

DOKTORI DISSZERTÁCIÓ

**THE ENTREPRENEURIAL
ORIGINS AND EVOLUTIONS
IN THE INDIAN
LOCAL GOVERNMENT SYSTEMS
IN THE 19TH AND 20TH CENTURIES**

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Systems in the 19th and 20th centuries”

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CONTENTS

GLOSSARY OF LOCAL TERMS USED.....	4
PREFACE	6
INTRODUCTION: Structures, nominal and real.....	7
<u>1.0 PART ONE: The Brahminic Order</u>	12
1.1. The Brahminic Order – The Enterprise of Circumventing the Political Will	12
1.1.1. Guild-Systems in Europe and their influence on local government.....	13
1.1.2. Brahminic Order- the guild of all guilds.....	15
1.1.3. Integration of the State into the guild-system.....	17
1.2. The Brahminic dialectic and the decline of the Mauryan Empire.....	19
1.2.1 The consequences of the Brahminic Model of Local Government.....	29
1.3. The Mogul Model and interchangeability of subterranean power.....	31
1.4. The Marathas and the Rise of the Brahminic Model of Local Government.....	34
1.4.1. The Pindaree.....44; 1.4.2. The Thuggee.....48; 1.4.3. The Priests.....	55
1.5. The Hierarchy of Enterprising activity.....	61
1.5.1. State entrepreneurialism.....	63
1.5.2. Entrepreneurial Bureaucrat – commoditisation of administrative power.....	65
1.5.3. Entrepreneurialism of the Petty Official.....	70
1.5.4. Entrepreneurial Peasantry and Subsidiary Castes.....	71
1.6. The Village as the last bastion of civilisation.....	74
1.7. Administrative absence of the Village.....	80
1.8. Standards and measurements.....	83
1.9. The Situation at the end of the 18th century.....	88
1.9.1. The native administrator – delegated autocracy.....	90
<u>2.0 PART TWO: Local Government under the East India Company</u>	95
2.1. The East India Company.....	97
2.1.1. Navigating between Theft and Trade.....	97
2.1.2. Sailing out of the muddy waters.....	98
2.1.3. A formidable war machine	99
2.1.4. The Great Administrative and Diplomatic Machine.....	102
2.1.5. Navigating between the status of a company and a sovereign power.....	107
2.2. Dual Mandate: The way towards the District.....	114
2.2.1. Warren Hastings – The Napoleon of the East.....	117
2.2.2. Dual Mandate and the Amalgamation of Fragmented Realities.....	126
2.3. District Administration and the Emergence of Local Government.....	128
2.3.1. The Revenue Board – Imperium in Imperio.....	133
2.3.2. The District Collector - A Human Constitution on a Horseback.....	138

2.3.2.1. The Haileybury College – the Character Factory.....	138
2.3.2.2. Power and Poverty and Administration as an Ethical Enterprise.....	145
2.3.2.3. The District Collector and Institutional Positioning	151
2.3.2.4. Active Representation without Dormant Democracy.....	152
2.3.2.5. Pouring lead onto the weeds -Giving the Indian Civilisation a sense.....	156
2.4. Knowledge of the Land and of the people as a foundation to good administration.....	160
3.0. PART THREE: Local Government under the British Crown.....	163
3.1. Local Government in the United Kingdom, from the turn of the 19th Century.....	165
3.1.1. A feudal conception of colonial expansion (Colonies formed by Emigration).....	170
3.1.2. Universal Human Rights – Pumping Aristocracy into the Colonies.....	172
3.1.3. The land of the Industrial Revolution fails to feed its entire population.....	175
3.1.4. Substitution of fiscal mutualisation by the mutualisation of defence	179
3.1.5. The Special context of India up to 1858.....	184
3.2. Local Government under Direct Crown Control (1858-1947).....	187
3.2.1. Shifting the Budgetary burdens to create desertification of resources.....	191
3.2.2. Creation of a Middleclass capable of consuming British products.....	195
3.2.3. Keeping durable industrialisation at bay.....	197
3.3. Municipalities – Giving comfort to British Settlements by local taxes.....	201
3.4. The District Board and the Local Government in the ‘rural tracts’	208
3.4.1. The District and the intrusion of ‘Judicial’ Pindaree.....	213
3.4.2. The incrustation of the Bureaucratic and Political Pindaree.....	220
3.4.3. Agency Pindaree sponsored and controlled by the Supreme Government.....	222
4.0. PART FOUR: Local Government under Native Rule.....	233
4.1. Colonial Heritage and the Evolution of Democratic Institutions.....	233
4.2. Jawaharlal Nehru and his difficult choices concerning Local Government.....	236
4.3. The question of Identities and the pressing needs of Nation-building.....	245
4.4. The Planning Commission and the secret sponsor of the village self-government.....	252
4.5. District - the Key Instrument of Delivery of State and Central policy objectives.....	261
4.6. The District, Village and the Five Year Plans: (Re-) embracing entrepreneurialism.....	264
4.6.1. The First Five Year Plan (March 1951-March 1956): Foundation.....	264
4.6.2. Second Five Year Plan: Political encroachment on the District.....	273
4.6.3. Third Five Year Plan: The Organic Link and electoral reserve.....	280
4.6.4. The Fourth to Fifth Five Year Plans: Breaking the barriers	289
4.6.5. Sixth Five Year Plan: Ambitions and shattered hopes.....	296
4.6.6. The Seventh and Eighth Five Year Plan: Formalism and Retreat.....	304
5.0. CONCLUSION.....	314
6.0. REFERENCES AND SOURCE MATERIALS.....	318

GLOSSARY OF LOCAL TERMS USED

1. Acsaya Muttada colu: a rod equal in length to the height of the king, used in appropriating the portion of the village/Ryot to the temple or village Brahmin, under the Tipu Sultan rule in the Kingdom of Mysore. The Brahmin used this unit of measure when the King was a tall person.
2. Amil: In the Mogul administration an Amil acted as a revenue agent for the account of the Treasury. He forwarded the pre-agreed amount and kept the rest.
3. Arthasatra: An ancient Mauryan treatise on statecraft but it is more of a compilation of deception and administrative brutality towards the inhabitants. This treatise written by Kautilya goes to great extent to cement Brahminic power over statecraft. It acted as a handbook for future Brahmins engaged as state functionaries.
4. Batta: or price exacted by the money-changers for converting coins of one kind into another.
5. Caudhari (Chaudhri): Village head, term mainly used in Bengal and the North-East.
6. Chouth: protection money, equivalent of one fourth or 25% of revenue of a peasant.
7. Cooroo: graduated cylindrical measures used mainly in Central and Western India in the 19th century.
8. Deshmoukee: country tax under Maratha domination which everyone had to pay.
9. Hoonda Bhara: public works, synonym of 'pork-barrel.' These works were a private venture in the Maratha domain. The undertaker was asked to pay a licence fee.
10. Jaghire: gift of land revenue over a specific area by the Mogul Emperor.
11. Jamma: was the annual tax that was demanded from the peasants in the Maratha dominions in the 18th – 19th century. In average it was around 25 percent of the yield but it varied radically from one region to another.
12. Khundee: graduated cylindrical measures used mainly in Central and Western India in the 19th century.
13. Luhbur: is a form of ransom 'expedition' that the Pindarees undertook.
14. Panchayath: these were 'self-governing guilds' of each caste and trade. In the earlier periods there was only one caste in the village, this also became a model for village government. The multi-caste villages followed the same pattern.
15. Panchayath Raj: Local Self-Government, term used after independence.
16. Pandas, Hindu missionaries who encourage people to go on pilgrimage.
17. Pargana: a group of villages of a district of the Mogul administration in Bengal.

18. Patel: Village heads in Southern and North-Western India.
19. Pindaree (Pindari): was a mercenary auxiliary to the Maratha army and administration, who equally robbed and took to ransom entire villages; ransacking and destroying the rural habitats.
20. Plyee: graduated cylindrical measures used mainly in Central and Western India in the 19th century.
21. Raiyat (Ryot): tenant
22. Raiyatwari (Ryotwari) System: This was a system whereby each individual tenant paid into the pool of rent to be paid to the government according to the percentage of land held by him. The rent was then forwarded to the government by the village head.
23. Sahookar: A banker in the Maratha Domain, who usually practised several professions, from speculator to trade. This allowed him to be highly informed in affaires economic and political of a country.
24. Sanad: Mogul government deed, guarantee, legal acquiescence, edict or ordinance.
25. Sarcar: Inherited from the time of Akbar, this term was generally used to describe the government or simply authority. It also meant 'things public.'
26. Sirkar (Sir-Kar): Was an administrative unit, either province or district.
27. Stupa: This was a special marble pillar about 12-15 metres high, on which Ashoka the Great had his edicts of government and moral conducts inscribed. In total there are supposed to be 84 000 erected all over the Indian Subcontinent.
28. Taluqdari: the right to tax (rents) administration in a 'Taluq' or a sub-district in the Mogul land revenue administration.
29. Thuggee: In North India vernacular this simply means thief, but it is the method of theft that distinguishes the thuggee or a thug. The thugs suffocate their victims and bury the dead in a secret place. The thugs also had a particularity of gentlemanliness in their outward appearance.
30. Zamindar: Landlord who over saw the collection of rents until revocation or death. The land officially did not belong to him under the Moguls, under the British rule the right of tax collection evolved to become that of landowner.
31. Zamindari System (Also called Cornwallis System): revenue cropping system where a village which jointly cultivated its lands and forwarded rents to a landlord, who furthered the sum to the revenue board after deducting his expenses and rate.
32. Zoohim: administrative oppression.
33. Zubberdustie: administrative 'high-handedness.'

PREFACE

Indian history is elusive, a juxtaposition of autonomous structures that have double purposes and meanings, real and nominal. Historians are used to working with tangible, apprehendable concepts. There is a need therefore to isolate the real from the nominal and establish a workable hierarchy of structures and concepts. Otherwise there is a risk that the history of the Subcontinent remains muddled and conceptually disorganised. This dissertation hopes to use the theme of local administration and local government over a two-century period to identify the structural power patterns and their inner dynamics, and in the process, designating the real purpose of a structure based on verifiable historical evidence.

The opportunity to do research, put one's thoughts together and write the dissertation is an individual effort, of hours of self-imposed solitude and persistency. It is also an effort by the research community of a university that nurtures and guides the researcher in a very practical and vital manner. When I arrived at the Eötvös Loránd University I was foreign to everything. To my great happiness, I very soon felt at home. Professor András Balogh, who was about leave to become Hungary's ambassador in Thailand, took time to advise me on how to go about with the preparations. As for the Department of Modern History it soon became my home as it had been earlier at Oxford where I did my A-levels; The University of Kent, where I did my BA in International Relations and L'Institute d'Études Politiques de Paris (Sciences Po) where I did my Masters in Economy and Finance. In the department there was a genuine and natural urge to be kind, helpful and understanding which makes it an ideal sanctuary for a foreign research student. My supervisor, Dr. Gábor Székely, was always there when I needed help and advice. I am very grateful for him for the trust he accorded me, to pursue a strategy of research that explored everything that may pertain to the subject of my research and the theme of my dissertation. My special thanks to Professor István Majoros, Head of the Department of Modern History, he was always prepared to give every support imaginable in my effort to complete my research work. He also allowed valuable space in the publication "Öt Kontinens" where I could publish periodically some of the research articles. I am equally indebted to Dr. Gábor Búr and Dr. Győző Lugosi of the department who showed a special interest in my research work and my academic interests. My thanks also have to go to Gabriella Sallai at the department for her timely help in getting through the various administrative procedures and obligations. A special thanks to Mónika Manhercz at the PhD Office who was always there with a smile and a helpful hand.

INTRODUCTION: STRUCTURES, NOMINAL AND REAL

The purpose of this study is to analyse the formation of local administration and local government in India over three specific periods to identify the specific entrepreneurial elements and additions to each period in the general evolutionary path over a longer period. For this, the study will focalise upon the structures and pattern of administrative relations. Since one way to conceive public administration is to think of it as the organisation of human relations in such a structured manner as to bring about a predefined objective set by an over-bearing authority. Administrative history is therefore the study of how on the one hand 'authority' is formed in a society and on the other how this authority, and sometimes authority can contain composite elements, goes about organising society in a changing environment. But change means a modification of pattern, making it rather difficult to come to terms with historicity of specific structures. To this, Immanuel Wallerstein comes up with following, "Change is eternal. Nothing ever Changes. Both clichés are "true." Structures are those coral reefs of human relations which have a stable existence over relatively long periods of time. But structures too are born, develop, and die."¹ The Indian context provides a good example what Wallerstein meant and his example of a coral relief is very pertinent, for just when we think certain practices and traditions made over by a set new progressive standards, we are reminded that the new is yet a newer version of the old; the old that has now become the bed rock.

The pattern of administrative action and the structure underneath it feed upon each on a permanent basis without disconnection. What ever change is imposed does not change the trajectory of the structural base: "The present has its roots in the past in India, as elsewhere, and the problems of to-day cannot be understood rightly by men ignorant of the history of their country."² As I was preparing to draft this dissertation the following news was flashed on the online edition of the India Today current affairs magazine: "The Karnataka government has decided to spend Rs. 17 crore (Rs.170 000 000) to ensure that the state does not face a drought this year. However, the money is not being spent on drought-proofing measures, rather the government is handing out this amount for "special prayers and yagnas" to invoke the rain gods." And continued, "According to the government circular, each of the 34,000 Hindu temples under purview of the department of religious endowments have to perform special yagnas—Varuna Homa and Jala Abhisheka—on July 27 and August 2 as the two days

¹ Wallerstein I. (2011): *The modern world-system*, University of California Press, Los Angeles, p. 3.

² Smith V.A. (1909): *The Statesmen of Ancient India*, East and West (Review), April issue, Bombay, p. 9.

are considered auspicious. The government will grant between Rs. 2,000 and Rs. 5,000 to each temple, totalling Rs. 17 crore.”³ As a student of public administration and the historic evolution of it, my first reaction was one of amazement, since the administration in question was of today and not that of the Middle Ages. I looked up the government statistics for average farm worker wage in Karnataka for the year 2012. It was around Rs. 6000 per month⁴, meaning that roughly the money spent on prayers was equivalent to a one month salary of 35000 farm workers. The Karnataka State’s faith in the Brahminic power to create rain is nothing new to the administrative structures at various levels of the State.

More than a century earlier Sir Monier-Williams commenting on the faith laid in the Brahmin by people at various levels, be it town folk or village heads, had the following to say, “His blessing makes rich, his curse withers. Nay, more, he is himself actually worshipped as a god. No marvel, no prodigy in nature is believed to be beyond the limits of his power to accomplish. If the priest were to threaten to bring down the sun from the sky or arrest it in its daily course in the heavens, no villager would for a moment doubt his ability to do so. ... One of their number once swallowed the ocean in three sips, another manufactured fire, another created animals, and another turned the moon into a cinder.”⁵ The response of the Karnataka State Government is part of a pattern of administrative action that repeats over centuries.

The Karnataka ‘raining.making’ example also masks the high degree of entrepreneurial attitude projected by the Karnataka State government. In this particular case, the people needed material relief that the government was unable to provide because there was no physical structure to delivery it, or because it did not have the necessary resources. The government uses religion to entertain hope among the rural population at a marginally reduced cost to the state budget. This entrepreneurial activity can be seen at another level. The BJP government, largely supported by the Temples takes the problem of rain to pay these religious centres as an advance payment, in view of the up-coming elections. The initial administrative action, presented as wanting to help the rural population, was in reality designed to ramp up the support of the Temples; material relief is transformed into a pseudo-

³ India Today: *Faced with drought, Karnataka sets aside Rs. Crore for prayers and yagnas*, Bangalore, July 20, 2012, updated 08.05 IST. This news article can be found at <http://indiatoday.in/story/faced-with-drought-karnataka-sets-aside-rs-17-crore-for-prayers-and-yagnas/1/209380.html> (date of extraction - 25-07-2013) A Yagna is a consciousness based vedic performance. Yagnas are performed by vedic pandits with the aim to bring prosperity, health, contentment, wealth, happiness to people or to nations.

⁴ These statistics can be found at the Labour Bureau’s website (India): http://labourbureau.gov.in/Wage_Rate_Sept2012.pdf (date of extraction 27-07-2013)

⁵ Williams, Monier (1891): *Brahmanism and Hinduism or Religious Thought and Life in India*, published by MacMillan and Co, New York, page 457.

moral relief. It is very important therefore to distinguish the real from the nominal purpose of the administrative action.

In this particular case the State Government of Karnataka is supposed to be the main administrative structure that should take the initiative to come up with a solution to a specific problem confronted by the people it supposedly administers. Instead of assuming the responsibility, it transfers its power to the Temple, indirectly telling people to place greater trust in the capacities of a Brahmin clergy. In this situation it becomes very difficult to decide which body is the real administrative authority or structure. By this attitude state authority was undermined and made elusive and superficial. Over the three periods under investigation we will realise that this 'duality' of structure is purposefully entertained at various levels and for various reasons. What comes out of this administrative tradition is that nothing is what it looks to be; the 'nominal' coexists with the 'real.' How the two collide and cooperate depends on a large extent on the way human relations are paved by values and customs.

As far as administration is concerned some values are universal. Notions of territorial control and taxation are generally same everywhere, although sometimes this too could be different. But in an overall system one cannot do away with local customs and patterns. It is worth considering the personal experience of Wallerstein as he probes further into the historic aspect of human relations, "Values are of course an elusive thing to observe and I became very uneasy with a great deal of the theorizing about values, which seemed often to combine the absence of a rigorous empirical base with an affront to common sense. Still it was clear that men and groups did justify their actions by reference to ideologies. Furthermore, it seemed clear also that groups became more coherent and hence more politically efficacious to the extent that they were self-conscious, which meant that they developed a common language and a *Weltanschauung*."⁶ Wallerstein is well in tune with the problems faced by historians who realistically want to understand and assess Indian history; this is especially true when we want to study the administrative structures in India and their evolution over time.

Going back to the example above, on a simple reading, we saw how a legitimately formed government passes on the administrative task to a clerical group. What is more important, a huge sum of money was passed on to fulfil this task. The situation becomes incomprehensible if we are looking at the wrong structures. The above situation becomes coherent when we stop looking at the nominal structures and instead concentrate on the power groups involved. In this case we have to look at the situation as the 'Government' segment of

⁶ Wallerstein I.,(2011), op. cit., page 4

the Brahmin group passing on the administrative task and the money, to the 'Temple' segment of the same Brahmin grouping. Here the political power is held by a part of the group while the other enforces a more stringent social control over the population. Between the two the Temple has the upper hand because it exercises a virtual twenty four hour control over the population, while the political power can be temporary and can be relegated to a marginal posture. As explained earlier, a duality is set into motion, and in the historical analysis of the situation if we do not pay attention to this fact, then one can fall into a trap of drawing the wrong conclusions and create a distortion in the interpretation of history of the Subcontinent.

What this also shows is that sometimes the political 'sphere' has enormous difficulty in penetrating the society in its quest to keep in pace with change and evolution. The control over the social sphere is so fundamentally inalienable that the political ambitions of regimes over centuries just wither away, leaving very little mark on society. This could explain why some States have a difficulty in establishing clear lines of administrative control. What this points to is that, although India was conquered by different types of powers, from the Moguls to the British, they could make a deep impact on the political system but very little impact on the social structure. It is worth understanding how the whole started and evolved, for the benefit of this study. In the following pages the evolution of the Brahminic Order and its influence on the 'state structure' will be put forward. Particular attention will be focused unto to the fact that the Brahminic Order pushes the state structure towards dependence and collapse. And one of the main reasons why the state structure was periodically subject to crisis was that the Brahminic Order never really allowed the necessary space for the development of local administrative structures on at lower level. It will be shown how the Brahminic Order occupied the crucial intermediate space between the centre and the village level. Every time there is an attempt to defeat it, it becomes evermore predominant.

Rulers of all times were forced to engage in administration as an enterprise because of the question of legitimacy which was for ever present. Administration is by definition, the organisation of the community for peace and prosperity, is a public good that the citizen is obliged to pay for in one way or the other. But if the governing body has no intention to organise the community but nevertheless wants to maintain an economic claim on the community, there emerges a dislocation of purpose which has to be managed. To give a semblance of government and administration therefore becomes an entrepreneurial activity and an enterprise of 'make believe;' a commoditization of deceit. One is obliged to sell something which does not exist and look convincing in so doing. Given the fact that very few resources were mobilised it makes the effort highly entrepreneurial in its own way. Some

would describes this activity which was destined to harm and deceive the inhabitants as being an “*association de malfaiteurs*,” a French legal term used to describe a group of bad doers. The danger for such a strategy consists in the fact that some other commercial body or group takes the “business of administration” seriously, offering a service that suits the administrative requirements of the people. For such parasitical groups a true enterprise becomes the enemy number that has to be stopped at all costs. Alliances are therefore formed according to this objective, progressive forces on one side and parasitical forces on the other.

