests. This reduced their ability to meet the Government's land revenue demands. Every ryot who slipped into bankruptcy was one less ryot paying revenues to the state. Officials such as the Collector Henry Robertson who neglected to offer sufficient remissions during drought forced many of their cultivating subjects into debt and bankruptcy. This was considered the cardinal sin of any Collector. Yet officials were also expected not to neglect the Government's substantial short-term revenue requirements by granting remissions on revenue assessments too generously.

It was not the position of the *laissez-faire* ideologues of Britain to demand a complete abolition of taxation and the state. Rather it was that government should levy only light taxes to offer private individuals a financial incentive for their labours, and surplus funds to invest in improving their productivity. The promised benefit of such a taxation policy was economic progress. In Bombay in the 1820s, Elphinstone's drive to set a light assessment was not motivated by ideological fervour, but rather the political expediency of gaining acceptance for British rule. Yet his intention of setting a light assessment had been undone by the grain price depression and Calcutta's demand that Bombay maximise its revenues. Bombay's officials, such as the Collectors Archibald Robertson and Dunlop, and even the Council itself, recognised during the 1823-5 drought that the Presidency was over-assessed. Yet most officials were reluctant to significantly reduce the assessments for fear of slashing the Government's main source of income. Assistant Sholapur Collector Robert Pringle, however, offered remissions more often and more generously than his colleagues. The

district-level officials Pringle, Simson and Pyne favoured generous remissions explicitly in the *laissez-faire* belief that it would encourage agricultural production and prosperity. But they were in a minority on this issue. Most Collectors typically took all they could from the ryots short of bankrupting them. In so doing they were following the Council's guidelines of maximising the revenues over the short and long term. Thus in the early 1820s the majority of Bombay's officials were resistant to any application of *laissez-faire* ideology to the land revenue assessments.

Yet by 1825 the Bombay Council had accepted that the heavy assessments were placing a considerable burden on many of the cultivators that needed to be lifted. It therefore instructed its Collectors in Gujarat to reduce their assessments. But it did so conservatively with the added instruction that the Collectors should not relinquish the Government's fair share of the harvest. It knew that reductions were necessary, but it was reluctant to order the widespread reductions that were required for fear of what this might do to the Government's income. Even so, the Bombay Council once again attempted a reduction in 1826. This time it placed its faith in the utilitarian promises of Robert Pringle. He argued that so long as the economic rent of the land was well-defined, and that the revenue officials studiously took no more than this amount, then the Government could tax as much as it wanted without checking agricultural production and prosperity. Thus by appointing Pringle as the Superintendent of the Revenue Survey in 1826 the Bombay administration had accepted the application of a reformist ideology to a fundamental aspect of its revenue management. This ideology was, however, a halfway point between the conservative and *laissez-faire* positions that promised the best of both worlds. The Council's solution of 1826 had not strayed so far away from the conservative policy of taxing the ryots to the extent of their abilities to pay. In fact, by 1830 it had become apparent that Pringle had mistakenly over-assessed the ryots, which caused financial hardship and migration until the rates were returned to their previous level. Nevertheless, driven by financial necessity, the administration had tentatively begun to allow reformist ideology to influence its revenue management policy.

However, a solution had not yet been found, and the Presidency remained over-assessed. In the early years of the 1830s an increasing number of officials began to lose faith in the conservative attempts at reducing the assessments. District-level

officials, such as the Collectors Arbuthnot, Edward Mills and William Sprott Boyd, took a *laissez-faire* position. They demanded widespread and significant reductions in the assessment to remove the check on agricultural production and drive economic progress. But they encountered conservative resistance from the likes of Commissioners Vibart and Dunlop, and the Council, who were still reticent about the effect large-scale reductions might have on the Government's income. Yet pressure came from London in favour of light taxation in the parliamentary debates that preceded the Company's charter renewal in 1833. In the 1832/3 season the Council embraced the *laissez-faire* solution and embarked upon significant reductions starting in Surat district.

Thus, while *laissez-faire* ideology had been so readily applied to the grain trade throughout the 1820s and 1830s, its application to the land revenue assessments had been delayed until 1832 by conservative opposition. The land revenue assessments were too central to the Government's financial well-being for many officials to have accepted widespread reductions as readily as they accepted the policy of non-intervention in the grain trade. Yet once all conservative solutions to the problem of over-assessment were exhausted and the problem remained, the pressing need to relieve the peasantry of their crippling burden drove erstwhile conservatives into the arms of a *laissez-faire* solution. It was found in Surat that by significantly reducing the assessments the Government had encouraged an expansion of the acreage under cultivation. Although the assessments were lower, the increase in agricultural productivity made for similar or even greater revenues for the Government. The price of relieving the ryots' burdens had not been as high as the conservatives of the 1820s had feared. The success of the reductions in Surat fuelled the same *laissez-faire* policy in other districts.