The dialectic between the Brahminic Order for perpetual domination and the vives forces attempting to survive and keep civilisation afloat, gives rise to a formidable hierarchy of entrepreneurial and enterprising activity. As consequence of two dialectics, one between the East India Company and the British Crown; and the other between the Indian Village and the Brahminic Order, the Indian Subcontinent becomes a battle ground for four protagonists. In the ensuing battle for control one would think that the alliances would be evident, the British on one side and the Indians on the other. But this is not the case; the alliances are formed according to the conceptions of entrepreneurial activity. While the Indian Village and the East Indian Company make alliances on functional efficiency, the British Crown and the Brahminic Order make the quest for inefficiency as its main entrepreneurial activity. While one camp epitomises productive efficiency the other characterises a perpetual parasitical grasp. The importance of Local Government to this dialectic is that, at whatever level this battle between emancipation and enslavement takes place, it always spirals down to the local government level; ultimately the weight is amassed at this level. The following four parts of the study propose to demonstrate the dynamics of positive and parasitical entrepreneurialism connected with local government and administration.

1.0. PART ONE: THE BRAHMINIC ORDER

In this first part, the Brahminic Order, so defined because of its vertical conception of society – the caste, will come under examination. It will be demonstrated how the Brahminic Order maintains itself atop by the permanent creation of divisions and distortions, by imposing the same hierarchy in all aspects of state action. This part will also explore how the Brahminic Order, itself a large network of entrepreneurial activity, imposes entrepreneurialism on every section, group and class of people. It forces to a certain type of entrepreneurial exploitation. The exponential growth of this type of economic activity becomes the main feature of the administrative hierarchy, creating an accumulation at the bottom, at the local government level. The intensity of this corruptive entrepreneurialism creates periodic eruptions but without causing the diminution in the control of the Brahminic Order over the rest of the society. This part also bridges the next part where the East India Company Rule will come under consideration. It will be shown how this destructive entrepreneurialism gave rise to the insertion of entrepreneurialism germed outside the bounds of the Indian soil.

As a demonstration, the Mauryan period and the reign of Emperor Ashoka will be examined. But to give the reader a sequel coherence the Mogual period and its contending paramount power, the Marthathas will be put in the annexure. These will provide added substance to the demonstration and conclusions of Askoka's reign and the problem of 'administering' people that he had confronted, which was intimately connected to the social conquest of the Indian society by the Brahminic Order. (For further information the reader can refer to the annexure)

1.1. Brahminic Order – The Enterprise of Circumventing the Political Will

The Brahminic Order escapes all definition, which is one of its strengths. It could be a phenomenon, it could be a system of hierarchical values, it could be a system of tyranny where the perpetrator is difficult to apprehend. In this section, as mentioned earlier, for the purpose of this study I will tried to describe it through the consequences of its actions. There are literally thousands of books written on both Hinduism and Brahmanism and I have no pretension or intention to putting together yet another perspective on what has already been said by others. In this section my purpose is to put forward an interpretation of the Brahminic

Order; to show that it is a form of enterprise. Show that the East India Company was not the only enterprising organism that was marauding the plains and valleys of the Indian Subcontinent at the turn of the 19th Century. The clash of civilisation, when the two meet, does not come about because of some unknown innate racial differences; the clash occurs because one believes in a very narrow social organisation of society, while the other believes in the pre-eminence of a political organisation of society, and in particular – administrative, leaving very little space for interference by social structures.

1.1.1. Guild-Systems in Europe and their influence on local government

This is exactly what happened in Europe, progressively from the 13th Century right up to the French Revolution. A brief overlook into how the system developed in Europe and what consequences it had on state and administrative structures will permit us to better understand the workings of the caste-system and the regnant Brahminic Order. In Europe the “guild” system virtually ruled the continent and had a strong control of people’s everyday lives. The objective of these guilds is described by Fernand Braudel, in his *Civilisation matérielle, économie et capitalisme*, as follows: “The aim of the guilds is a common understanding between the members of the same profession and their defence against others, in their conflicts but which touches the everyday life. The corporative vigilance first of all is used concerning the city markets, of which each profession wants to have the entire control. This signifies the security of employment, of profit and “liberties” meaning privileges.”⁷ What is interesting to observe is that the understanding within a ‘corporation’ or profession also becomes the name of the game between the various corporations which together constitute the ‘city’, what Régine Pernoud calls the ‘bourgeoisie’ in her *Histoire de la bourgeoisie en France*.⁸ The dominance of the rural economy gives way to that of handicrafts and the emergence of towns and cities as these professions group together.

The new master of the town and city inevitably also becomes the master of the rural areas that surround it. The guilded bourgeois throws his tutelage over the rural population by the power his economic structure. He fixes the prices of produces and articles emanating from

⁷ Braudel F. (1979): *Civilisation matérielle, économie et capitalisme, volume two-Les jeux de l'échange*, published by Librairie Armand Colin, Paris, page 370. (The original French text cited is as follows: La vocation des corps de métiers, c'est l'entente entre les membres d'une même profession et leur défense contre les autres, dans des contestations mesquines, mais qui touchent à la vie de chaque jour. La vigilance corporative s'exerce, avant tout, à l'égard du marché de la ville, dont chaque métier veut sa part entière. Ce qui signifie une sécurité de l'emploi et du profit, des „libertés” au sens de privilèges.)

⁸ Pernoud R. (1981): *Histoire de la bourgeoisie en France, volume one-Des origines aux temps modernes*, published by Éditions de Seuil, Paris, (1st Ed. 1960), p16-17.

the country. He also decides what produce enters the walls of the city and finds a thousand means to bring the population of an area under his control by means of integration and subjugation. What is more interesting is that by virtue of his predominance he takes the total control over the administration of the city and its surroundings; in the same manner in which the Feudal Lord controlled the areas surrounding his Castle. From taxes to the defence of the city and delivery of justice, everything is done in total autonomy from the state. Thus the state has virtually no control of the 'local administration.'⁹ In terms of state power, it loses its feudal control and has difficulties to gain control of the city and its economy. The state structure was going through a process of asphyxiation, in the sense that it was responsible for everything and still controlled nothing; and what's more, it could not model the society to its needs.

The State condemned to a minor role could not make a frontal attack on the guild-system because it controlled virtually nothing and thus had no resources to fight. Régine Pernoud illustrates the example of a powerful textile merchant, Etienne Marcel, who puts in a virtual dictatorship in Paris, in the year 1356.¹⁰ The French State knows its weaknesses and tries to take a two-step approach to the problem. On the one side, it tries to strengthen the nobility in order to regain control of the rural areas. And on the other, it tries to put a 'national' entrepreneurial system, built on the same model of the city-guild system. This gives birth to what Régine Pernoud calls the "State-Enterprise (Firm)".¹¹ The process of administrative consolidation comes to fruition when the fathers of the new French constitution, after the 1789 revolution, realised that the 'local' administration still escaped state control. At the district level the king did not possess any sovereign authority. The initial constitutional adjustment failed to notice this reality and in June of 1791 a new law was enacted; called the Chapelier Law, it outlawed all exclusive professional associations which curtailed the right of the individual to choose the trade and profession he wished.¹² And with the advent of the Napoleonic Code similar measures were mirrored in other European countries. The State had regained control of the 'local' section of the national administration, without which it would have slid into insignificance, although this was not the end of the corporatist tendencies which later continued within the administration itself, to weaken the state once more before it could reassess itself.

⁹ Pernoud R. (1985): *La Bourgeoisie*, published by Presses Universitaire de France, Paris, pages 24-25

¹⁰ Ibid, pages 44-45

¹¹ Ibid, page 50

¹² Ibid, page 84-87

What the above European example demonstrated was that guilds and corporatist systems can accumulate enough strength to make the administrative efforts of the state at the lower level ineffectual; actions that can restrict the state power and make them permanently redundant. The French example pointed to the fact that the “understanding” between professional guilds had effectually replaced the need for government, they had internalised the various administrative functions like justice and the need for ‘law and order’ keeping. But this evacuation of local administration came at an enormous cost, much more was lost than what the few corporations had gained. One of the main consequences of the guild system was that the State could not fulfil its civilisational functions. Since the guilds, by forcefully protecting their trade had outlawed change and social progress; as the new leaders discovered in the aftermath the French Revolution. The State was restricted to its symbolic and superfluous role. What the above example showed us was that without a strong and healthy local administration and government, the State is condemned to a perpetual weakness. In other words, without local administration and government, it is virtually impossible for the state to instil progress induced by civilisation.

1.1.2. Brahminic Order- the guild of all guilds

The Brahminic Order, for its part, goes beyond the guild system of Europe, it organises the entire society into a complex system of guilds and brings the whole under the ‘spiritual’ arbitration of the Brahmin guild. While the guild systems of 18th Century Europe remained autonomous and independent, the Indian professional guilds were enticed into the religious fold of the Brahmins. In the words of Sir Monier Williams, “The superiority of the Brahmans in the Hindu lawyers scheme (Manu’s Law Book) is the hinge on which the whole social system turns.”¹³ It splits the whole society into privileged guilds and those who are unprivileged. Compared to the European system, it makes the guild-system rotate around the will of god. And who ever goes against it, goes against the will of god and condemns himself to the wrath of god.¹⁴ “Brahmanism is a religion which may be described as all theology, for it makes God everything, and everything God.”¹⁵ But the fundamental under current is always economic, condemning someone to a lower caste fixes that person in a social and material

¹³ Williams, Monier (1877): *Hinduism, Society for promoting Christian Knowledge*, London, page 57 (Professor Monier was – Hon. Doctor in Law of the University of Calcutta; Hon. Member of the Asiatic Society of Bombay; Roden Professor of Sanskrit in the University of Oxford.)

¹⁴ Williams, Monier (1891): op. cit., page 472

¹⁵ Williams, Monier (1877), op. cit., page 74

straight-jacket, from which it is almost impossible to escape. “In short, the distinction of caste and the inherent superiority of one class over the three others were thought to be as much a law of nature and a matter of divine appointment as the creation of separate classes of animals, with insurmountable differences of physical constitution, such as elephants, lions, horses, and dogs.”¹⁶ The urge to go against the system is siphoned off by the invention of the system of reincarnation, meaning that those who accept the caste obligations and fulfil their duties have the possibility of being born into a better caste.

In this manner the system is auto-regulated, by everyone trying to fulfil everything well in the current life in order to move ahead into the next happy phase. In this sense no one is concerned about the present and what happens with them, since it is a temporary status. If something goes wrong the system is not to be blamed, it is part of the ‘Karma’, it is the workings of a predetermined destiny. It is useless struggling against what is already decided. The litmus test of the system and its solidity is explained by Sir Monier as follows, “Every orthodox Hindu is perfectly persuaded that the dirtiest water, if taken from sacred stream and applied to his body, either externally or internally, will purify his soul. Consequently he will either bathe in it or drink it with avidity; whereas the purest water is supposed to cause external and internal taint if accepted from a person of low caste.”¹⁷ The social exclusion of the caste-system is absolute and total. Unless a member of the Brahmin guild puts a different or new interpretation on how things should be. Everything rotates around the will of the Brahminic order.

From the point of the Brahminic Order things are open and flexible. The Order is a system of conquest, social conquest. For this purpose the mutually exclusive caste-system is kept unbelievably flexible. It is here that its guild nature comes out. Society is its business, its trade and a source of economic gain. By the weight of its predominance on society already at work, it can integrate vertically by bringing the individual more and more under its influence. But it needs to expand horizontally as well to give itself for more scope. The best instrument at its disposal is integration and accommodation. Everyone is welcomed as long as they respect the primacy of the Brahminic Order and its right to put people into a particular caste.¹⁸ And sometimes the strict orthodoxy is diluted to integrate more and more recruits. There is no central ecclesiastic authority to give guidance or enforce the precepts of the Hindu doctrine.¹⁹

¹⁶ Williams, Monier (1877), op. cit., page 58

¹⁷ Ibid. page 157

¹⁸ Williams, Monier (1891), op. cit., page 453

¹⁹ Ibid. page 370

This gives the Brahmin *panchayathas* (self governing guilds) the possibility to make creative use of the Hindu religion and philosophy, to fit its needs.

1.1.3. Integration of the State into the guild-system

Since the society is vertically and horizontally controlled by the Brahminic Order there is little space left for the political order of the State. The State, or rather its rulers, in Brahmanism are themselves integrated into the four main caste categories; providing the 'constitution' of the State. Theoretically therefore the State does not have an independent existence, it is part of the guild system, and it was more of a trade than an institutional system. But in reality, things were slightly different. Not all accepted the primacy of the Brahmin caste and its right to interpret the laws of good governance. As explained earlier, Brahmanism is prepared to make compromises in order to further its long term interests. Until Brahmanism attains vertical and horizontal dominance, it needs the patronage of the State structure and its capacity to raise revenue through taxes. And in its quest for horizontal expansion, Brahmanism needs the war machinery of the State.

What comes out of this need to make a compromise is - 'dualism of purpose.' Dualism in the Brahminic order is that it has to have a strong control over the social while it tries to keep in check the political will of the State. While pretending to serve a political master, what in reality the Brahminic order does is that it continuously moves its hegemonic influence over the social sphere. In the later chapters we will see how this dualism of purpose is deeply rooted and continuously built upon as new administrative structures are built in. Dualism does not remain exclusive to the Brahminic guild; it is mimicked and sometimes forced upon other caste guilds as well. Dualism is one of the many weapons in its arsenal to render competing systems ineffectual. To make its control over the social system real, it has to inevitably render all political systems nominal and superfluous.

As in the European example, superfluous state structures are never strong enough to bare the brunt of upheavals like war, or economic catastrophes like famine, both very endemic to the Indian Subcontinent. What we observe during such periods is that Brahmanism, wanting to control every aspect of society drives it to a point of total suffocation. As one noted scholar points out, "The truth is, that of all masters, caste is the worst when allowed to become a despot. It is then a league of the worst kind; and we have not far to look, even in our own favoured country, if we wish to see the tyranny and terrorism such a league may establish. Its action tends to arrest progress, to paralyse energy, to crush manly Independence,

to stifle healthy public opinion, to make nationality, patriotism, and true liberty almost impossible.”²⁰ Affiliation of people is principally oriented towards a particular caste of its members and the strengthening of it. And as a result there is a refusal to give the State structure the necessary affiliation it needs.

More importantly, the caste-system and the Brahminic Order made it impossible for the state to instil rational administration. The Brahminic Order goes against the temporal order in the sense that it puts society on the path of custom and superstition, without which it becomes impossible for it to control society. But the side effect of this practice is that the organisational capacity of state and its rationality to move society in a particular direction and build consensus for a particular purpose are all incapacitated; no one is prepared to step outside the perimeter traced by custom and superstition. “It appears, then, that almost the whole circle of the sciences—zoology, botany, mineralogy, and geography— is in India taken into the service of religious superstition. Even astronomy and chronology are utilized in the same way.”²¹ What comes out of the comment made by Monier is that state and state institutions cannot function with full vigour without a self-conscious individual who supports its efforts to organise society and keep it in harmony with internal and external demands that it faces.

In this sense the State is also a guild. As we saw, the European guild-system illustrated the fact that cooperation between the members of the guild was a universally accepted fact. Members were pushed towards cooperation because the cost of administration of the community is mutualised. If every member started robbing the other then the cost of policing and recourse to justice would be so high that it would be impossible to run the guild. On the contrary, if every member consciously protected the common good by vigilance, law and order, then the cost of administering the community would diminish.²² Every individual is conscious that his vigilance as member of a community ultimately benefits him in his everyday life. This conviction makes administration possible. Fundamentally therefore, this conviction makes a member of a guild both administrator and administrated.

The caste-system and its tributary system of customs stop the individual from arriving at this conviction. As one observer puts it, “If the Hindu's hands are tied by custom, his feet are bound by its fellow despot caste.”²³ What the combination of this generates is apathy and blind conservatism in every aspect of life, thus generating a strong refusal to integrate

²⁰ Williams, Monier (1891), op. cit., page 473

²¹ Williams, Monier (1877), op.cit., page 180

²² Régine P. (1981), op. cit., p49

²³ Russell N. (1902): *Village Work in India*, published by Oliphant, Anderson and Ferrier, London, p.34

progress and civilisation. A wife of a British official noted this in her private diary in the later part of the 19th Century, “We then sometimes saw two women grinding their flour at a grindstone just as in the Bible they are said to do...Almost every day, in a great many ways, we were reminded of something in the Bible.”²⁴ Social conservatism and restriction had frozen scientific and material progress. Blind acceptance of what exists becomes the name of the game. And for the caste system it pushes the individual towards apathy. An individual lives in society but refuses to accept it as being one integrated whole, where degradation in one area could echo degradation in another area; the individual does not see the necessity to exercise vigilance to nurture or protect common good. This systemic nature could spill into the organisation of society and the state system; and in particular it could pollute the administrative structure leading to catastrophic consequences. The Governor General Hastings, noted the following in his diary when he toured the Central Provinces and came across an architectural marvel that was slowly destroyed by the forces of nature (21st February 1815): “Much damage has been done to this; and the pinnacles which crown the arcade have been let to go to ruin. The most extraordinary inattention has been the permitting trees, which sprung from seeds accidentally blown into cavities between the stones, to grow to a size which must make their roots act like levers for the destruction of the building.”²⁵ Hastings was a man of detail and constantly paid attention to things that others would have overlooked. He soon realized that apathy was wide-spread and was one of the main administrative problems plaguing the Subcontinent.

Lord Hastings was not alone in sensing the dangers of apathy. There are strong reasons to believe that the Brahminic Order and the apathy generated by it was the root cause of the decline of the Mauriya Empire in North India. As earlier explained, it seems that state institutions were suffocated and made inoperable from inside. Two historical developments point to this, one administrative and the other religious, but both destined to remedy the same problem.

1.2. The Brahminic dialectic and the decline of the Mauryan Empire

What foreign visitors and later foreign conquerors to India realised was that there were fragments of civilisation and administrative order without the existence of an organised force

²⁴ Faber M. A. (1910): *Recollections of Indian Life*, Chiswick Press (privately printed), London, page 21

²⁵ Hastings, Marquess of. (1858) (Governor General and Commander-in-Chief in India): *The Private Journal of the Marquess of Hastings*, volume 2, published by Saunder and Otley, London, page 4.

behind it. This is because there existed, at least half a millennia before their arrival an Empire that had built up structures of administrative governance far superior to its times. “All the evidence goes to show that the civil administration was highly organized for purposes of both record and executive action.”²⁶ At the centre of this development lie the efforts made by the Maurya Empire. In the words of Vincent Arthur Smith: “Without going further into detail, it may be asserted with confidence that in the Maurya age every department of State was well organised, according to ancient standards, and that the Indian system of government three centuries before the Christian era was equal, if not superior, to that of Akbar in the sixteenth century.”²⁷ If V.A. Smith’s words are to be believed, the Maurya model of administration came close to John Locke’s conception of ‘Civil Government.’²⁸ Smith announces without ambiguity that, “India possessed statesmen who knew how to govern effectually without the aid of cruelty.”²⁹ Meaning that social and political harmony was at its highest; which corroborates well with the fact that after more than two thousand years some of the architectural marvels of time are still to be seen all over the Subcontinent. Such monumental feats cannot be undertaken without the existence a well governed empire.

The uniqueness of this model of administration was that it diverged from the local tradition of government which had fallen victim to the Brahminic Order. The Imperial Gazetteer of 1909 sees it as a paradigm change in the way India was governed: “...a profound change occurred in the politics of Northern India, which led to the formation of a great military monarchy, that of the Mauryas, which by the time of Asoka {c. 269-232 B.C.) had extended its limits much beyond the bounds of Brahmanism. This monarchy was the creation of an adventurer, who is said to have been of Sudra origin, and his dynasty was thus disposed to ally itself with a non-Brahmanical order, whose aims were cosmopolitan, in contrast to the exclusiveness of Hinduism. Buddhism under Asoka thus became the state religion of the Mauryas...”³⁰ The glorious period, however, was not always uniform and went through long periods of tectonic adjustments. The root cause of these changes seems to be the influence of the Brahminic Order. Earlier in his rule, Greek ambassadors and travellers to the Maurya Court felt comfortable surely because the military and civil administration put in place by Chandragupta was comparable or similar to their own tradition of administration. In those

²⁶ Smith V.A. (1997): *Asoka, the Buddhist Emperor of India*, published by Asian Educational Services, New Delhi, page 95 (This book was first published by OUP, Oxford, in 1920)

²⁷ Smith V.A. (1909), op. cit., p. 4.

²⁸ Locke J (1985): *Deuxième Traité du Gouvernement Civil*, translated from English to French by Bernard Gilson, published by Librairie Philosophique J. Vrin, Paris.

²⁹ Smith V.A. (1909), op. cit., p. 7.

³⁰ Imperial Gazetteer of India (1909): *The Indian Empire – Vol.1 (Descriptive)*, New Edition, published by Clarendon Press, Oxford, pp. 410-411.

days there surely existed a commonwealth of administrative practices stretching from the Mesopotamia to the Gangatic plains, especially so when the conquering Chandragupta wanted to make a good impression on his mighty Greek neighbours; since any weaknesses from his side would have been interpreted as an invitation to invasion.

Things rapidly changed as the threat on the western flank of the Empire receded. Local practices of administration came back to dominate the whole structure. The confidence that earlier dominated the political class gives way to a loss of trust and confidence. “The spirit of Chandragupta's rule was frankly despotic, and his methods for securing obedience were of the sternest. He was swift to shed blood, and relied on the agency of departmental officials, who had at their back a well-organised standing army and fleet. The central government, while necessarily entrusting ample authority to the rulers of remote provinces, watched those officers with jealous suspicion, and sought to curb their tendency to independence by a system of continuous espionage.”³¹ With this loss of confidence, the administrative apparatus slowly slipped into the hands of the Brahmins.

One Brahmin in particular sows the seeds of ruin, as far as the Maurya Empire is concerned. He is alternately called Kautalya or Chanakya, and is credited with writing the *Arthashastra* which is probably a distillation of his experience, at the Court of Chandragupta, for the use of future generation of Brahmin ‘State’ councillors. He is noted for dominating the later part the workings of Chandragupta’s rule. Smith evaluates his contribution as follows: “Chanakya, without the slightest regard for moral principles, explains the methods of more than Machiavellian wickedness by which needy kings may replenish their coffers. And many instances of the lesson being well learned are on record. ... The textbook writer, with the characteristic Hindu love for categories, explains that ‘there are about forty ways of embezzlement,’ which he enumerates with painstaking exactness. He sagely observes that ‘just as it is impossible not to taste the honey or the poison that finds itself at the tip of the tongue, so it is impossible for Government servant not to eat up at least a bit of the king’s revenue’”³²

What the great warrior, Chandragupta Maurya, did not realise was that his advisor was slowly decimating the non sectarian principles of administration in favour of principles of enslavement of the population and deceit among the officers of the Empire. He was officially promoting the corruption of the new grade of Brahmin officials while at the same time advocating for an increased burden on to the people. Although this strengthened the

³¹ Smith V.A. (1909), op. cit., p. 3

³² Smith V.A. (1997), op. cit., p. 96

Brahminic Order, it inevitably led to the distrust and sometimes hatred of the administration. The direct link that the rulers of the Mauryan Empire had maintained with its people was shattered; everywhere the Brahmin priest collided with the Brahmin Official to the ruin of the rest of the population. In less than two generations, the Mauryan administration served neither the people nor the interests of the Empire; the Brahminic Order had become the Paramount Power.

It was not until Chandragupta's grandson, Ashoka, took power, the extent of the danger of the Brahminic Order was realised. The essence of the Mauryan 'raison d'être' was at the risk of disappearing, under the yoke of the Brahmin manoeuvring. The strength and glory of the Mauryan resided upon three pillars. The first of it was that it was dedicated to bring civilisation to a predominantly tribal population of the Subcontinent. Secondly, realising the tribal nature of the population and risks of division, the Mauryas wanted an administration that cements unity, by evacuating discrimination from social intercourse. Finally, seeing powerful armies pitched at the very gates of the Empire, the Mauryas saw the expansion of the Empire and its influence beyond the immediate perimeters of the Subcontinent. Being blocked on the western and northern fronts, there was a great opportunity to expand on the East. Every effort depended therefore on the Mauryas capacity to rationalise the society and its ethical foundation to the rationalisation of the administration of the Empire. Without this rationalisation there existed a risk of collapse from within.

Paradoxical as it might sound, more than two thousand years before Napoleon Bonaparte, and in line with the preoccupations of his Roman contemporary, Marcus Aurelius, Ashoka the Great was confronted with a formidable task of making a 'New Beginning' to make his Empire the most enlightened and the most well governed civilisation in the world of his ages. As V.A. Smith describes, "The development during the ninety years of Maurya rule of a system of civil, military, and church government so complex and highly organized is matter for legitimate astonishment."³³ The foundation of local government and administration that kick started the Napoleonic reforms became one of the pillars of the French civilisational motion on the European continent. More than two thousand years before, Ashoka the Great was doing the same in a much more difficult context. As with Napoleon, Ashoka depended upon popular support to successfully implement his policies. The administrative action was taken by the King Ashoka who decided to go directly to the people by edifying the "*Stupas*" or pillars on which were inscribed a "code of good conduct". In the

³³ Smith V.A. (1997), op. cit., p. 107

words of V.A. Smith: “The extravagant legend which ascribes to Ashoka the erection of eighty-four thousand stupas, ‘topes’, or sacred cupolas, within the space of three years, proves the depth of impression made upon the popular imagination by the number, magnitude, and magnificence of the great Maurya’s architectural achievements.”³⁴ Ashoka did not have the necessary means of communication to take his message through to the people. Something must have sparked this strong reaction and the need to address directly to the people. Either it was a pre-emptive move by a farsighted ruler or a last ditch attempt to stop the decline of the empire by a desperate monarch. Either way Brahmanism was seen as a danger to the state, and something had to be done to defeat and done away with it.

What this apparent problem of communication masks is a great lack of effectiveness in his administrative apparatus, especially at the lower level. What this means is that at the lower level either the system was absent or did not perform as was expected. But there might be a third and more probable explanation. It could very well be that the lower level of administration was strongly enticed with that of the local temple, and whose loyalty was more with the Brahmin priest than with the Emperor. “The Kalinga Provincial Edict shows how Asoka was worried by negligent or disobedient officers, and expresses in singularly vivid language, evidently the actual words of the sovereign, his displeasure at the neglect of his commands.”³⁵ Ashoka was the Emperor of one of the mightiest Empires of Asia and he felt he had no administrative means to communicate with his people. It is impossible to think that the Chinese Emperor in the Ming dynasty would have faced a similar challenge. The Brahminic Order must have suffocated all the usual instruments of power at the Emperor’s disposal. The absence of any references to the Brahminic Order on the ‘edicts’, suggest that there was an urge to surpass this order and make a new beginning, built upon a new rationality, devoid of any religious dogma; although he later saw the influence of Buddhism as being positive, for reasons that will be explained later.

Putting up 84 000 *Stupas* was considered an absolute necessity, although the cost to the royal treasury must have been considerable. The young Emperor Ashoka was searching for long term solutions to his quest to move the Empire to higher level; to defeat the inertia developed by the clerical dogma. He wanted to do this by introducing an administrative structure responsive to change and the everyday needs of the people. “The Kalinga Edicts deserve special study as authoritative statements of Asoka’s personal ideal of good government, ... He instructs his officers that they must induce the wilder tribes ‘to trust me

³⁴ Smith V.A. (1997) op. cit., p. 107

³⁵ Ibid. p. 96

and grasp the truth that –“the King is to us even as a father; he loves us even as he loves himself; we are to the King even as his children.”³⁶ In line with his times he wanted to construct a paternalistic system, staying close to the needs of his people.

As for the tonality of the inscriptions in general, here is what Smith has to say about it, “It is impossible, I think, for any student to read the edicts with care, and not to hear the voice of the king himself. The abrupt transitions from the third to the first person, from *oratio oblique* to *oratio directa*, which embarrass the translator, and produced on early interpreters the erroneous impression of clumsy composition, are of the deepest interest when regarded as devices for inserting in official proclamations the very words of the sovereign. We can discern a man of strong will, unwearied application, and high aims, who spared no labour in the pursuit of his ideals, possessed the mental grasp capable of forming the vast conception of missionary enterprise in three continents, and was at the same time able to control the intricate affairs of Church and State in an empire which the most powerful sovereign might envy. His plan of committing to the faithful keeping of the rocks his code of moral duty was equally original and bold, and his intense desire that his measures should result in the ‘long endurance’ of Good Law as taught in his ordinances has been fulfilled in no small measure by the preservation of some thirty-five separate documents to this day.”³⁷ It has to be noted that the ‘Good Law’ that Smith mentions can be equated to the ‘Natural Law’ that John Locke advocated should be the basis of Civil Government.³⁸ He had the desire to push the administrative structure out of the quagmire of the Brahminic dogma, which could not stand up to the critic of reason. For Ashoka, Brahmanism was an administrative heresy.

In today’s terms, to have a well functioning administrative set-up, what Ashoka deemed to do with erection of the pillars enouncing his edicts was to create a *civil society* and a *political community* upon which the administrative structure could have a better future. This is what John Locke calls the “force of the community”³⁹ with which the execution of law and government policy alike, become more salient. By addressing directly to the people what he wanted to do was to create a community actively participating in the creation and preservation of a new civilising order; a new set of communal priorities administered on the basis of natural laws, as opposed to clerical edicts which ran in the face of common sense.

³⁶ Smith V.A. (1997) op. cit., p. 100.

³⁷ Ibid. p. 106.

³⁸ Locke J. (1985), op. cit., p. 147.

³⁹ Ibid. p. 149.

Ashoka's distrust of the Brahmin bureaucracy had led him to seek the help of his subjects; telling them to govern themselves, according to principles of good government enounced by him. In this sense local government can be interpreted as a move towards 'self-government'. The urge to create civil society and maintain it under temporal and natural laws indicates a desire to give responsibility to people by giving them a political message also indicates that the ultimate aim of Ashoka the Great was to make his subjects self-governing and responsible. The reason for this could have been that centrally controlled bureaucracy was ineffective in communicating the civilisational impulses given by the Emperor. The message petered out by the time it got to the people.

Another reason why the message did not pass was that the Brahmin bureaucracy had radically different priorities than that of their monarch. Ashoka wanted to get rid of the particularities that divided society to make it more coherent. The priority of the Brahmins was to keep the particularities and the division that arose; and sometimes even make the divisions more pronounced and permanent. From their part, there was no need to weed out absurd customs that went against the Emperor's desire to modernise his Empire. For this purpose the Brahmins invented a system of absorption of tribal populations which froze or arrested the development of these populations. "This theory of successive divine embodiments is one of the most effective doctrines of the later Hinduism. In it the eclecticism and adaptability of the faith are most fully realized. In the animal incarnations we may see either an indication of the absorption of the totemistic or beast gods of the lower races, or, from the esoteric point of view, the pantheistic idea of the divine spirit immanent in all the forms of creation. In the deification of heroes we have a development of one of the main principles of the Hindu renaissance, which first begins to show itself in the Mahabharata."⁴⁰ And because of this built-in opposition, one of the most powerful rulers of his time was cornered and rendered weak.

Like any other able military genius, Ashoka wanted to do away with this curtailment. Later on in his reign, when Ashoka the Great made Buddhism into the official religion of the Empire, the Brahmin clerics were quick to interpret this as a fatal move by a misguided monarch. But in reality it was a calculated move by an enlightened Emperor who was desperately searching for allies that could support his administrative innovation. One noted scholar describes Ashoka's religious foray as follows: "His government – a theocracy without a God – concerned itself, like that of Charlemagne, equally with Church and State, and so far

⁴⁰ Imperial Gazetteer of India (1909) op. cit., p. 423.

as we can judge, attained no small success. The number, costliness, and magnitude of his buildings and monuments are enough in themselves to prove that the empire in which the erection of such works was possible must have been rich and tranquil.”⁴¹ Whatever the reason for him to introduce Buddhism as a state religion, in retrospect there seems to be a two-step logic in the statecraft of the most able Mauryan monarch. Firstly, he wanted to make alliances with those forces which can help him to defeat the enemy from within, namely the Brahminic Order. Secondly, Buddhism, which embraced social equality, paved the way for a better acceptance of his administrative model, at least they would work hand-in-hand. When we examine the statement of Buddhism it is easy to understand why Ashoka made it his own.

The birth of Buddhism was another historic factor that points to the same purpose. In the words of Sir Monier Williams, “...Buddhism was a protest against the tyranny of Brahmanism and caste. According to the Buddha, all men are equal. All men, too, he taught, must suffer in their own persons either in the present life, or in future lives, the consequences of their own acts. All atoning sacrifice, therefore became meaningless and useless.”⁴² The effort of Buddhism was to eliminate the extraordinary capacity of the Brahminic Order and the caste system to reduce human-beings to a condition of enslavement. And it is only logical that it squeezes out not only ones capacity to resist but also to live the present and live in active harmony with ones surroundings. What is more interesting is that contrary to the opinion formed by Smith, Monier says that, “Buddhism is no religion at all, and certainly no theology, but rather a system of duty, morality, and benevolence, without real deity, prayer, or priest.”⁴³ From this it is easy to understand why Ashoka the Great attached so much importance to it, because it concurred well with what he wanted to see in his administrative outlay.

The novelty of both the monarch and the Buddhist monastic system was however the perception of the human being in relation to his spiritual endeavours. For both, the affirmation of Buddha was that, “The only god, ... is what man himself can become.”⁴⁴ Let us not forget that this statement of Eastern Enlightenment predates that of the Western by at least 2000 years. What became of this in the subsequent decades rendered its importance marginal, but this should not waiver our attention to the fact that the “individual” and his present life and well-being were put at the centre of the one of the biggest spiritual and administrative efforts, well before Christianity could takeover this position. As argued earlier, the missing link in the

⁴¹ Smith V.A. (1997), op. cit., p. 104.

⁴² Williams, Monier (1877) op. cit., p. 75.

⁴³ Ibid. p. 74.

⁴⁴ Ibid. p. 76.

administrative set-up of the Mauryan rule under Ashoka was the 'local administrative segment.' And his intent was to fill the gap; without this bridge he could not entrench his rule. His paternalistic desire to 'reaching out to the people' could not have been otherwise. He knew well that civilisation, as he imagined it, could not be put on 'wheels' without local structures of administration, and especially it was impossible to imagine without the active participation of the 'liberated' subjects of the Empire.

The 'proposal' of Ashoka the Great was so astonishing for his times and so powerful in its conception that even at the turn of the 19th century, British statesmen and scholars alike were crying aloud to the locals to stop protesting and take example on their ancestors, that the British are not introducing anything radically different from what the Mauryas did some two thousand years before them. As V.A. says, "Although the circumstances of the Maurya and Gupta ages cannot be reproduced, even the story of times so remote has its lessons; and, apart from any specific lessons, the recognition of the fact that the authentic history of ancient India records political achievements which may be contemplated with pride, should afford a healthy stimulus to the moderns, who may be thus moved to emulate their ancestors, within the limitation imposed by the necessities of the times."⁴⁵ But as cited earlier in the section, the Mauryan Empire is prized by local scholars to prove to the outside world that a civilisation of this magnitude existed in the subcontinent, beyond this, other details of this civilisation are less welcomed. Apart from the *Arthashastra* of Kautilya, the Brahmin councillor who sent the Empire into ruin, nothing else is cherished.

This negligence of the historic foundation is partly due to the fact that both Buddhism and the statecraft of its main sponsor, Ashoka the Great, were defeated on the Indian soil.⁴⁶ Both were partly victims of their own ambitions. Ashoka tried to build an administrative system that was far beyond his times and the development of his people. He went around planting pillars engraved with moral codes and conduct that not many of his subjects could read or interpret. Buddhism, unlike Christianity or Islam did not encourage reading and writing in the larger population. And as for Buddhism, "It demanded from its followers a standard of morality much in advance of their stage of culture. It involved the discontinuance of sacrifice, and of the myriad methods by which the Hindu has ever tried to win the favour or avert the hostility of his gods."⁴⁷ In this sense Buddhism was a method of self-discipline and self-awakening that few people were ready to accept.

⁴⁵ Smith V.A. (1909) op. cit., p. 9.

⁴⁶ Williams, Monier (1877) op. cit., p. 82.

⁴⁷ Imperial Gazetteer of India (1909) op. cit., p. 412.

On top of this Brahmanism was quick to exploit the weakness of Buddhism. In the words of one expert, “The tribes whose beliefs are Animism of this kind are in many cases falling rapidly under Hindu influence. Such is the case with the Santals, Gonds, and Bhils, who occupy the hills south of the Gangetic valley. Over such people the yoke of the Brahman missionary is easy. He enforces no hard moral code; he asks but that the convert should employ a faithful priest, and conform to the ordinances of a more respectable religion than that which he believes in common with the semi-savages around him.”⁴⁸ From this it is quite clear that Hinduism should not be considered as a well consolidated religious system. “...below the upper crust of observances which Brahmanism ... enforce, there is a mass of more primitive beliefs, which form the real faith of the majority of the people.”⁴⁹ The chaotic nature of political and religious identification prospered as before. And contrary to the wishes of Ashoka or Gautama Buddha, Brahmanism became expansive and triumphant in the aftermath, political institutions everywhere crumbled. Few native rulers like Harsha,⁵⁰ tried to hold sway but their actions could bring no relief to the lost dreams of a ruler who so undoubtedly ahead of his times. The Brahmin Guild had transformed everything to dust.

Ever since Ashoka the Great, every several hundred years, rulers native and foreign have tried to entrench political institutions, especially local political institutions but with little success. All efforts amount to little more than marks on the crust of barren earth (as Pundit Nehru would have remarked); nothing since sinks deeper than that. No system is strong enough in depth and in time to challenge the Paramount Power of all time – the Brahminic Order or the Brahminic Guild. But there were some whose attempts were equivalent in intensity to that of Ashoka. Two examples come to one’s mind, namely that of the Mogul and much later on, that of the East India Company. I ask the reader to refer to later sections for a detailed account of how the Mogul power tried to reform but with time succumbed to the same evils as Ashoka the Great. The reader will see how, although the beginnings were promising, how the Brahminic Order slowly works its way into a system put together by a foreign invader, before tearing it apart.

⁴⁸ Imperial Gazetteer of India (1909) op. cit., p. 431.

⁴⁹ Ibid. p. 430.

⁵⁰ Smith V.A. (1909) op. cit., p. 8.

1.2.1. The consequences of the Brahminic Model on Local Government

The consequences of the Brahminic Model of Local Government were so strong that the echo of Ashoka's cry for help from his people could still be heard after two thousands. As Z.F. Griffin an American traveller in Bengal, who had ten years experience on the Board of Local Government at the District level had this to say: "The people are far better governed than they could govern themselves. If their government were in the hands of native rulers, there would be little security for justice, life, or property. For two thousand years, under native rule, that was about the condition of things; and native character is no better now than it has been in the past, at least it is not enough better to insure anything like good government. All innocent natives to this day much prefer being tried by an English official; for they expect justice so far as an English judge can find out what justice is in the midst of so much conflicting evidence."⁵¹ This comment is very revealing in that Griffin was talking of a period where British rule, including that of the East India Company, was in place for more than one hundred years, and more than fifty years of rationalised local government system under the British rule, especially in the province of Bengal. But at the same time one should not be surprised at Griffin's comments, the historic patterns were always there to be apprehended. Griffin should also be forgiven since at the turn of the 18th Century according to what Fernand Braudel says, the majority of the Indian society was just above the level of '*Plan Zero*', meaning that it was barely able to feed itself. He also goes on to saying that a big portion of the society lived under the condition of '*endemic slavery*', half-way between misery and condescending charity.⁵² Whatever the intendant central power, what this shows is that the cycle of misery was not broken by the introduction of proper local administrative structures.

Local administrative structures are needed to provide political stability. A strong Paramount Power is in no way a guarantee of political stability. Without these structures of stability, economic activity which could provide a better subsistence to the population becomes almost impossible. Here one should not think of far-flung provinces, the situation was quite dire under the very nose of the Paramount Power. Lieutenant-Colonel Sleeman talking about the prospects of travellers like himself, has this comment which is quite revealing: "In every other part of India he can at every stage have his tents pitched in a grove of mango trees, that defend his followers from the direct rays of the sun in the daytime, and

⁵¹ Griffin Z.F. (1896): *India and Daily Life in Bengal*, published for the author, Buffalo, N.Y., pp. 33-34. (Griffin was missionary for ten year in Southern Bengal and Northern Orissa and also a member of the District Board where he was based).

⁵² Braudel F. (1979), p. 606.

from the cold dews at night; but in the district above Agra, he may go for ten marches without getting the shelter of a grove in one. The Seikhs, the Mahrattas, the Jats, and the Pathans, destroyed them all during the disorders attending the decline of the Mahomedan empire; and they have never been renewed, because no man could feel secure that they would be suffered to stand ten years.”⁵³ Here the ten years that Sleeman refers to is the time needed to for a mango tree to grow to its full size before yielding a maximum of fruit. Life since the Maurya Empire was almost Hobbesian as far as political stability was concerned; only very short economic cycles of production were possible.