Bombay's grain duties policy was closely related to its overall financial well-being. Firstly, the duties themselves provided a sizeable flow of revenues. Secondly, it was recognised that the temporary fiscal sacrifice of removing the duties could mitigate the negative effects of grain price depressions and droughts on the Government's land revenues. The duties increased the price of grain, and hence their temporary removal could provide relief to poor cultivators who would otherwise contemplate migration or crime to secure their subsistence. Thus a temporary removal of the duties during a

subsistence crisis could keep the ryots at home and producing harvests for the Government to tax. This policy had a long tradition amongst the interventionist rulers of western India well before the arrival of *laissez-faire* ideology in the early 1800s. With the exception of the Collectors Simson and Archibald Robertson, the policy of removing the duties was pursued by most Bombay officials in the 1820s without any reference to *laissez-faire* ideology. In fact, *laissez-faire* ideology dictated a permanent abolition of the duties. The *laissez-faire* position was that the duties increased the price of grain, which reduced consumption and operated as a check on agricultural production. Yet most officials of the 1820s, such as Commissioner Chaplin and Collector Pottinger, believed that except for during years of drought the duties were a perfectly legitimate source of revenue for the state. The grain duties were re-imposed after the conclusion of the 1823-5 drought.

At the beginning of the 1831-5 drought the Collectors Henry Robertson, William Sprott Boyd and Giberne expressed their *laissez-faire* position in favour of a permanent abolition of the duties on grain. Yet the Council and Commissioner Williamson were reluctant even to commit to a temporary removal of the duties until the severity of the drought rendered the fiscal sacrifice absolutely necessary. By late 1832 the drought had reached sufficient ferocity to prompt officials in the Deccan and Konkan to temporarily remove the duties. Still, the Council and Williamson did not allow this policy to be implemented in the generally more prosperous Gujarat, even when Collectors Vibart and Edward Mills reported widespread distress and recommended the duties be removed. This may have been because the Council and Williamson were reluctant to disappoint the Court of Directors, which had only recently congratulated Bombay on preserving the income it received from the duties on trade in Gujarat.

The increasing calls for a policy of *laissez-faire* from Collectors within its own administration and from vested interests in Britain did not go unnoticed by the Bombay Council. It had already committed to significant reductions in its land revenue assessments in the 1832/3 season. By 1836 the positive effects of a *laissez-faire* revenue policy on the economy and the Government's revenues were plain to see. This undermined the arguments of the conservatives. The Council therefore finally shed its apprehensions and began permanently abolishing duties in many of its

districts. The abolition was well-received by many of the officials in these districts, and they often expressed their approval in *laissez-faire* terms. Notably, however, the Council did not extend its abolition to Gujarat. The economies of the Deccan and Karnatak were in sufficient distress to require a *laissez-faire* solution, but the trade of Gujarat was not considered to be in need of such a remedial measure. Evidently the reduction in the land revenue assessments was considered a sufficient stimulus to economic recovery in Gujarat. In most of the Presidency, however, *laissez-faire* ideology had finally won over the administration. The close relationship between the grain duties and the Government's financial well-being had given most of Bombay's officials cause for caution throughout much of the 1820s and 1830s. Yet the grave need to kick-start the depressed economy that plagued much of the Presidency conspired to convince even the most stalwart conservatives to listen to the increasing calls for a *laissez-faire* solution.

Thus the findings of this thesis refute the argument posed by B. M. Bhatia that reformist ideology began to influence the drought policies of the British Indian administrations sometime between 1835 and 1860. This thesis' findings are more in harmony with the arguments of Ambirajan, Rabitoy, Ahuja and Sharma, who have observed that reformist ideologies began to influence drought policy in British India as early as 1806. The scarcity-relief policies of the Bombay administration in the 1820s and 1830s were a mixture of intervention and non-intervention. Reformist ideologies had a genuine impact on the discourse of officials within the Bombay administration. Yet conservative opposition was strongest, particularly in the upper echelons of the administration, when the shifts in policy implied by the new ideas might jeopardise the Government's finances. Thus, the new ideas were typically applied to Bombay's drought policies according to the administration's financial circumstances.