The population, which in its great majority was living on agricultural production, was unable to invest for the long term. To natural famines, which were frequent, was added scutage, making the situation even worse. Wallerstein spotted a similar situation in medieval Europe, which could give an insight into what might have happened in the Subcontinent, “...lacking better ploughs and fertilizers little could be done to ameliorate the situation. This led to food shortages which in turn led to epidemics. With stable money supply, there was a moderate rise in prices, hurting the rentiers. ... The taxes, coming on top of already heavy feudal dues, were too much for the producers, creating a liquidity crisis which in turn led to a return to indirect taxes and taxes in kind. Thus started a downward cycle: The fiscal burden led to a reduction in consumption which led to a reduction in production and money circulation which increased further the liquidity difficulties which led to royal borrowing and eventually the insolvency of the limited royal treasuries, which in turn upset the pattern of international trade. A rapid rise in prices occurred, further reducing the margin of subsistence, and this began to take its toll in population. The landowner lost customers and tenants. The artisan lost customers. There was turn from arable to pasture ...”⁵⁴ The reduction in private investment was not off-set by State intervention to fill-in the gap. As will be seen later, the Maratha ruler did not see it its duty to step in. As W.H. Sleeman put it: “All the revenues of his immense dominions are spent entirely in the maintenance of the court and camp of the prince; and every officer employed beyond the boundary of this court and camp, considers his duties to be limited to the collection of the revenue.”⁵⁵

The consequences cannot be the same unto what we examine. In the same manner, later historic developments cannot be properly evaluated if the predominant actors and their

⁵³ Sleeman W.H. -Lieutenant-Colonel of the Bengal Army (1844): *Rambles and Recollections of An Indian Official*, vol 2, published by J.Hatchard and Son, London, page. 175.

⁵⁴ Wallerstein I. (2011), op. cit., page21-22.

⁵⁵ Sleeman W.H. -Lieutenant-Colonel of the Bengal Army (1844): *Rambles and Recollections of An Indian Official*, vol I., J.Hatchard and Son, London, page 345.

tendencies are not properly understood. One cannot set a prelude to the understanding of Local Government and Administration under the East India Company, the British Raj and latterly the Indian Raj, if the general flow of history is not identified and harnessed. What the above section has shown us is that although Empires came and went, the power of the Brahminic Order was in constant increase and its consolidation deeper. Its invisibility combined with flexibility and adaptability has secured it the status of a Paramount Power. The challenge of the British Power (...EIC) in India was not therefore directed towards the remnants of the Mogul Empire which was still the paramount power in all but in name; it was directed against the Brahminic Order. It would therefore be an illusion to think that the British Power in the Subcontinent became Paramount Power with the gradual disappearance of the Mogul Empire. It is therefore appropriate to see in detail the consequences of the indirect rule of the Brahminic Order at the local government level. This will allow us to appreciate the nature of the problem that the East India Company was confronted with when it tried to assume the role of Paramount Power at the turn of the 18th Century.

1.3. The Mogul model and interchangeability of subterranean power

The Mogul invaders had the open ambition to promote and spread Islam in India. This was a direct and frontal challenge to Hinduism, the motor of the enterprise supporting the Brahminic Order. Two thousand years earlier, Buddhism presented Hinduism with such a challenge but there existed certain commonalities. Hinduism has few commonalities with Islam, but still it was able better accommodate to a Muslim power than it could with Buddhism. This apparent contradiction illustrates well the fluidity of the Brahminic Order and the entrepreneurial nature of its structure. It could be due to the solidity of Islam and its strong place in the military and administrative structure of the Mogul Empire that the system was more salient than the Mauryan system which could not truly entrench the Buddhist faith nor integrate members of this faith into its administrative ranks. The Brahminic Order had to take up other arms to reduce the Mogul rule to rubble. At the end of the 18th Century the competition was between the Brahminic Order and the East India Company. And this time the contender, the East India Company, was the most formidable enemy since the advent of Buddhism to the Brahminic Order. Before it becomes an open battle, both engage each other in the bowels of the Mogul Empire.

The Mogul empire had practically ceased to be by the end of the 18th century. A big part of it was directly or indirectly administered by the East India Company, with the Mogul

ruler receiving an annual pension. The only hope of the Mogul empire was that one day the Muslim rulers who had declared themselves independent would come back to revive the larger structure. But with the disappearance of Tipu Sultan at the very end of the 18th century, this ambition would weigh upon the Nizam of Hyderabad. But the French, upon whom he had laid his hopes, were soon to abandon their ambitions in India due to the Napoleonic wars in Europe. And on the ground the Marathas were sapping his resources, which made him struggle for his own survival let alone that of the Mogul empire. The remaining Muslim princes had either allied themselves with the Company to escape total destruction from the Marathas or succumbed to the exactions of the later.

Although the hopes of reviving the Mogul empire, independent of the Company and the Maratha rule soon vanished, the model of Mogul administration outlived the empire. The Moguls left the actual revenue collection system at the lower end as it was before their arrival but they imposed a rational structure above this level. Emperor Akbar, who was the first to resort to the mission of giving a broad and comprehensive structure to his administration, divided his empire into provinces. 'He partitioned it into Provinces, over each of which he placed a Governor, or Viceroy, with full civil and military control. This control was divided into three departments—the military, the judicial, including the police, and the revenue'.⁵⁶ These provinces were further divided in Sarcars or Zilla (meaning government or administrative authority) and these sub-provincial entities were further divided in Taluks.⁵⁷ This system had two principal characters. First it delegated authority and freedom of action to the provincial level, especially to the districts. And secondly, to maintain uniformity and avoid revolt, a strong central rule became compulsory; without which, as it happened after the reign of Aurengzeb, this delegated authority had turned against the Mogul empire. As Edward Scott Waring suggests: 'His vast empire was divided into separate kingdoms, while each noble was more engaged in securing his own fortune, than in repressing the encroachments of a formidable enemy.'⁵⁸ The enemy here is of course the Marathas.

And although the Mogul empire was symbolically dismantled in 1857, after the so called Sepoy Rebellion, the general rationality of the administrative reforms that were introduced by it was not questioned. Thus the Mogul model became a non-competing model with the simple practicality of its structure with all its imperfections. So, to return to the

⁵⁶ Hunter W. W. (1886), C.S.I., C.I.E., LL.D., (Director-General of Statistics to the Government of India): *The Imperial Gazetteer of India*, Volume 6, India, Second Edition, Trübner and Company, London, p. 296.

⁵⁷ Floud, Sir Francis (1940), K.C.B., K.C.M.G. (Chairman, Land Revenue Commission): *Report of the Land Revenue Commission Bengal*, Vol. I, With Minutes of Dissent, Superintendent, Government Printing, Bengal Government Press, Alipore, Bengal, p. 10.

⁵⁸ Waring E.S. (1810): *A history of the Marathas*, John Richardson, London, p. 127.

triangular power struggle, in essence it turns out to be a confrontation between the Hindu model and that of the Company. 'The British won India, not from the Mughals, but from the Hindus.'⁵⁹ So proclaims the Imperial Gazetteer of India (1886). When the Gazetteer use the noun "Hindus" in fact it was referring to the Maratha Federation which was an unstoppable force starting in the middle of the 17th century right up to the middle of the 19th century, very much coinciding with the rise to power of the East India Company. Which might explain why right from the beginning both did not appreciate each other; they mutually feared and distrusted each other, suspecting that beyond trade there might be some ulterior motives. The main reason the Company decided to locate its principal operations in Bengal was because it came under constant attacks from the boisterous Marathas. Both ventures had moderate beginnings and both were structured to feed on somebody else and in most cases the Mogul empire. It was very difficult to totally defeat the Moguls on the administrative front. Even with its corrupt officials at all levels; the Mogul Empire was functional in the sense that those separatist or break-away provinces still used the basic elements of the Mogul administration. The main pattern of administration remained, although power and revenue were concentrated at the provincial level and not at the centre in Delhi, the seat of Mogul power.

Many attribute the decline of the Mogul Empire in the late 17th Century to the personal character of Aurungzeb, one of the last Moguls to reign over a vast empire, before it started to splinter into to many parts. There could be a lot of truth to this opinion. He is remembered of as being a tyrant who lost the love and respect of his subjects. Although one could easily subscribe to such a vision one should be cautious not to over magnify the responsibility of Aurungzeb. It could well be that he committed mistakes out of desperation. The Maurya and Gupta empires showed signs of similar desperation before their power too was eclipsed. The religious tolerance displayed by his father and forefathers came to haunt Aurungzeb. The Brahmin bureaucracy and 'councillors' were everywhere controlling the State and the alleys of state administration. Although the Moguls tried to maintain a Muslim commandment in the army, they could not do the same in the general administration of the state; especially in the fiscal administration of the empire. The Brahmin bureaucracy was in full force at the time of the Mogul collapse. The suffocation of the State apparatus could have begun much earlier than that of the reign of Aurungzeb.

What the decomposition of the Mogul Empire shows is that the Centre was dislocated from the rest, the uniformity of the administration was only nominal. The flow of information

⁵⁹ Hunter W. W. (1886) op. cit., p. 317.

from the provinces and sub-provinces was either false or too late to be relevant to the preoccupations of the Emperor. The lower level, namely that of the local administrative level was increasingly dysfunctional. And as a political organisation became dysfunctional, the economic prospects started to retract. But the consequent reduction in fiscal revenues was not reflected in the sums that had to be furthered to the Centre. This gave rise to a qualitative difference in the administrative relation between the Centre and the provincial level. Since the Centre was unwilling to accommodate with the reduction in the revenues collected, the provinces increasingly started to behave like a vassal than an integrated part of the imperial administration. Once again, as Ashoka the Great had realised some millennia before, the Mogul Empire was coming to an end because a uniform local administration and government across the Empire was not built. At least Ashoka realised that without the pro-active participation of his subjects, at the lower-level, an Empire will not last. The loyalty of the people was needed to keep in check the corrupt bureaucracy. Without the necessary entrenchment of local institutions this loyalty is difficult to maintain. Since anyone strong enough could come forward and claim himself the omnipotent of a territory. The Mogul Empire failed to realise this fact and was to pay the price.

This development opened the door wide open to the Brahminic Order which had always prospered on the principle of 'divide and rule.' Although the provincial heads were in most times Muslims, their advisors were Brahmins. From the rich provinces of Bengal to the Deccan, this practice was widespread, making the fermentation to revolt against the Emperor more propitious. And by exploiting the differences between the Centre and the province a new political order comes into being. The mantle of this order is taken by the Marathas, whose composition is Brahmin. From the middle of the 18th Century to almost the middle of the 19th Century the Marathas become the undeclared Paramount Power along with the Brahminic Order; for the first time a Brahmin power takes direct control of a large territory.

1.4. The Marathas and the Rise of the Brahminic model of local government

The 18th Century, in the history of India, gave birth to a paroxysm of a new model of government; bringing about a confluence between the caste-system, Hinduism as a clerical instrument and an elusive State-system. It was a moment in India's history when the political void is taken over by a clerical system which instrumentalised Hinduism by putting on it particular and at times peculiar interpretations. This model of government is called the Brahminic Model of Government and consequently the Local Government. This model is a

break with all previous models of government. Earlier on it was shown how after the demise of the Maurya and Gupta Empires, there followed a long period of political void; a political vacuum in which the Brahminic Order was the only master. The rise of Vijayanagar Empire showed the promise of reviving the ‘Civilisational Model of Government’ in the 15th Century. The rationality and purpose of government of the Vijaynagar Empire did not radically differ from that of the Ming dynasty in China. The prosperity of the State was not disassociated with that of the people. Policies were structured to put everything on the developmental path. But this attempt, principally situated in central and southern India, to put the Subcontinent back on the civilisational path was suffocated by the same Brahminic Order that had brought the Mauryan Empire to its knees. The fall of both is always attributed to outside causes and not enough attention was drawn to the fact of how their paramount authority and the resistance of their model was sapped from inside by the Brahminic Order. But this time, the decomposing Mogul Empire was to experience the same fate.

The birth and rise of Maratha Confederation marks the progressive alignment between the caste-system and state structures. The hierarchy of the caste-system is progressively transposed onto the state-structure until they finally become one and the same. This automatically reserves and consolidates the clerical Brahmin’s position as spiritual leader by putting in his hands the political power earlier enjoyed by the state. Brahmins represent the practical supremacy, a phrase termed by W.W. Hunter in a different context to describe the toils of Shivaji, who during his long life gave a practical structure to the Brahminic power. Fables of popular Indian culture up to this period made references to the poor and deprived Brahmin being completely at the margins of the economic structure; as being dependant upon others for his subsistence.

What the Marathas realized was that their power and that of the Brahmin, across the subcontinent depended upon the emphasis and the primordality of the Hindu religion. Religion could have acted as a medium of sympathy between people but not a cause or instigator for rallying. People rarely rebelled against their rulers because they were Muslims; there was always an economic issue that became the point of their protest or rebellion. And unlike in other parts of the world, the population at large never fought wars beside their monarch or despot. What the Marathas started to do was to make Hinduism a focal point, because it fitted well not only with their strategy for conquest of the subcontinent but it served well to bring society into their grasp. With all its robes of religion what Hinduism does is to make the caste not only an economic structure of control, but also renders it into an effective pseudo-administrative structure, immediately providing a certain section of the population

with a hierarchy of discipline which also acts as a command structure. What the Mauryas and Guptas dreamt of destroying was becoming the backbone of the Maratha power.

This power is further enhanced by the interpretation of Hinduism which relinquishes all obligation of the ruler to the ruled. 'Hinduism may dictate the detailed ordering of one's life, but since it neither sets before its followers a great social goal, nor inspires them with hope and power for its attainment...' ⁶⁰ It puts no obligation on the ruler to bring about change when the material life of the people is in need of state intervention. W.H. Sleeman, who was directly acquainted with the territories 'ruled' by the Maratha Confederation comes up with the following: "He has nowhere any police, nor any establishment whatever, for the protection of the life and property of his subjects; nor has he, any more than his predecessors, ever, I believe, for one moment thought, that those from whose industry and frugality he draws his revenues have any whatever to expect from him the use of such establishments in return." ⁶¹ The only thing that matters in the Brahminic Order is the place of the Brahminic caste. And in a sense the only way to be on the apex is to keep everyone below and if possible in darkness.

The paramount position of the Brahmin in society is assured by use of the religion as an instrument of government. To gain the adherence of the population what the Brahminic Order does is to destroy the basis of individual rationality and supplant it with dark superstitions – the fear of god. As Sleeman puts it: "The Hindoo religion reposes upon an entire prostration of mind, that continual and habitual surrender of the reasoning faculties, which we are accustomed to make occasionally, while engaged at the theatre, or in the perusal of works of fiction. ...with the Hindoos, on the contrary, the greater the improbability, the more monstrous and preposterous the fiction, the greater is the charm it has over their minds..." ⁶² This goes to showing not the failure of the individual to rise from his primitive stage but more of the success of the Brahminic Order in sapping all power of resistance in the way an individual projects his or herself to the outer world. Obedience of people is achieved by the negation of reason and rationality and makes the individual perpetually dependent upon the Brahmin for instructions. Sleeman goes on: "A complicated religious code, like that of the Hindoos, is to the priest, what a complicated civil code, like that of the English, is to the lawyers. A Hindoo can do nothing without consulting his priest; and an Englishman can do nothing without consulting his lawyer!" ⁶³ Sleeman's parallel is wisely selected for it goes on

⁶⁰ Fleming D.J. (1922): Building with India, published by MEM of US and Canada, 1922, New York, p.70.

⁶¹ W.H.Sleeman (1844 –vol 1) op. cit., p. 345.

⁶² Ibid. pp. 227-228.

⁶³ Ibid. p. 223.

to show how the Brahminic Order goes onto creating social exclusions, divisions and disorder to become the only order that exists.

In essence what it boils down to is that the social and religious hierarchy becomes an administrative hierarchy and in that at no cost to the administrator. What is most important is that defending this hierarchy means, in a perverse sense, defending the Hindu religion and the place of the Brahmin at the pinnacle of it. But at the same time this could not mean the same for the respective layers of the hierarchy. The lower sections had the obligation to support and solidify this structure, but the one on the top did not have the same obligations; the Brahmin official was selective in application of his own ethics. Although he would announce his intention to protect Hinduism he had no intention to defend Hindus, he limits his effort to defending the position of his own caste above all, since structurally Hinduism for him means protecting his own position over the whole of the social structure. While others are bound to him, he in return is bound to himself.

The rise of the Maratha embodies to utter perfection the inner mechanics of the Brahminic Order. It seems the Maratha power originated as a result of the constant feuds between the Moguls and the independent Muslim kingdoms of South India. Those who think that the British invented the strategy of “divide and rule” should first look at the rise of the Maratha power. As Edward Scott Waring, an expert on the Marathas, reminds us: ‘In no country is the fallacious principle of “Divide and govern” more followed.’⁶⁴ “All seems to have started when a low ranking Brahmin soldier perceives the potential for rising conflict between the Southern and Northern Muslim powers and decides to make his fortune out of it. He and later his son, Shivaji, mastered techniques by which they would use ferocious tribal reserves, both in the Deccan and the stretches of the central plains, to raise quick and fast moving armies, backed-up by the guerrilla warfare by tribal communities, they decide to fight for the highest bidder. Once it might be a beleaguered Deccan prince at others the Mogul Emperor who requested the services of the Marathas, and in the process they were amassing an empire of their own.”⁶⁵ Built around some leading military strategists, the Marathas built their administration as an enterprise, serving the interests of the Brahmin caste. The cardinal principal of the Maratha administrative model was that of accumulation of as many financial resources as possible; because at the end of the day that is what counts.

This fascination for hording wealth gives us several insights into the Brahminic model of administration apart from the immediate picture of the Marathas. The undercurrent to this

⁶⁴ Waring E. S. (1810) op. cit., p. 186

⁶⁵ Ibid. pp. 97-98

model is “expediency”, which does not involve subjecting oneself to ethical behaviour, perpetually asking oneself what the correct way to bring a solution to any given problem. Since attention to ethical considerations, it was thought, would give rise to two very serious drawbacks. In a very hot situation, ethical consideration has no place since the Maratha power was built on swiftness of action as far as its own interests were considered. ‘Still the celerity of their movements prevented resistance or eluded pursuit; while they gained the material point of forging their troops in an enemy’s country.’⁶⁶ The second reason for expediency is that by being slow, one exposes oneself and becomes an easy target. And the cost of getting out of a problem could become very costly. Expediency leaves enough time to put yourself at a safe retreat and plan your next act.

Institutionally what financial hording and expediency meant was that everything had to be kept to the barest minimum. In other words, the structure of the administration has to be kept lean, with as few financial engagements as possible. The urge to be lean led the Marathas to devise systems or public establishments which internalised the advantages and externalised the disadvantages. From the military apparatus to that of the fiscal bureaucracy everything functioned on this principle. One might falsely contend that this has nothing to do with government or administration let alone local administration. The demonstration will be soon made that the primary function of the Brahminic Model of administration is the continual up-keeping of itself. And this cardinal principle repeats itself at every level and aspect of the Model and its functioning.

Expediency is the name of the game in the military operation laid out by the Marathas. The main elements of their forces were made up of ‘Hindu spearmen, mounted on his hardy army ponies. They were the peasant proprietors of Southern India, dispersed or called together on a moment's notice, at the proper seasons of the agricultural year. Sivaji had therefore the command of an unlimited body of troops, without the expense of a standing army. With these he swooped down upon his enemies, exacted tribute, or forced them to come to terms. He then paid off his soldiery by a part of the plunder; and while they returned to the sowing or reaping of their fields, he retreated with the lion's share to his hill forts’.⁶⁷ This description by the W.W. Hunter does not explain everything, especially when it concerns the origins of the military personnel. “These public establishments are composed of men of all religions and sects, gathered from all quarters of India, and bound together by no common

⁶⁶ Waring E. S. (1810) op. cit., p. 149

⁶⁷ Hunter W. W. (1886) op. cit., pp. 318-319

feeling save the hope of plunder and promotion.”⁶⁸ Plunder again is the result of the structure of the armed forces of the Marathas; a persistent desire to shift costs and responsibility to others; very much resembling the attitude of the British Crown at that time in Britain.

The Marathas were unwilling to maintain large armies or pay for the wars they waged. But this did not mean that they were unsuccessful in waging wars and winning them. They most often than once waged wars a couple of thousands of miles from their bases, without impediments. The policy of the Marathas was very simple; they employed bands of well organised troops with all the equipment needed for the purpose. As Sleeman explains: “The individual soldiers not only armed, accoutred, and mounted themselves, but they generally ranged themselves under leaders, and formed well-organized bands ready for any purpose of war or plunder.”⁶⁹ The Marathas did not pay salaries to these bands, in exchange for their services they were offered a fraction of the plunder that they undertook during and after the battle. Returning to the imperative induced by expediency of action, what this amounted to was that if an attack or incursion took more time than what was agreed prior to it, the Thugs and Pindarees, who acted as auxiliaries, would demand a greater share of the plunder or leave the Maratha dry to manage the retreat on his own resources; in both cases not a profitable prospect. This usually leads to a situation where expediency means speedy action to save your interests while you let others take care of the consequences, especially if this quality is combined with that of plunder.⁷⁰

In practical terms what this meant was that there was no time left for thinking of long term administrative projects. There was an unwillingness to invest in the setting-up of administrative structures, to provide security and order for the conquered territories. We will come back later to how the fiscal system was influenced by such practices. Coming back to the state of the auxiliary bands of plunderers, after the war they were not needed. “Under former governments, a trooper was discharged as soon as his horse got disabled, and a foot soldier as soon as he got disabled himself, no matter how whether in the service of the prince or otherwise; no matter how long they had served, whether they were still fit for any other service or not.”⁷¹ Unfortunately, from their perspective, war was not a perennial enterprise. When the war ended, the Maratha had little use for their services. For many reasons there was an imperative to part company with them. Paying for them to stay idle was not the Maratha’s objective. Allowing them to camp in his own ‘pacified’ territories would increase the risk of

⁶⁸ Sleeman W.H. (1844 vol-1) op. cit., p. 472.

⁶⁹ Sleeman W.H. (1844 vol-2) op. cit., p. 88.

⁷⁰ Waring E.S. (1810) op. cit., p. 133.

⁷¹ Sleeman W.H. (1844 vol-2) op. cit., p. 90.

them pillaging close to home. Something had to be done, they were men who lived by the sword and were unwilling to live by anything else. This was especially the case with well armed groups like the Pindarees, what they did was to follow the 'fortunes of such leaders whether in service or out of it; and when dismissed from that of their sovereign, they assisted them robbing on the highway, or in pillaging the country till the sovereign was constrained to take them back, or give them estates in rent-free tenure for their maintenance and that of their followers.'⁷² Put under this constraint what the Marathas did was to integrate them into the 'revenue harvesting' system of their own administration.

As mentioned earlier, the Marathas were forced by their choice of lean structures to give priority to the armed forces to the detriment of an elaborate system of administration; the general belief was that there is nothing that the stallion and the sword cannot deal with.⁷³ Their model of government was very restrained to the immediate court and with very little allowed down the line. So it happened that when the Marathas conquered a country they did not bother about setting up an administration because at the time, administration was synonymous with fiscal administration. Even the Mogul administration was built upon the purpose of tax or rent collection. And since tax and land assessments were done every ten years and famines were more frequent, peasants would seek a reassessment of the dues; so in a way the Mogul judicial system was oriented towards correcting and filling-in the deficiencies created by their tax system. The Marathas decided to by-pass this costly set-up by keeping the nexus simple. They devised something which was simple to apprehend and cost little to operate. It was the system of protection money. Protection money as a system sometimes was adored in the general governmental structure of the Subcontinent, like it sometimes was practiced by Mogul and Company officials, but the Marathas expounded it to become one of the central structures of government and administration itself.

The notion of protection money, during the Maratha rule starts to sink into the bureaucratic practice. Wherever possible the instrument of protection money was built-in; deriving its impulse from both the employer and the employed. Both know that the monthly emolument is only part of the whole revenue package, the other part being a multiple form of protection money. The logic of this is that everybody is in need of protection, especially when the protector and perpetrator of disorder are the same. Extrapolated into the field of government and administration, what this amounts to is that the ruler or administrator is at the same time a protector. And on the other side, on the receiving side, the administered is at the

⁷² Sleeman W.H. (1844 vol-2) op. cit., p. 88.

⁷³ Waring E.S. (1810) op. cit., p. 167.

same time a victim, the choice of the situation to be in, is open to everyone. If one does not want to be protected then one has the option of becoming a victim. This logic of things transfigures the whole notion of government and administrative responsibility.

The principle source of peace time revenue for the Marathas was the “*Chouth*” or protection money, which was equivalent of one fourth or 25% of the whole revenue collected, on top of this they had a country tax called “*deshmoukee*” at 12 ½ % and a cascade of other levies all which amounted to at least half of all the revenues harvested and had to be collected by a local potentate and passed on to the Marathas.⁷⁴ The process did not cost much to the Maratha treasury. They saw no danger of the collection not being forwarded to them because they would make sure that the local man knew what waited him if he failed. As Edward Scott Waring summerizes: ‘The first Peshvas (the main Maratha confederate) maintained their authority over the whole empire, rather by the awe of their abilities, than the efficiency of the constitution.’⁷⁵ This system of coercion meant that a strong dissuasive force had to be maintained, without which everything would come to a stand still. As we will see later the Company learnt not to have the local potentate collect taxes. They reversed the situation; they collected the taxes and paid the local potentate a pension to remain ceremonial. While their dominant force induced the locals to submissiveness it also left the Marathas dependant on others for their subsistence. The 25% that was due did not always materialise. There were no proper assessments made by the governors at the provincial level. And since war was recurrent and land appropriated and expropriated, the peasants were cautious to invest to get a proper yield. This phenomenon made the flow of revenue uncertain. And at each level everyone was desperate to get hold of extra revenues.

Faced with a depletion of a normal flow of revenues related to the territorial domains the whole of the Maratha administration turns to “plunder;” as an effective way to offset the loss of regular revenues without overloading their administrative burden. As one specialist of Maratha power says: “They fought, or rather: plundered, with the spirit and enthusiasm of a rising power: the Moguls, with the calm yet determined valour of men who had characters to sustain. Their mode of warfare was entirely different. Sevajee never engaged but to a manifest advantage: he however ravaged their country, harassed their troops, and intercepted their convoys. Whenever he was opposed, he fled: but as soon as pursuit was ended, he descended like a torrent from his native mountains, and swept every thing before him. No enterprise was

⁷⁴ Waring E.S. (1810) op. cit., p. 170.

⁷⁵ Ibid. p. 168.

too hardy or distance too great to deter the temerity of men who subsisted by plunder.”⁷⁶ In plunder there is no tomorrow, the word of the day is extract as much as possible now because tomorrow is uncertain. But the Maratha tribes had taken over the respectability of a regal state, and it was impossible to engage in plunder directly. They soon realized that the method of plunder can be overtly open and direct; but it could also be a dazzling leap into cozenage, meaning that cheating, defrauding and deceitfulness become the art of the administrative game. Plunder could be a one-time operation but it could be an eternal process if jammed into the administrative instrument of the State.

Plunder is effective if the plunderer is elusive and evaporates before identification. As an administrative characteristic therefore plunder was combined with elusiveness, strings are pulled but nobody knows who is pulling the strings or how they are pulled. Given the financial stringency of the Marathas to spend as little as possible and to gain as much as possible, they relied heavily on the use of “proxies”. Before and during a war with their neighbours what the Maratha Brahmins would do is to use these groups to make ferocious raids deep into the enemies’ territory before moving their own nucleus onto the greatly weakened enemy, guaranteeing a glorious success for all to applaud or fear depending upon where they stood. This characteristic of “elusiveness through the use of proxies,” of the native model of administration would survive the Maratha rule and sink into the psyche of the administered for generations to come. For everyone, the administrative authority, whatever that would evoke to them, was omnipresent by its physical absence, no one knew where the enemy lie. What had worked during war could work during peace time, they thought.

The use of proxies in war was duplicated in the administrative field by the extensive use of spies for a myriad of reasons. The rout of punishment on the un-abiding officials or proxies pre-supposes a constant monitoring of the large network of temporary allies who had yielded to the brutality of the Maratha power. This monitoring meant that the Maratha rulers had to maintain a large network of spies and informers. The Marathas might have been very satisfied with this system because it served them well, at least in the initial years their attacks were very effective because they were based on information that was trustable. On the long term however this was to have a profound effect on the behaviour of the populous which would become the main characteristic for better or worse, of all time administration. Spying was not exclusive to the Marathas, network of spies were mobilised throughout the Subcontinent by many parties. What was different with the Marathas was that they did not

⁷⁶ Waring E.S. (1810) op. cit., p. 95-96.

pay their spies, instead of paying them they 'licensed' them to plunder, in one way or the other. This gives a special meaning to the uses of regal power. For the purpose of this study, in the absence of any institutions worth the consideration, it is important to see the administrative culture that these policies gave rise to and how they made a profound impact on the subsequent institutional development at the centre and at the local levels.

There were many proxy groups that worked for the Marathas for spying and collecting extra revenue. But the main groups were the Priests, the Pindarees and the Thugs. There is no evidence to suggest overt cooperation between these entities and the Maratha Confederates or between them, but everything points in that direction. The association between these three elements constituted one global system. They never competed on the same level or territory but the end result of their enterprise was the same. And it has to be said that the use of proxies was not exclusive to the upper echelons of the Maratha power. The use of proxies was shared equally on the administrative hierarchy of the Marathas. As W.H. Sleeman explains, "Unhappily there are in India few native chiefs who have any great feelings of sympathy even with the inhabitants of their own territories beyond their own family or clan, or any particular desire to protect them from the robber or the assassin; and no instance can I believe be found of one extending his sympathies or his charities to the people of any other territory. They have, however, all a feeling of strong pride in claiming for their own territory the privilege of a sanctuary for the robbers and assassins of all other territories; while their public officers of every description and landholders of every degree convert this privilege, when conceded to their chiefs, into a source of revenue for themselves."⁷⁷ This means that, even the faint institutional set-up was integrated into a system of crime that it should have worked to get rid off.

As an administrative asset, every proxy had a specific function in the overall Maratha military and administrative strategies. Every problem that surfaced had its own solution; and every time this solution was crafted to bring extra revenues. And as we will see in the following passages every body or organ that takes part in an administrative effort was pushed to becoming self sustaining. We could say that most levels of government previously worked on the same lines. Each landlord was deemed to remunerate himself before forwarding part of the rents to the provincial level, and that level in turn did the same. But there was a difference with what the Marathas did. They did keep the nominal structures that they inherited from the territories they conquered but they could not rely upon their total loyalty. It was true that

⁷⁷ Sleeman W.H.(1839): *The Thugs or Phansigars of India*, published by Carey and Hart, Philadelphia, p.107. (At the time of drafting these notes Captain W.H. Sleeman was a Superintendent of Thug-Police)

given the example the Marathas set, not many wanted to trust them. What the Marathas did was arm themselves with parallel structures. Like this they could build a State-system which was permanently doubled. The Marathas did not invent the Pindaree or the Thuggee system, it surely existed before them and some historians argue that the Marathas themselves came from ranks of organised bands, but while others tried to destroy it they decided to integrate it either for reasons of fraternity or convenience. Some historians contend that it was the tradition of the Hindu kings to use armed robbers and that practised sub-ceded over the Mogul period but flowered again during the Marathas.⁷⁸ Whether one wants it or not, these auxiliary bands or groups had an institutional value to the Marathas; and as we will discover to the Brahminic Order as well, it is very important to briefly analyse their structure and method of engagement.

1.4.1. The Pindarees

Although their exact origins are not known, it is for certain that the Pindarees were armed bands. In modern day terms they could be termed as being a sort of mercenaries. And when the wars in which they were engaged were over, they would go back to their settlements which were scattered all over central India. But agriculture, the traditional activity of the majority of the population at that time, could not off-set the size or the quality of the gains they had made by using their martial knowledge.⁷⁹ So they took to plundering. They became so powerful that they could have formed their own state but for some reason they did not. Philip F. McEldowney comes to the same conclusion: “As with any periodization, the Independent Period of the Pindaris is somewhat arbitrary, but for the purposes of this paper It was from about 1800 to 1818. During these two decades the Pindaris and their leaders plundered at will, while Maratha leadership rarely exercised even nominal control over them. For this reason the Period may be designated as the Independent Period. But the Pindaris were neither strong enough nor did they wish to declare their formal independence. Since they lived in an area controlled by the Marathas, they never formally repudiated their nebulous overlordship.”⁸⁰ It is against the essence of a state to tolerate such groups like the Pindarees but as Captain Marshal Clarke explains “...every government not under the protection of the British,

⁷⁸ McEldowney P.F. (1966): Pindari Society and the Establishment of British Paramountcy in India, A thesis submitted in partial fulfillment of the requirements for the degree of Master of Arts (History) at the University of Wisconsin, p. 5-6.

⁷⁹ Ibid. p. 11

⁸⁰ Ibid. p. 5-6.

became the nest and scene of these iniquities; and thus this lawless multitude having sapped the substance of their own and the surrounding states and still restless for pillage, invited everyone without employment to their side; and breaking off in small bodies under adventurous leaders, they at length turned their attention to the Company's provinces: hence was given a new stock, and life as it were, to the capacity and boldness of the Pindarrees."⁸¹

One probable explanation to the conundrum exposed by both Philip F. McEldowney and Captain Marshal Clark unto why the Pindarees did not want to form their own state and why instead they decided to jam their structure into someone else's is very simple. The State and civilisation are expensive and at the same time they both point towards restraint and constraint. As earlier explained, the Marathas were doing the same at a different level but with ambitions that varied. 'Both raided territories on horseback, the Marathas during the eighteenth century to levy *chauth* and *sardeshmukhi*, and the Pindaris for plunder. Any emphasis of the difference between the Marathas and Pindaris is, therefore, functional rather than organizational. The Marathas held a position of power as a government which they wished to maintain. The Pindaris only wished to plunder.'⁸² The Marathas were in turn using the crippling Mogul state structure, at least the tradition of it. The Pindarees decided to work for the Marathas because this offered them all the advantages without the disadvantages of becoming a visible public entity. And since the Marathas believed in the same principle, the association between the two could be fruitful for both. As proxies, the Pindarees were assigned with two distinct administrative functions by the Marathas, the first concerning its conduct with its neighbours and tributaries and the second concerning its interior problems.

Partly due to their own indiscriminate military incursion the Marathas were surrounded by states and principalities that were not friendly to them, this to a great degree meant that they were increasingly against the East India Company as the company took control of some territories and came into alliances with native states. Lesser natives could never trust in the promises or treaties signed by the Marathas and both sides knew this fact. The situation in the 1800s was that apart from Bengal, all perimeters of the Subcontinent were controlled by the East India Company and its local allies; while the interior territories came under the influence of the Marathas and its allies. The emergence of a strong opponent for the Marathas meant that direct war with the East India Company or its allies was becoming increasingly risky. This led the Marathas to use the Pindarees to create havoc in adjacent

⁸¹ Clarke, Captain Marshal (1820) (under the pen name of Carnaticus): Summary of the Mahratta and Pindarree Campaign, published by E. Williams, London, p. 24-25.

⁸² McEldowney P.F. (1966) op. cit., p. 22.

countries. As Captain Clark explains: “The alarming strength and strides of the Pindarees, from 1814 to 1816, was in its nature, that mode of warfare that would, of all others, have been best calculated to harass our government and impoverish the country; as it was of that description which, in the enemy who practised it, and rendered hopeless, at the same time, all effort and expectation of our government being enabled to bring them to action, or so to consolidate their mass or their strength as to deal with them like any other enemy.”⁸³ What this means to local institutional structures outside the Maratha areas is that nothing is operable and as we will see later leaders of local institutions were constantly murdered.

The raids of the Pindarees were not only organised to plunder and disorganise economic activity but also to destroy all structures of order and administrative stability. “After plundering several villages during the day, the *luhbur*⁸⁴ collected for the night. Sometimes they burned villages and crops to indicate their positions to other parties of the *luhbur*. They forced the inhabitants to collect forage, carry heavy stolen articles, bring and cook food, and spent the night with the “best looking women” of the area. Sometimes they held the headman overnight as ransom. They would progressively send cut-off parts of his body to the village and warned that the next would be his heart if the villagers did not send more money soon.”⁸⁵ Governors at town levels and village heads in sizeable villages were held to ransom, and whatever the outcome, were killed. Since the Pindarees made their raids annually, most of the able leaders at the local level were progressively slaughtered. Since power was personalised, the constant slaughtering and execution of local leaders meant that local institutions and institutional patterns were destroyed or made dysfunctional.

Another factor induced by the activity of the Pindaree, as briefly mentioned earlier, was that civilisation in the primary sense was folded back and all the administrative structures completely destroyed. When the Pindaree burnt the villages, after their raids, the inhabitants went into hiding in the neighbouring hills and jungles. After some days some of them came back to rebuild the villages; but some moved on and never came. And sometimes whole villages were abandoned. For decades after whole areas were left without any sign of cultivation, until other groups or tribes were brave enough to pitch camp and take up the task of rebuilding the whole structure again. As Captain Sleeman puts it: “The towns and villages all stand upon high mounds formed of the debris of former towns and villages, that have been

⁸³ Clarke, Captain Marshal (1820) op. cit., p. 25

⁸⁴ *Luhbur* is a form of ransom expedition that the Pindarees undertook.

⁸⁵ Philip F. McEldowney P.F. (1966): *Pindari Society and the Establishment of British Paramountcy in India*, A thesis submitted in partial fulfillment of the requirements for the degree of Master of Arts (History) at the University of Wisconsin, p. 22. (*luhbur* means a raid by a band consisting of 1000 to 4000 pindarees. For the sake of convenience the Pindarees divided their numbers into bands and after the plunder pooled their booty)

accumulating most of them for thousand of years. They are for the most part mere collections of wretched hovels built of frail materials, and destined only for a brief period.”⁸⁶

Not only the settlements had to be rebuilt, roads and water canals had to be rebuilt but also the rudimentary institutions that made the village life liveable. This obviously involved the organisation and administration of the village and its security against further raids. W.H. Sleeman, during his three decades of travel in the Central Provinces, had the following conversation with a villager:

“How long have the families of your caste been settled in these parts?”

“About six or seven generations—the country had before been occupied by a peasantry of the Kolar caste. Our ancestors came, built up mud fortifications, dug wells, and brought the country into cultivation; it had been reduced to a waste: for a long time we were obliged to follow the plough with our swords by our sides, and our friends around us with their matchlocks in their hand, and their matches lighted.”⁸⁷

The example was repeated itself for centuries and covered enormous stretches of landmass from the Deccan in the South to the plains of Punjab in the North and the limits of Nepal in the East. Only areas that were well fortified and organised could escape from the ravages of Maratha sponsored Pindaree raids. None of the native states tried to stop them over the century, instead they openly invited the Pindarees to come and settle in their territories. For most, since they were unable to confront the Pindaree with conventional means, it was better to offer them abode, stay in goods terms with them. The Pindaree ways and means thus became part of the daily life of the state and the administrative arsenal at its disposal. The Pindaree culture filtered into every level of the administrative apparatus, where every establishment and individual official was inclined to work for his own advantage.

The Pindarees were used in similar manner in those territories that came directly or indirectly under the Maratha control. Spotting a big deficit in central control, which the Maratha Confederates never showed any interest in, local governors were tempted to declare themselves independent. This meant that they were unwilling to forward the tax revenues. There were occasions when the Maratha Confederates converged to defeat and suppress any such attempt but this imposed a cost on their treasuries and brought little in terms of immediate gains. Instead of using their traditional forces to put down the rebels the Marathas used the Pindarees, since they did not asked to be paid, they just needed a permission or

⁸⁶ Sleeman W.H. (1844) -Lieutenant-Colonel of the Bengal Army: *Rambles and Recollections of An Indian Official*, vol 2, published by J.Hatchard and Son, London, p. 175.

⁸⁷ *Ibid.* p. 181

license to plunder a certain area or province. After the passage of the Pindarees the Marathas re-establish their control over the lost provinces with little or no cost, since the Pindarees sometimes shared their bounty, if the terms precluded them from keeping the whole of it.

These methods of making local officials comply with the Maratha control had similar consequences on the local administration as was demonstrated earlier. The Marathas did not recruit or give privilege to the emergence of capable leaders at the local level. What this meant was that the paucity of local administration was not exclusive to the states that bordered the Maratha territories; it was the same inside the Maratha 'governed' areas as well. Those who were selected, took the same administrative example as the Maratha Confederates, which did not give confidence to the local population. This in turn led the governors to use the same administrative arsenal at their own level through the use of the Pindarees but mainly, as we will see later, the use of Thugs. And the preferred policy mobilised towards the inhabitants was plunder and pillage, in one form or the other. It is therefore important to see how the widespread presence of the phenomenon of "Thuggee" became complementary element to what the Pindaree system induced into the local administrative set-up.

1.4.2. Thuggee

Briefly, Thuggee can be described as a form of theft in which the victims faced a certain death by suffocation. The desire to leave no witnesses led the Thugs to suffocate their victims and bury them on the side of a road or a public path. We saw how the Pindaree system concentrated in attacking, pillaging and uprooting everything that was 'sedentary', towns and villages. Thuggee did not touch anything that was the target of the Pindaree bands, it concentrated uniquely on everything that was in 'motion;' travellers, traders and pilgrims became its main targets. The unique characteristic of their enterprise was that they strangled their victims and buried them in a hidden place so that the disappearance of someone does not link them to the death of a particular traveller or pilgrim. All proofs are buried away and escape the public eye. Thieves and robbers can be found everywhere in the world and cannot be said to be particular to the Indian countryside. What is however specific to the Indian context, is that these bands of "Thugs" were blessed with patronage from the Temple and Political Authority at various levels of the Indian socio-political system. As we will realise the phenomena of "Thuggee" stands at the centre of the Indian society in many aspects. It gives us insight into how future political families were founded and business houses formed in the Subcontinent. In this sense, however unacceptable as it might sound, the 'Thugs' stand to be

the key to the formation of one of the first ‘circle’ of nationalists. This, as could be expected had a profound effect on the administrative configuration of the Indian Subcontinent, especially at the provincial and local level. To get a realistic picture of the evolution of local governance it is very important to briefly examine how the “Thuggee” is built into the Indian Political System across centuries and how it influenced the development or non-development of the local administrative institutions.

The origins of the Thuggee are difficult to pin-point. W.H. Sleeman, who was the Superintendent of the ‘Thug-Police’ for many years in the early part of the 19th Century, tries to come to some understanding of the phenomenon and gives us this insight into the origins of the Thuggee: “...I feel myself no doubt, that from these vagrant bands are descended the seven clans of ..., who, by the common consent of all Thugs throughout India, whether Hindoos or Mahommuduns, are admitted to be the most ancient, and the great original trunk upon which all others have at different times and in different places been grafted.”⁸⁸ And although the origins are Muslim and Hindus later quickly rallied to it, in no way should one think of it or mistake it as being joined by tribal clans who could not find other livelihoods. As one renowned captive explained:

“*Feringeea* (notorious thuggee leader).- My ancestors were not among the people who came this way to Sindouse. The fort of Sursae was held by Rajahs of the Meeo caste, whence the term Mewatee. The Brahmans of the village of Tehngoor served them as household priests; and when one of these Meeo Rajahs went to wait upon the Emperor at Delhi, some of these Brahmans accompanied him, and there they were initiated in the mysteries of Thuggee; and on their return they introduced it among their friends at Murnae and other places in the Sursae or Omurec purguna.”⁸⁹

As it will be later exposed the Brahmin input into the development of the Thuggee was very important. The Brahminic Order prepared the Indian society to accept life as it comes, even the calamities that might befall one’s self, both natural and so not so natural. In Sleeman’s words “...India is emphatically the land of superstition, and in this land the system of Thuggee, the most extraordinary that has ever been recorded in the history of the human race, had found a congenial soil and flourished with rank luxuriance for more than two centuries, till its roots had penetrated and spread over almost every district within the limits of our dominions, when the present plan of operations for its suppression was adopted in 1830

⁸⁸ Sleeman W.H. (1839) op. cit., p. 82

⁸⁹ Ibid. p.205-206

by the then Governor General Lord William Bentick.”⁹⁰ Sleeman is only partially right, since as the British later realised, although they thought that the Thuggee was not present within their dominions, the Thuggee culture and its administrative applications were widespread even in their own dominions. One American who spent many years in British controlled Bengal says the following: “They seldom trust each other’s word. In matters of business they have so little confidence in each other that a bargain is considered of no value until money has exchanged hands...I do not say that they are all vicious liars, but the tendency is so much to conceal, and there is so much want of frankness, that it is unsafe to depend upon their word.”⁹¹ The first and primary aspect of Thug culture is deceit and provokes in the society at large a sense of distrust. Since the pattern of the Thug behaviour proved to the people, that even the outwardly best intentioned person could be a Thug.

The secret of the success of the Thuggee lies in the method employed. Unlike the Pindarees, the Thugs were not indiscriminate; they did not unnecessarily destroy property or burn villages and towns. Although the end result of their trade was the murder of their victims, they behaved like highly cultured gentleman. They befriended and gained the confidence of their prospective victim long before their treacherous transaction took place. ‘No men observe more strictly in domestic life all that is enjoined by their priests, or demanded by their respective castes; nor do any men cultivate with more care the esteem of their neighbours, or court with more assiduity the good will of all constituted local authorities. In short, to men who do not know them, the principal members of these associations will always appear to be among the most amiable, most respectable, and most the middle and higher classes of native society; and it is by no means to be inferred that every man who attempts to screen them from justice knows them to be murderers.’⁹² The word is pronounced, Thuggee is an ‘upper middleclass’ preoccupation which needed two essential things to be successful, it needed a closed and well organised society into which it can slip back into after its operations, so that no one would dare accuse them of anything criminal. Secondly, they have to be endorsed by the spiritual and political powers. Without these two elements they never started on their venture.

While the Pindarees exhibited characteristics of a paramilitary group, the Thugs were more limited in their scope. And while the Pindarees were connected to central administration like that of Shindia and Holker of the Maratha Confederates, the Thuggee was related to local

⁹⁰ Sleeman W.H. (1839) op. cit., p. 83

⁹¹ Griffin Z.F. (1896): *India and Daily Life in Bengal*, published for the author, Buffalo, N.Y., p. 88.

⁹² Sleeman W.H. (1839) op. cit., p.93

officials. As W.H. Sleeman noted through his endless encounter with the phenomena, “In the Gunlior territory, the Mahratta amils, or governors of districts, do the same, and keep gangs of robbers on purpose to plunder their neighbours; and if you ask them for their thieves, they will actually tell you, that to part with them would be ruin, as they are their only defence against the thieves of their neighbours!”⁹³ Since the lion share of the fiscal revenues came from agricultural production the fortunes of the local lords and headmen were closely tied to the weather and the ravages of war. There was a strong pressure to diversify their revenue base. Thuggee was an ideal administrative instrument for those who wanted to squeeze yields from trade and monetary transactions. At any given moment there were literally thousands of tons of gold that was carried from one side of the country to another by ‘money carriers’ for Banyan bankers, by pilgrims, the passage of fortunated brides, soldiers visiting their families with their annual pay, and the list could be endless.⁹⁴ The temptation to make the best of the situation was high. Local potentates therefore made deals with the Thugs. The tariffs varied depending on who was offering the protection to the Thug groups. In one instance Captain Sleeman of the Thug Police puts the following question to a convicted Thug and gets an interesting reply:

“Q.- How came the tax of 24 rupees 8 anas to be first imposed upon you?

Thukoree.- Thugs had always been obliged to make occasional presents to the chiefs and heads of villages under whose protection they resided, but there was never any fixed rate of payment. The handsomest horse, sword or ornament, that they got in an expedition was commonly reserved for the most powerful patron of the order.”⁹⁵

Patrons were small and big but it seems that in most cases the part given to the ‘sponsoring’ overlord was 25% or one fourth. In one interesting testimony a Thug, typical to their trade, gives a round about answer when pushed to reveal the size of the gains that went to their patrons: ‘Dhun Raj Seth sent his agent, Bearee Lal, to the Resident at Indore, and the agent of the Governor General in Bundelcund to recover his dollars. He got a good many of the principal Thug leaders arrested; they were sent by the agent in Bundelcund to the resident at Indore, who sent them back to the agent, who made them over to the native chiefs, in whose

⁹³ Sleeman W.H. (1844 V-1) op. cit., p. 241

⁹⁴ Sleeman W.H. (1839) op. cit., p.170. (One Thug explained to Sleeman that in one robbery alone the gang was able to get hold of more than 200 000 rupees of gold etc., from one traveller going from Bombay to Nagpore in Central India.)

⁹⁵ Ibid. p.207

jurisdiction they resided, with orders to make good the money. These chiefs told us to make good three-fourths of the money taken at Burwaha ghat by a general contribution.⁹⁶ From this statement we can rightly assume that if the Thugs have to pay back only three-fourths of what they robbed, then the local chief must have got the remaining one-fourth of the booty.

In each district or sub-district the local officials encouraged Thugs to carry out their activities⁹⁷, knowing well that his Thugs would not by definition operate in his own locality; Thugs always carried out their trade far from the area or community where they lived. Sometimes they thought that it was compulsory to have their own thugs to counter the devastation caused to them by someone else's Thugs.⁹⁸ But from a historians point of view we can well imagine what the totality or summation of these transactions meant. In essence everyone was robbing from the other. And the general consequence of this was that none was willing to put an end to this practice, on the contrary everyone was searching to see who could rob more and better than his neighbour. Commenting on the state of affairs in relation with the Maratha rulers, Sleeman says, "Neither he nor the prince himself, nor any other officer of the public establishments, ever dreamed that it was their duty to protect the life, property, or character of travellers, or indeed of any other human beings, save the members of their own families."⁹⁹ Rather than being a crime, Thuggee had therefore taken a character of local institution in par with governors and princes.

In terms of general administrative patterns, what this situation of the Thuggee demonstrates is that officials at various levels were using their official position in big part, as a right to engage in an enterprising activity uniquely oriented to procure for themselves or their families the benefits of their official position. In essence, he feels that he has bought his position and it is no one's business other than his own. The local official had to annually forward a certain sum to the Maratha treasury; and his duty to the Maratha State was finished and done with when this sum was acquitted. And this accomplishment, he thought, gave him the license to do whatever he saw fit to increase his personal gains. According to one Thug the involvement of local officials and notables was widespread, "Such was Dhun Raj Seth's influence that he could get a gang released from prison in any part of India; and for some time his agent Bearee Lal had always half a dozen of the principal Thug leaders about his person, and used to attend all our marriages and festivals. What his master got, we know not, but he

⁹⁶ Sleeman W.H. (1839) op. cit., p.171

⁹⁷ Ibid. p.65

⁹⁸ Sleeman W.H. (1844 V-1) op. cit., p. 241

⁹⁹ Ibid. p. 344. (speaking of the government and officials of Gwalior)

got a great deal of our money.”¹⁰⁰ One could have no pity for these criminals but it becomes apparent that they were not the prime beneficiaries of their trade. The Brahminic Order was one of the chief beneficiaries; it controlled every valve of the economic flows.

Ultimately what we arrive at is that a public official is at the same time an individual entrepreneur. Some would say that there is nothing wrong that a public official displays welcoming signs of entrepreneurship. The only problem with this type of entrepreneurialism is that it benefits neither the state nor the community which it is destined to serve. What this trend introduced into the local administrative apparatus, in the absence of central control, was the emergence of ‘duality of function’, every official is at the same time an entrepreneur and does not feel that there is anything wrong with it. ‘All these characteristics of plunder, perjury and corruption lead to a sense of imminent danger of reprisal, it could be from a foe or very well from a friend, for which reason nobody trusted nobody, especially if the adversary or colleague was from a different community. The pattern of administration was therefore of intrigue and inaction at the same time.’¹⁰¹

As it will be illustrated, this duality of profession acts as an intermediating vehicle between two spheres which nominally have nothing to do with each other; and in reality should have nothing to do with each other. By definition, if not by principle, an officer of law enforcement cannot be a thief or burglar, far less a sponsor of it. In the same way a Thug, who specialises in disrobing traders, cannot be a trader himself. The Indian context shows that anything is possible and what more, restores a sense of respectability on this supposedly contradictory duality. The testimony of one Thug named Morlee gives us an insight into how this duality of purpose becomes operable:

Morlee. – I was one day walking with some of our party near Jeypore by an encampment of wealthy merchants from the westward, who wore very high turbans. I observed to my friends as we passed “what enormous turbans these men wear!” using our mystic term *Aghasee*. The most respectable among them came up immediately and invited us to sit down with them, saying, “my good friends, we are of your fraternity, though “our *Aghasees* are not the same.” They told us that they were now opulent merchants, and independent of Thuggee, the trade by which they had chiefly acquired their wealth; but that they still did a little occasionally when they found in a suitable place a Bunji worth taking; but that they were now beyond speculating in trifles!”¹⁰²

¹⁰⁰ Sleeman W.H. (1839), op. cit., p.172.

¹⁰¹ Sleeman W.H. (1844 V-1), op. cit., p. 236 (in the form of a footnote).

¹⁰² Sleeman W.H. (1839), op. cit., p. 221-222.

This example illustrates several things, but above all it demonstrates without doubt, the duality of the caste-system. At certain levels the inter-operability of the caste system is very high, and this is especially true of the upper castes. At this level the caste system is not a strait-jacket as some describe it to be. It is often described as a 'guild' system which is hierarchically organised into a mutually-exclusive system, and therefore, its interest to the study of the organisation of public order and public administration. As it was repeatedly shown and the above example demonstrates that Brahmins and Rajputs were also at times very efficient thugs. At the upper end of the caste hierarchy therefore the restrictiveness of the caste-system evaporates, giving way to a more subjective interpretation of it. And at this period of time, given the personalised nature of public administration, especially that of the local level, where control was weak, the purpose of public administration becomes clouded. If we take the Maratha example, a Brahmin can be a priest, a public official and a Thug. As Karl Marx puts it: "History is nothing but the succession of the separate generations, each of which exploits the materials, the capital funds, the productive forces handed down to it by all preceding generations, and thus, on the one hand, continues the traditional activity in completely changed circumstances and, on the other, modifies the old circumstances with a completely changed activity."¹⁰³ This not only breaks the boundary of the caste, by making it very elusive, but it also shows that a man can be all this in his life-time without the constraint of the 'guild' nature of the Caste-system. He can start by being a Thug, later become an official and finish his lucrative career by becoming a priest in a well provided Temple. But this inter-operability also means that people of contradicting professions can exist in a same extended family or caste-community; and even better, they could collide to further the interests of the family and caste.

In such an environment, it was only natural that the Thugs did not feel any resentment at either robbing or strangling their victims. What is interesting in the whole of these proceedings is that none considered the Thuggee to be out-of-place, unethical or unholy. The gangs were very pious individuals and many of them were Brahmins, as earlier explained by one of the Thugs. The Temple was part of their activity. Before setting off on their expeditions, they undertook extensive and most times expensive offerings to the temple before leaving. Interestingly the same religious zealotness pushed them to share the booty with the temple. And as one Thug explains, the Temple was considered a full member of the gang, "We transferred the treasure to our ponies; threw the bodies into a ravine, and went on

¹⁰³ Marx K. and Engels F. (1974): *The German Ideology*, edited and introduced by C.J. Arthur, published Lawrence and Wishart, London, second edition, 1974, p. 57.

for three days without halting any where, as we knew we should be immediately pursued. After we had got beyond danger we rested and divided the booty, setting aside the proper share for the temple of Davey at Dindachul, near Mirzapore.”¹⁰⁴ In another occasion another Brahmin Thug explains that to get rid of the sins of their acts, acts which sometimes led them to murder women and children, “Feringeea’s (a notable Brahmin Thug) father, Purusram Brahman, was there; so was Ghasee Subahsar, a Rajpoot; so was Himmud Brahman. When they came home to Murnae, Rae Sing, Purusram’s brother, refused to eat, drink or smoke with his brother till he had purged himself from this great sin; and he, Himmud, and Ghasee gave a feast that cost them a thousand rupees each. Four of five thousand Brahmans were assembled at that feast.”¹⁰⁵ If the pattern of Brahmin settlements in tiny communities, in each notable villages is to be believed; then four or five thousand Brahmans means that at least several hundred Brahmin communities participated in the event. And all presumably knew the reasons for such an exuberant feast. And this was only one thug cleansing himself on one occasion.

1.4.3. The Priests

In terms of institutional development, what the combination of Pindaree activity inside and outside the Maratha territories did was that it made the place of the temple in the Indian society unparalleled. In this chaotic and troublesome period therefore the Brahmin Temple, the upper end of the Brahminic Order fared rather well. It had the political support, namely that of the Maratha Confederates, it had the money from donations of people who feared for their life and the lucrative contributions from Thuggee. Ideally it had all the conditions necessary to spread its pre-eminence to greater percentage of the Indian society as a whole. Apart from this evolution there were two fundamental trends that have to be underlined as far as local administration is concerned. Firstly the Temple, more and more becomes the base for mitigating local affairs, where ever it exists. As local institutions and administrative structures were destroyed, the Temple was the only organised institution that was standing and healthy. And as a consequence it was able to spread out its influence. Secondly, the Temple did not differ from the Maratha political institutions, it too had the duality of purpose and there is no reason to think that it was a recent evolution, it was always like this since its beginning. It is a

¹⁰⁴ Sleeman W.H. (1839) op. cit., p.171

¹⁰⁵ Ibid. p.154

place of worship and at the same time, it is a complex enterprise whose only aim was to enrich the Brahmin castes.

In the absence of any perennial authority between the upper and lower strata the Temple firmly occupies the middle ground. And what is more, every single Temple is organised and run on an individual basis but at the same time any particular temple is connected to other temples in the region and beyond by Brahmin clerics that dispose a strong loyalty towards their caste and possess a strong group consciousness. And although there was no central authority or structure guiding the thousands of temples across the Indian land mass, there existed a confederal system, similar to the one described by Immanuel Wallerstein in his 'The Modern World-System.' He argues, "It is a "world" system, not because it encompasses the whole world, but because it is larger than any juridically-defined political unit. And it is a "world-economy" because the basic linkage between the parts of the system is economic, although this was reinforced to some extent by cultural links and eventually, ... by political arrangements and even confederal structures."¹⁰⁶ Interestingly the Indian Temple and Brahminic Order functioned exactly in the same manner. Every single unit was organised with complete independence but at the same time communication and cooperation between the units was total.

Nothing demonstrates the bondage better than the ease at which the Maratha troops and their Pindaree auxiliaries could cross the enemy country. A lot is made of the Maratha spy network but as earlier explained the best informed and the most talented were the priests; they were very well informed on the nature of their locality. In the examples cited on the phenomena of Thuggee, we got to know that a share of the booty was paid to the temple. We don't know if the allotted share was due to any service rendered. But it is true that it is a strong traditional feature of any Hindu that goes to the Temple to make extensive offerings, days before undertaking an important journey. Due to the perilous nature of the journey, few thought they could survive without the blessing of the Brahmin priest. Somehow the information that a rich merchant, with several hundred thousand rupees worth of gold and property, was going to travel reached Thugs that were living several districts from there. For, let us not forget the strict tradition of the Thugs, that they never perpetrated their crimes within the same district where they lived. One could therefore assume that information gathered by the Temple was commoditised.

¹⁰⁶ Wallerstein I. (2011) op. cit., p. 15

So going back to the comment made by Immanuel Wallerstein, we could safely assert that the Indian Temple at the turn of the 19th Century acted as a mini-world system that confederated the scattered parts that were on the surface disconnected to each other. Wallarstein's comment in the Indian context becomes even more pertinent when we realise that at the heart of the Brahminic 'world-system' lies an economic interest and not celestial preoccupations. But this should not come as a surprise since as mentioned earlier the caste system is in itself a 'guild' system, creating a system of economic transactions and exploitation. The Thuggee System which on the surface looked as if it benefits petty criminals was indeed tightly folded into the influence of the Temple and at a larger level serving the Brahminic Order.

The local economics of the Temple are based on simple principles and are very easy to understand. Every moment and movement is reconciliated with an economic transaction in favour of the temple. To nurture and foster a sense of perpetual torment a person's life is divided into sequential development and extra sequential development. The sequential development is comparable to riding through the countryside of Victorian Britain, at every important stage the traveller has to disburse a payment. It is the same with a Hindu's life. From birth to death, and even after, the celestial instalments have to be acquitted. These for example could include the 'first hair cut' to the 'worship before and after harvest,' nothing is left to lapse into insignificance; everything has significance only after it is 'blessed' by the priest. To this is added the extra sequential part where both fortune and misfortune trigger huge expenses in favour of the Temple.

Women in particular are hugely influenced by this segment of 'temple economics.' 'Motherhood is the one great thing to be desired on the part of a wife in India; and no disgrace, scarcely, is greater than that of being childless.'¹⁰⁷ The promise of fertility and birth of a son can induce people to go to enormous extents like offering gold ornaments or even add an extra wing to a temple when the patron is wealthy. Sickness and famine are also elements that made people to contribute to the coffers of the Temple and the priest, sometime taking a hypothetical ruin into its irreversible certainty. There were unfortunate examples like a peasant unwilling to take his wife to a doctor at the cost a few rupees but spending a hefty sums for a religious funeral. And not having enough to cover the pompous events, people regularly mortgaged their lands, without the guarantee of ever being able to repay their debts. And those who did not have land reduced themselves to virtual slavery to repay their debts.

¹⁰⁷ Griffin Z.F. (1896) op. cit., p. 134

The organisation of the 'pilgrimage' illustrates the centrality of the economic effort of the temple. And it falls into the same pattern of regulating local economic relations and inevitably that pertaining to local administration. "Moreover, the doctrine of Bhakti, or salvation by faith, which existed to a certain extent from the earliest times..."¹⁰⁸ Like everything else the pilgrimage proposed by the Indian Temple is no ordinary feat. The pilgrimage is divided into two well-seamed halves, one local and the other being the final destination, the moment of long-awaited purification of tormented souls. "Pilgrimages to such spots (*tirtha-yatra*) are generally performed as acts of faith and devotion for the accumulation of religious merit, or to atone for sins."¹⁰⁹ Almost from birth, a true Hindu prepares himself or herself to pilgrimages that are a final part of a long spiritual journey that ties them economically to the local temple and Brahmin clerics. The life of a devotee is rhythmically by years of weekly visits to the temple and disbursements of offerings to the deity and presents to the Brahmin.

One American traveller who made observations of Indian life in the 19th century describes the activity of one big temple as follows, "This temple at Puri is supposed to be the richest shrine in all India. It employs seven hundred *pandas*, or Hindu missionaries, who go, two and two, into the villages all through India, to tell the poor, ignorant people of the great virtues of Juggernaut⁽¹¹⁰⁾, and so persuade many to go on a pilgrimage who otherwise would not go. The *pandas* make a careful inquiry into the financial standing of every one who engages to go on a pilgrimage; this list is handed to the priests at Puri, and each one is charged according to his wealth to see Juggernaut in his temple; none, however, being admitted for less than twenty rupees, or about six dollars. If they have not this amount, the priests lend to them, taking as interest an equivalent to three cents on a dollar per month.⁽¹¹¹⁾ This is regarded as a sacred obligation, and binding upon the individual and his children and successors for fourteen generations. The priests often extort the last cent pilgrims have, and they are allowed to start home, not knowing where the next meal is to come from."¹¹² What the priest deems as salvation, in practical terms therefore becomes a deceleration of material life, not only of one individual but the entire family; and sometimes over several generations.

¹⁰⁸ Williams, Monier (1877) op. cit., p. 115

¹⁰⁹ Ibid. p. 171

¹¹⁰ One of the many incarnations of Lord Vishnu, one of the trinity of gods in Hinduism.

¹¹¹ This equivalent to 36% per annum.

¹¹² Griffin Z.F. (1896) op. cit., p. 144

The system of pilgrimage is a vast and integrated enterprise which is organised by large temples but also mega centres in the likes of the city of Benares. “This celebrated city of Benares, which has a population of about 200,000, out of which at least 25,000 are Brahmans, was probably one of the first to acquire fame for sanctity, and it has always maintained its reputation as the most sacred spot in all India. Here, in this fortress of Hinduism, Brahmanism displays itself in all its plenitude and power.”¹¹³ The Brahminic Order has no central organisation but Benares acts as a national confluence where doctrines, rites and religious principles are experimented and transmitted to individual temples. A new god and the erection of a temple for this new reincarnation is a new economic opening to the Brahminic Order. “At nearly every sacred place the number of shrines to be visited and of ceremonies to be performed occupies many days, and no pilgrim can go through all the duties required of him without the aid of the Brahmans attached to the locality, who exact fees even from the poorest, and receive large sums of money from rich persons.”¹¹⁴ To be completely freed it is a must for the pilgrims to touch the statue or pass through that area. “In the principal temple of Siva, called Visvesvara, are collected in one spot several thousand idols and symbols, the whole number scattered throughout the city being, it is thought, at least half a million.”¹¹⁵ It is no wonder, therefore that a pilgrim who is lucky to escape the dangers of being ‘thugged’ arrives at the gates of Benares to be slowly disposed of all the wealth at his or her disposal. And as one scholar puts it when talking of the responsibility of the priests, “They do not try to lift of the loads off shoulders which are all but crushed, but on the other hand, lay heavier burdens upon them.”¹¹⁶ The temple weaves the life of a person into economic servitude directed to the benefit of the Temple and the Brahminic Order.

The Priest and Temple officially are not part of the political or administrative structure at the local level. But both have enormous influence on the economic activity and economic relations between people. The secret of their trade fundamentally boils down to a system of division and exclusions. To this list Carstairs adds ignorance¹¹⁷ as being at the root trade of the Brahmin priest, who acquires material benefits by passing on ignorance to the devotees. He then goes on to saying, “The religious professions of ignorant masses made up in this way of blind followers, and blind or careless teachers, are dangerous, and can never be useful to the State. If these professions are sincere, the people who make them are fanatical, and can be

¹¹³ Williams, Monier (1877) op. cit., p. 174.

¹¹⁴ Ibid. page 176.

¹¹⁵ Williams, Monier (1877) op. cit., pp. 174-175.

¹¹⁶ Z.F. Griffin (1896) op. cit., p. 146.

¹¹⁷ Carstairs R. (1891): *British Work in India*, published by William Blackwood and Sons, Edinburgh and London, p. 40.

played upon by agitators or conspirators; if they are not sincere, they but cloak and conceal the real nature and designs of those who make them.”¹¹⁸ Carstairs was much in advance in statement when he talked about ‘agitators’ and ‘conspirators’ which will be discussed in the final part of this study when local government and its development under native rule will be discussed. What is interesting is what Carstairs calls the ‘real nature and designs’ of the Hindu Priesthood and how it influences the organisation of the local community.

The Priesthood as a local force does not participate in the economic future of a community. There is not a single instance it positively influences the basic productive capacity of a community. It does not deliver justice nor participate in the education of the local population. It does not support the political and administrative organisation of the community. It does not push its devotees to work together to the betterment of the community. But it does siphon off huge amounts of economic resources from the community. What is more important is that it contributes to the misappropriation of the resources of the community and does cause the disruption of economic life of the community. And as Carstairs explained it has no use for the State and could at times go against the interests of the State. In short the Temple is useless for the community and provides little in terms of civilisational development; but it is omnipresent in the local community.

This one-way relationship of the Temple with the community that gathers around it does not differ with the general methodology of the Brahminic Order. It is a one-way relationship because it benefits no one else except the Temple and the Brahminic Order. In the 17th Century John Locke analysed the inner workings of this context where the Indian Temple found itself. Locke would argue that the position of the Temple is that ‘usurpation’ because it reaches out far beyond what it actually should be doing.¹¹⁹ For what the Temple did was to levy a form of ‘spiritual’ taxation without the legitimacy to do so. He would certainly say that the Temple sits on top of local power without being named to do it. In essence, the Temple appropriates the power over the community without accepting the responsibility for its well-being. Locke would go even further, he would out rightly say that the Temple and the Priesthood were organising a ‘tyrannical enterprise’ since it takes on an institutional character but does not work for the ‘preservation of the people’, instead it works for its own preservation.¹²⁰ Its institutional character comes from the fact that it stands at the lower end of

¹¹⁸ Carstairs R. (1891), op. cit., p. 42.

¹¹⁹ Locke J. (1985): *Deuxième Traité du Gouvernement Civil*, translated from English to French by Bernard Gilson, published by Librairie Philosophique J. Vrin, Paris, p. 190-191

¹²⁰ Ibid. p. 191

the Brahminic Order. And it also comes from the fact that it does not tolerate the rise of any other institutions capable of organising the community.

What has to be stressed is that all the Temples and consequently the areas they dominate belong to a bigger order, the Brahminic Order. But the interconnectedness and the organisation of the Brahminic Order, as far as the Temple is concerned, have no physical bearing; it is nowhere to be found. The system hands down the general guidelines by a mechanism of socialisation in the Brahmin caste. The ingenuity of the system is that it provides the members with an organisational commonwealth from which each part can draw its strength from, without having to bear the costs of a formal institutional organisation. Buddhism has a monastic system, where the organisation is easy to be identified, in the Brahminic Order there is no such organisation. In essence what this means is that the Temple in reality performed or took up the mantle of local governance but without it being visible. It levies taxes without people consciously thinking of them as such and it rules without the responsibility of a visible ruler. The sophistication of the Temple's model of local government and its deceptiveness are unequivocal. But from a historian's point of view it could be very disturbing because a political system is masked as being a religious system. But coming back to the axioms exposed by John Locke in his Second Treatise of Civil Government, in times of anarchy and void of political power; it is worth considering all actors who irrigate society according to their own set of ethics and priorities.

Beyond these economic consequences one can enumerate several other consequences of the Brahminic model which arrested progress and put the country on the path of economic and civilisational deceleration. In the passages below will be discussed how the cascading enterprising activities gave the semblance of a State which in reality was absent. It will also be discussed how the village, as an administrative unit, survived the marked absence of State power to become the only provider of stability and economic capacity.

1.5. The hierarchy of enterprising activity

In the above sections we witnessed how the sub-continent was in the grip of many ills at the beginning of the 19th century, at the moment when the East India Company starts to take-up administrative responsibilities in earnest. Too often, nationalist history of modern India presents the arrival of the Company at the helm of administrative responsibility as the true beginning of the subjugation of India, when a prolonged period of exploitation of the Indian nation started before independence was achieved in 1945. This is a trap that this study

will avoid, for the nationalist logic reveals nothing except false interpretation and complaisance about the true causes of the Sub-continent's weaknesses. The purpose of the above sections was to assess without preconceptions and prejudices the real state of the country and see who were responsible for those numerous ills. This will help us to understand the action of the East Indian Company in its true context. And as such it will help us to understand why the Company proceeded in a very specific manner in which it did. This introductory appraisal will also help us to clearly identify what was lacking when the Company took control and what changes it introduced, and their importance for later periods in the art of administration, and especially in the field of local government and local administration.

This very last part of this introductory part of the study will act as a conclusion to the section before we move onto the three periods through which we will journey recollecting the changes and evolutions that each period can call its own. As we kick off, as it were, with the period closely connected to the East India Company one of the announced purposes of this study is to carefully enumerate the entrepreneurial spirit that was linked to the Company's efforts in the sub-continent, in the field of local administration. So it is in this part of the study that one will try to appraise what has been said up to now on purely entrepreneurial criteria. After exposing the various aspects of the local tradition in government and how it enticed the different aspects, social, economic and cultural strands to keep control, we will now proceed to appraise the entrepreneurial activity of the pre-company period. Although there are many perspectives in which the situation described earlier can be comprehended, one is forced to accept the very difficult conditions, full of risks of all kinds that prevailed, could not leave the inhabitants without reaction to their conditions; the fight for survival had pushed them to a pattern of behaviour which was dynamic although their overall situation did not change. Even if we can readily describe the outcome as producing inertia or stagnation, the process which leads to this state of inertia was anything but passive. This might sound paradoxical but at closer investigation the coherence can be arrived at. The situation was that the sum of these dynamic actions was zero, meaning that the overall picture or condition of the country and population does not change by the activities of the inhabitants and government because they are structurally and mutually destructive in a certain sense, one cancels the other, resulting in stagnation.

The question here is how do we go about describing the nature of these actions; how do we qualify them? In the Indian context a lot of concepts go astray, not because they lose their descriptive capacity, but because the distinction between the subject under definition or

description is so frail and elusive. In the study on Maratha rule we realise, in numerous situations that, what a provincial Maratha administrator did was not that far from what a bandit was engaged in, but still on the one side we call someone ‘administrator’ but continue to describe the other ‘bandit’ even though both are engaged in similar activities and where the final outcome is identical. This might be deeply disconcerting for some and outrageous to others but the fact remains that, the weight of titles and arbitrary descriptions soon evaporates when one takes a second look. And when we step beyond the mere description by examining the accounts of travellers at this time the picture one gets is that of things being left in a sad state but the people being boisterous and industrious in whatever they undertook. They mobilised great energies and organisation to achieve their goals; good or bad is another matter. What is important is the dynamic structure of their activity. After careful consideration the best way of describing the whole spectrum of actions, at whatever level they are found, is by the term ‘entrepreneurial.’

Further on, this entrepreneurialism has its own hierarchy and dialectic because of its particularities. The period can be characterised as state entrepreneurialism but without the development of either state or society. The reason for this was that within this State-shell there was a hierarchy of entrepreneurial activity, each independent of the other. The nature of this State entrepreneurialism in turn provoked a particular type of entrepreneurialism from the inhabitants who tried to protect themselves from those consequences. While the State and its officials busied themselves inventing new and newer ways to disrobe, often the lowest of its citizens; realising the real nature of the administration the people went on to devising ways to outmanoeuvre the officials in order to subsist and survive. Paradoxical as it might seem both went about their endeavours in an organised manner. To illustrate the point a certain number of cases studies, relating to each level and section of the population, will be proposed in the following passages. The reason for these illustrations is that they will give us clues into the workings of the later periods, for it will not be an easy task to reverse these tendencies and remobilise the same energies in a positive manner. We will now go on to seeing how this entrepreneurialism operated at various levels and how it affected the administrative tradition that was transmitted to the later period.

1.5.1. State entrepreneurialism

State entrepreneurialism can be viewed in two distinctive spectrums. An integrated state in view of its dedication to its people can decide to undertake projects or plan investments to

further the general interest of the community it oversees, and as pitfall, in an indirect manner, the inflow of resources to the treasury is also increased as a consequence of the outlaid investment. The best examples of the time can be found in China where the various dynasties undertook projects of gigantic magnitude to enhance the productive capacity of the then Chinese economy. These had the entrepreneurial characteristics that no individual or group of individuals could undertake those actions which were necessary to benefit the national community. These actions are also entrepreneurial by the enormity of the risks that were taken. Given the magnitude of the investment and the human effort involved, if by chance the project was badly conceived or did not live up to the expectations, then its failure could lead to the ruin of the regime and a weakening of the state; leading to a potential threat from outside or a rebellion from inside. But a successful completion of a project that meets the needs of the people and their expectations could enhance state's financial position and its prestige and veneration to it, among its people. State entrepreneurialism, here means that decision makers at the top of the state are conscious of the risks and benefits involved, in their general strive to increase prosperity at all levels. But this is not the only form of state entrepreneurialism.

State entrepreneurialism of the Subcontinent was diametrically opposed as it evolved towards the beginning of the 19th century. Minorities controlling and running the state apparatus is not rare in history, nor is it new to history that rulers in some degree can always be considered a minority in comparison to the people over which they establishes their predominance. Evolutions in the Subcontinent are qualitatively different, the entrepreneurial objectives and resources mobilised were quite apart from those seen before. Just to take the most obvious examples, that of the Moguls, the Marathas and in many cases the Brahminic Order as a caste, each began as a modest enterprise with a clear objective of subjugating a people that was not of its own, and extract as many resources as possible. The resources thus acquired would be spent further for the aggrandisement of the same enterprise. Of course each had their agenda and strategy for domination but the fact remains that they acted and conceived their actions as an entrepreneurial activity, whatever the outside projection of this intent might have been. This of course can be masked in religious fundamentalism, namely that of spreading the word of Mohamed in case of the Moguls or the defence of Hinduism for the Maratha Brahmins but this did not for a moment deviate their structured and straightforward entrepreneurial endeavour. The Mogul empire was more successful in putting forward an appearance of state in all its regal functions and displays. Here too the risks were

evident, an extractive model of entrepreneurialism has its limits since sooner or later it will touch a dead end, because not much would be left to extract.

The Maratha style of state entrepreneurialism was more overt, they did not make a secret of their ventures. Plunder was not a by product from their relentless and over-dedicated defence of Hinduism, it was at the centre of their extractive policy. Periodically they mobilised hundreds of thousands of soldiers, cavalry and hundreds of elephants and ventured thousands of kilometres into neighbouring and distant lands plundering everything on their way. This entrepreneurial spirit was readily recognisable in the way they, the Marathas, collaborated with marshal tribes and bandit groups like the Pindarees, exposed in the above sections. Their administrative preference also showed the same entrepreneurial enthusiasm. Since these plundering excursions was one of the principal sources of their financial muscle; tax and rent collection was not deemed particularly important. But in all manner and form it was important to show that it had all the semblances of a sophisticated State, firmly in grip of the provinces that came under its stranglehold. Administration in all its visible aspects was a façade that would mask their real entrepreneurial activities. Once again the notion of ‘Duality of Purpose’, as it quite often surfaces in the ethnic administrative tradition, becomes an ongoing theme. In short the network of administrators is not there to undertake any administrative function worth the mention, in the sense of organising and serving the common interests of the people. Since the maintenance of such an administrative network would incur a considerable cost to the Maratha treasury. Somehow they had to transform this burden into a revenue generating venture, so what the Marathas did was to invite business families from the money lender caste or rich merchants who had the local knowledge of the area to bid for the function of ‘revenue collector’, who in most cases acted as the local handler to the Marathas. Knowing well that the merchants were bound to cheat on the tax revenues they proceeded to extract as much as possible in the form of bidding money.

1.5.2. Entrepreneurial Bureaucrat / Officer – the commoditisation of administrative power

Entrepreneurialism in bureaucracy, if it serves the public interest, is considered to be good; but if it serves private interest or the interest of the bureaucrat who is involved in public function then his actions are deemed to be corrupt. The experience of the Subcontinent cannot be categorised in such a black and white manner. Public function in the modern sense of the term is precisely defined along with the salaries and other remunerations that go with it. Responsibility of the official in exercise is also neatly defined. The degree of risk in the

exercise of the public function is also readily ascertainable. The public official has a specific duty to fulfil and a certain principles of conduct to maintain, and whatever revenue that surfaces during this exercise of duty has to be, as a compulsion, transmitted to the treasury or chancellery of the state. And when the official steps beyond these perimeters of his function he is liable to reprimand or punishment. But not all states were structured in this manner, especially not in the 18th -19th century Subcontinent.

The structure of the administration in this part of the world was more axed on the line of loyalty to the centre rather than the execution of the public function when the official was paid directly by the Treasury. The reasons for this evolution are various. Firstly, as briefly mentioned earlier, a thick pattern of cross colonisation and further strengthened by the caste system had lead to a wide divide between the people and the official administration. Under such circumstances public function could not be seen in the same manner, it was obvious that the administrators did not see themselves as being there to do public good for the benefit of the community. In their strict existence, they were there as tax collectors and in a lesser manner were there to deliver justice to those who made complaints or demanded reprieve from the payment of taxes, which on most occasions were beyond the capacity of the ordinary peasant. A sense of public duty was therefore more of a sense of duty towards the central treasury, which in turn was structured to extract. Secondly, the structure of the administration, which was closely linked to the fiscal function, was designed in a manner that the risks of out-payments from the central treasury were reduced. The provincial official was not paid directly from the chancellery, the salary or emoluments were deducted from the pool of taxes collected, before being sent to the central treasury. This led to autonomy and entrepreneurialism.

The Revenue Officers were asked to collect the centrally allotted revenue for the year or season. But in terms of his administrative responsibility he was responsible for the district, or at least had the control of what happened in it. In normal circumstances the officer in charge of the district should have used this considerable power and control over the district to see that the institution of law and order functioned and the prosperity of the people enhanced. In reality what happened was that the officer used this privilege to his own advantage, in short part of the property rights of the Empire were appropriated. Since the territories under his control did not yield just land revenues, the possibilities for collecting other forms of revenues were widely open. Although he was the de-facto 'estate owner' his enterprising activity did not consist in developing it in order to get a better yield of revenues, since he knew that this would benefit the central treasury more than himself.

Rather than taking on this respectable mantle he decided to reincarnate a modern-day mafia boss, deciding to create a pseudo-fiscal activity independent of the official. Sir J. Malcolm's Revenue Report on Malwa (1820) gives us a good insight into the workings of extra 'entrepreneurial' activities of such revenue officers: "The Kumaesdars and the other Revenue Officers, however, had innumerable ways of amassing wealth. The real amount of fines, confiscations and *nuzzers*¹²¹ was never accounted for, and a great proportion of these collections were embezzled. *Burguns*¹²² were levied under a variety of pretences and sometimes without the knowledge of the Government, and only a portion of the produce accounted for. The most common were those of Beeaj, Balta Roz, Khorakee, Durbar expenses, etc., etc. It was calculated that a Kumaesdar entrusted with the management of a district yielding a Revenue of a lakh of rupees could besides subsisting himself and his family, realise 3,000 rupees per annum, ... without being guilty of gross malversation. It was the custom of the Rajah to allow the Mamletdars to go on accumulating for several years and then either to plunder them or to extort a large fine."¹²³ One of the reasons why the Rajah might have decided to use the arm of 'plunder,' than put-in an independent chain of controlling administration was that it would add to the costs to an already strained central budget, without the guarantee of producing the necessary results.

The above example also reveals another interesting factor concerning the structure of administration and local government in the Subcontinent. The interesting feature of consecutive administrations in India was that they were deemed centralised, but nothing was centralised. Political power might have been centralised but it had very little influence on the administrative structure which was in reality a 'fiscal administration', which went through periods of tighter central control but more than once was very loose. The land belonged to the government or ruler of the day, upon which tax revenues were assessed. But sometimes land assessments remained the same for seventy years, which meant central control of the local bureaucracy was not needed as regularly as it should have been.

Slowly but certainly most of the administrative function became hereditary and autonomous. There was only one obligation, namely that of forwarding the 'historic rate' of tax revenues. This inevitably turned the provincial official into an entrepreneur of sort. In the above example given by Sir J. Malcolm, we realised the function of a revenue officer had become that of a virtual private entrepreneur. Realising the existence of such practices, the

¹²¹ A compulsory gift regularly offer to a superior officer or feudal lord.

¹²² Ibid.

¹²³ Notes suggested from a perusal of Sir J. Malcolm's Revenue Report on the Malwa, sent to the Resident, November 1820, Govt. Press, Nagpur, -No. 1387, Civil Sect.-16.I-23.- 100. p. 8-9

Maratha powers amplified the practice of auctioning official positions, making the provincial and sub-provincial officials into outright entrepreneurs, as was mentioned in the passages dealing with State entrepreneurialism. Powerful merchants at every level started to bid for positions or the function of tax collectors. To get their money back, what the merchants did in turn was to invent a multitude of ways to extract from the inhabitants, to cover their initial costs and make profits. Sensing the ongoing political instability the merchants were very anxious to get their money back as quickly as possible and incur as little cost as possible.

The Merchants and Money Lenders were not new to the business of local administration and the system of revenue collection. In fact they sat in the middle of a system of economic transactions that were the nerve of a region and its government. As a result, the revenue system became precarious, the central government imposed an arrangement by which the revenue collectors at the district level had to pay advances much before the actual revenue was collected. This amount had to be paid for by the collectors from their own pocket. And since many of them, in most of the times, lived beyond their means, they were obliged to borrow sums from money lenders. As Sir J. Malcolm explains “Districts however have never been farmed out for a longer period than one year, and the large advances have not therefore been demanded from Mamletdars.¹²⁴ The system of late years has been this when a Mamletdar was appointed to the charge of a district he was obliged to pay advance of about 10 or 12 per cent of the *jamma*¹²⁵ before the commencement of the collections. This sum he perhaps borrowed from a *Sahookar*¹²⁶ and he was allowed by the *Sirkar* a deduction for interest at the rate of one per cent a month.”¹²⁷

Their influence did not stop there, “Sahookars sometimes contrived to make a double and treble profit in the same district. They made the advances to the Mamletdar, to the Patels of the district, and cashed the orders granted on them by the Rajah for the payment of troops, etc., at the same time, and had a separate profit on all transactions.”¹²⁸ The merchants knew the financial position of the district and province much better than anyone else; they were the only individuals to have an eagle’s view of the whole situation. They were also in a key position to observe the financial situation of the collectors progressively degrade. When a collector had difficulties in paying back the amount borrowed the merchant or money-lender

¹²⁴ Sub-divisional officers in a collectorate of the Maratha administration which the East India Company maintained when the area came under its control.

¹²⁵ Annual land revenue collected in the Maratha provinces

¹²⁶ A kind of hybrid of banker and trader.

¹²⁷ Notes suggested from a perusal of Sir J. Malcolm's Revenue Report on Malwa sent to the Resident, November 1820, Govt. Press, Najpur, -No. 1387, Civil Sect.-16.1-23.- 100. p. 8.

¹²⁸ Ibid. p. 8.

would force him to forgo his official position in exchange for the debt contracted. The position of an administrator therefore became tradable, commoditised.

Merchants and money lenders seem to have made inlays also by undertaking the management of public works. Sir J. Malcom speaks of an incident where the local Rajah had conceded a road to private businesses: “The monopoly of this contract for the Amraotee road was once let for 24,000 rupees by the Rajah, and it has for many years past been in the hands of persons who paid a certain sum to the Government for the exclusive right of transacting the *Hoonda Bhara* (public works) business of the city.”¹²⁹ Almost every aspect of government and administration was commoditised in one form or the other. Although the State was paramount in theory, its real position was that of a junior partner if at all. This pattern of things illustrates well how merchants came to dominate local government systems at the turn of the 19th Century, spreading with the Maratha Power which had in reality become the Paramount Power in the Subcontinent.

Let us not forget that the East India Company stepped into the business of fiscal administration as a merchant company, in the province of Bengal. “The East India Company first came to India as traders, but in 1698 they obtained from the Emperor's representative permission to purchase the *talugdari* rights over the villages of Calcutta, Sutanati and Govindapur at a rental of Rs. 1,195-6. For the grant of a *sanad* they gave a present of Rs. 16,000 to the Emperor's representative, and as the purchase price they paid Rs. 1,300 to the zamindar. In 1757 Siraj-Ud-Doula assigned to the Company 38 villages lying to the south of Calcutta, and at the end of the same year Mir Jaffar made over a tract of 822 square miles which came to be known as the 24-*Parganas*, and the Company became the zamindar of this area on payment of Rs. 2,22,958 annually to the Nawab. ... In 1765 the grant was confirmed for 10 years, after which it lapsed to the Company who held the 24-*Parganas* revenue free. In 1760 Mir Kasim assigned to the Company the revenue from the lands now covered by the districts of Burdwan, Midnapore and Chittagong. In defining the power which the Company was to exercise he directed in the deed of assignment that none of the zamindars or tenants should be dispossessed.”¹³⁰ In its position as administrator of a *Zamindari* the company was not innovating anything new, it just took the opportunity and pattern of affairs that had existed for several decades. The difference however was that it was a well organised company with powerful shareholders and an equally well organised sovereign European power behind it.

¹²⁹ Ibid. p. 11

¹³⁰ Foud F., (1940), Chairman, Land Revenue Commission: Report of the Land Revenue Commission Bengal, Vol. I, With Minutes of Dissent, Superintendent, Government Printing, Bengal Government Press, Alipore, Bengal, p. 12.

In the chaotic environment that prevailed in India, it was only a matter of time before a well organised 'Merchant Company' would move from the position of Zamindar to that of contender and then paramount power of the whole of the Subcontinent. "By the agreement of August 1765, the Company obtained the Dewani (Tax Collector) of Bengal, Bihar and Orissa, in return for an annual payment of 26 lakhs to the Emperor Shah Alam. This meant that the Company became the representative of the Central Government and acquired the right to collect the revenue from those provinces, though the executive and judicial administration remained in the hands of the Nawab. The Nawab received an allowance of 53 lakhs a year as the necessary expenses of the administration, and for the maintenance of his position; and the Company had to defray the cost of its military establishment from its general revenues."¹³¹ What is interesting in the triangular arrangement of 1765 is that the East India Company has the possibility to rule a land mass which is approximately four times that of Britain, but still, there was a unwillingness on its part to take any political responsibility. Instead, it continues to be a merchant company, which had assumed the business of collecting land revenues, remunerating both the Emperor and the Nawab of Bengal. Until the very end it stayed a merchant company.

It is quite likely that the 'privatisation' of the fiscal administration went hand –in-hand with the decline of the Mogul Empire. Whether this practice contributed directly to the decline of the Mohamedan Empire, it is not evident, but it is clear that '*outsourcing*' state functions led to the dilution of state power; its capacity to keep control of the overall structure. On other hand if we look at the situation on a purely entrepreneurial logic, then things become more visible and clear. It was a situation where the monopoly of the Mogul Enterprise starts to be challenged by 'Merchants' who had the status of sub-contractors. Finally it collapsed because one of the merchants started to have a better territorial control than the Mogul Enterprise. At the end the Mogul Enterprise lost its 'raison d'être' and simply went bankrupt.

1.5.3. Entrepreneurialism of the Petty Official

The privatisation of the provincial and local government could not leave the position of the petty official unchanged. The superior official who was now a merchant did not have as primary objective to keep his subordinates well paid, well trained and professional. The

¹³¹ Floud F. (1940), op. cit., p. 12.

merchant's primary objective was to make a good profit on his position. What this meant was that the merchants in turn paid very meagre wages to the people actually on the beat. Since, in reality the merchants were responsible for law and order, justice and other regal functions, meaning the up-keeping an array of personnel who helped overseeing these various responsibilities. And because these personnel were paid menial wages they in turn were obliged to become entrepreneurs, where ever possible exploiting these administrative responsibilities, these officers of fortune became entrepreneurs in their own right. The rich merchant not in the mood to venture into the countryside and cause himself discomforts such as come into contact with the underdogs, closed his eyes to whatever the petty officers did as long as they fulfilled his steep objectives.

The petty officers tried to invent their authentic methods to extract from the inhabitants but in most cases these amounted to outright theft but precautions were always taken to cover their actions in legal formalities. This was not very difficult because in most cases they dictated the laws on the spot, knowing well that none would take up the matter to the upper-levels of administration, since all knew that the local official was at the same the local potentate. His business activity not only involved outright theft but also the 'provision of security' against a long list of misdemeanours of which he was the principle author.

1.5.4. Entrepreneurial Peasantry and Subsidiary Castes

The inhabitants, the administered, in most cases the peasantry, could not survive this raft of demands on their production if they did not do something. What else was left to them except transforming themselves into entrepreneurs? This entrepreneurialism was defensive in nature for obvious reasons that the peasantry felt attacked from all corners. The defensive steps they took consisted of firstly preventing the revenue official from reaching the fields to make estimations by leaving the foot paths in dangerous condition, to the extent that the officer would not know where to put his foot. Secondly by carefully hiding part of the harvested produce in order to show as little as possible to the official.

However defensive they might have been, they could not increase the amount of produce left to cover their needs without creative means to increment their revenues. One of the means was to plant those crops that would survive close to the fences and even drenches, in unsuspected areas. Remaining in the same logic, double cropping was also adopted, millet which sometimes grows up to two meters would be combined with plants that need little light and remained at the ground level, out of sight and un-noticeable by the tax official. The best

example is coconut groves, which tend to grow 10 metres or more, mango trees are planted below. And below the mango trees there would still be space left odd vegetable or millet to grow. Francis Buchanan mentions an example of a coconut farmer who did exactly this: “Although the soil is considered as the property of the government, yet when a man plants a palm garden, the trees are considered as his property, and he may at pleasure sell them. He pays one half of produce to the government, as ground-rent; but pays nothing for the fruit-trees that are intermixed, nor for the vegetables or grains that are cultivated under them.”¹³²

The peasant also used the agricultural calendar very creatively. When the tax officer arrived for estimation very few crops could be visible. And by the time he comes back at the time of the harvest the peasant would have numerous occasions to grow short-cycle crops, cleverly using the combination of crop-cycles to his advantage. Outside the immediate use of land his only opportunity was to turn to cottage industry which had the advantage of bringing in extra cash and making it difficult for the revenue official to control it. Francis Buchanan’s: *A Journey from Madras through the countries of Mysore, Canara, and Malabar*¹³³ is one long description of the hundred and one entrepreneurial activities of the peasantry and the allied castes, among others.

Those peasants which did not have access to irrigated land had the time and incentive to engage in making products that they could take to the market. Although the element of risk was present at all levels, the entrepreneurial activity of the peasantry had an unevenly high level of risk. At every stage of his occupation the peasant was obliged to take decisions which were highly risky. He could buy the seeds on a loan and proceed with the planting but the end results could depend upon many things, namely that of enough rainfall at the right time with the hope that the crop will be infested by some vile insects. It is not necessary to repeat all the risks involved by human influence like war and jealousy. And not to forget the competition and the ever increasing demand for land that further depressed the peasants’ situation.

It was in this way the landscape of covert entrepreneurialism is enriched by those caste-based professions who equally bring colour and subsistence to the whole. The nature of caste-based profession is that it is a protection as well as a constraint. Administration of a society that is caste-based cannot be the same as that without these distinctions. Caste-based entrepreneurialism is specific in the sense that in most cases castes are organised on the same lines as the medieval guilds in Europe, they show a high degree of self-regulation. What this

¹³² Buchanan F. (1988): *A Journey from Madras through the countries of Mysore, Canara, and Malabar*, Vol 1, Asian Educational Services, New Delhi, p. 157.

¹³³ Ibid.

means in practical application is that broad limits are placed on the individual and his family. As mentioned earlier for example, the Dobi caste (washerman) had imposed geographical limits in which each family can practice its trade. Most castes imposed strict codes of conduct and social exclusion as punishment if these broad regulations were over-stepped. A member of Dobi caste cannot for example go into shoe-making because he will face a double exclusion. He would be excluded by his own caste meaning that no marriages to a member of the same caste will be allowed etc. The shoe maker caste will also show resistance by not allowing the incomer, sometimes using the physical force of the shoe makers' guild.

Placed in this straight-jacket they were forced to find new ways to make decent livelihood. New trades were difficult to invent in an anaemic economy that India was at that time. In most cases what happened was that people would try to push the perimeters of their own trade. The clothes washing trade of the Dobi would increase its activity by going into mending clothes and propose embroidery services to their clients at better prices than the tailors, but this was not widespread as a trend. Another way was to buy or rent a small stretch of land to grow the grain and vegetables that would meet their basic alimentary requirements. The plot would be in the proximity of the inhabitation so as to facilitate its easy exploitation and surveillance. This would also put the tax official or the revenue collector's job of estimation and collection of tax difficult because being too close to the inhabitation and relatively small in size, escaped the strict criteria of the tax code. Another particularity of this branch of entrepreneurialism is that because of the proximity and relative security, children and house wives would attend to growing the groceries, soaking up idle labour without exploitation. Buchanan also mentions instances where they make *saris* crispy and ironed as an extra service.

In total, whether it was the official or the peasant, on the surface each in their logic and way of life looked very enterprising from outside; each one was trying to do his best to get a good deal for himself and his community. But at the same time it shows the signs of mutual destruction and makes the state-structure look like a disregarded onlooker. This erstwhile entrepreneurial dynamism also shows the complete absence or dysfunctional nature of local government and administration, government presence on the ground being minimal or inexistent. As examples of other periods in Indian history have showed, entrepreneurialism can be constructive and beneficial to society as a whole. But the entrepreneurialism of the 18th and early 19th Century India was far from being beneficial. The structures of civilisation both physical and political were eroded and crippled.

1.6. The Village as the last bastion of civilisation

Earlier it was shown how the Brahminic Order tended to make central political and administrative structures progressively inoperable, before they were suffocated into a state of inertia. And it was also illustrated how this Brahminic Order went about destroying the intermediate structures at various levels – spiritual, economic and administrative. Here social and spiritual idiosyncrasies were encouraged to challenge the fundamentals of adherence to the intermediate administrative structures, throwing them off balance into a state of chaos and instability. With the study of the situation of the Indian village, the lowest level of the administrative chain, local administration and government will come under inspection. Attention will in particular be drawn to the fact of how this level accumulates all social and economic consequences of misgovernment and maladministration. The intricacies of the real status of the Indian village and its administrative value as a bedrock of local administration and government will be sort at.

It is difficult to define the Indian village because no two villages could come under the same strict definition. So rather than trying to give a scientific definition of the village I would like to use the description provided by R. Carstairs, who spent most of his life as a District Collector in the service of the British India: “Now let us look at the agricultural village in India, and try to realise what it is like. The people are generally a sort of large family, of one origin and one caste or religion. The houses are in a cluster, standing in the midst of the village fields, approached by the same paths, using the same well. The fields of each ryot are scattered among those of his neighbours, over the village, without fences. A man cannot get from his house to his field without passing through the fields of his neighbours. The ryots probably irrigate from the same source; get fuel from the same wood; frequent the same market. Their cattle are herded together; their children play together, and often marry one another; they employ the same barber, potter, oilman, washerman, blacksmith, and carpenter, and deal with the same grocer, each having a running account with him, and with the same money-lender. In prosperous years they rejoice, in drought they suffer together. They must live in harmony as one body, or there is no peace or comfort for them.”¹³⁴ This description fits well the structure of a social, economic, political and administrative unit. And as an administrative unit, which this study is interested in particular, the vision of the Indian village is that of an autonomous entity which is self governing. But since the Indian economy in the

¹³⁴ Carstairs R. (1891): *British Work in India*, published by William Blackwood and Sons, Edinburgh and London, pp. 89-90.

19th Century was still predominantly agriculture based, the village was the main productive unit from which Potentates of all definition drew their livelihood from. It is therefore under the dichotomy of being autonomous but under the compulsion of passing on a big part of its produce to others.

The Indian village under this dichotomy was and continues to be an enigma for scholars the world over. This is mainly due to a lot of reasons, but principally for its supposed relative isolation from other social and political institutions. It is at the same time part of a mega socio-economic structure, if we take into account Wallerstein's *world-system*, but nowhere to be seen on the political landscape. Speaking of the Indian village and its administrative status, Sydney Webb came to a similar conclusion some decades earlier but in the institutional configuration. He argues that since a network of villages was self-governing, in reality the country was governing itself was without a political centre which controlled it. "It is because they themselves run their Local Government, much more than in respect of any real share that they have in the Dominion Governments, that these peoples are essentially 'self-governing.'"¹³⁵ He therefore invites the reader to appreciate the village in its real institutional value. What interests us is the quality of this '*self-governing*' nature of '*these peoples*' as mentioned in Sydney Webb's statement. But the ambiguities of the self governing nature are too great to base ones judgements on just appearances.

To leave these ambiguities behind some scholars have suggested that one should concentrate on the question of property rights as a starting point; since this could provide us with a clear and undisputed beginning. But this too could hit hard rocks because of the elasticity of the notion of property and its wider definition in the context of the Indian Subcontinent. But yet others advise us to cling to the status of the individual: "It is not the Nation, the State, the body politic, the social class or the economic group, but the individual who is the bearer of moral values – actively when he creates them, and passively when he accepts them. From the standpoint of morals, every individual is acknowledged to be an end in himself; from the economic standpoint he is viewed solely as a potentially valuable means of production."¹³⁶ But at the same time what is one to do with a strong social system which makes no place for the individual and individuality. The caste-system freezes social development and to a great extent, freezes the hierarchy of economic development, where the

¹³⁵ Matthai J. (1915): *Village Government in British India*, Published by T. Fisher Unwin Ltd, London, p. 18 of Preface by Sydney Webb, Professor of Public Administration at the University of London. (It has to be mentioned that John Matthai had exercised various function in British India, including the function of 'Vakil' at the High Court of Madras)

¹³⁶ Lachmann K. (1947): *The Renaissance of the Individual*, published by Charles Skilton Ltd, London, page 115.

individual is asked to follow the fortunes reserved by the caste-system. This said, one way or the other economic relations could be defining in one's effort to map-out the institutional structure and value of the Indian village. We can draw weight for this argument from what George E. Putman says, "That the American spirit of democracy was originally the product of equality in opportunity and economic independence rather than the result of a blind belief in the inherent equality of men, can scarcely be questioned."¹³⁷

Before examining the economic relations guiding the institutional outlay of the village one has to clear out another hurdle concerning the very notion of village in relation to other groupings like urban settlements. The notion of urbanisation of today may not correspond to people two hundred years ago might have thought as being urban as compared to rural. Here the caste-system and the economic organisation induced by it make the distinction difficult to establish. As explained earlier the distinctive characteristic of the European towns from the 13th Century right up to the French Revolution was that they were a collection of guilds which gave security to their members and quite often fulfilled the function of market places for the various goods there produced. Only after the French Revolution did they add a strong administrative character as they hosted various levels of administrative contingencies of a State, which was determined to impose its presence through out the national territory.

The Indian context varies since the Indian guilds of 'caste' did not see the necessity to secure their interest inside the walls of fortified towns. The caste-system had done away with risks of 'profession' or 'trade' intrusion. The guild nature was not as specific and concentrated as in the 16th Century Europe, it was more diffuse. The main feature of the Indian population at the turn of the 19th century is that it is mainly rural. It is estimated that almost 95% of the population lived in the rural areas as compared to the urban zones. But big villages at the time meant anything from 1000 to 5000 inhabitants. But villages of 5000 at the time must have been semi-urban in nature in that they also hosted weekly markets, hinting that a big majority of its inhabitants must have been traders and of liberal professions. This element is important in the sense that it indicates which castes and communities dominated the life of these market centres. Although the numbers were not as high as to fit in the categorisation of being urban, these big villages were in their overwhelming majority urban by the ethnic composition of its inhabitants. The trader castes, money lenders and Brahmin communities in these villages led an urban pattern of life. Although a large chunk of the economic activity still came from agriculture, a non negligible part came from other activities. This tells us that the rate of urban

¹³⁷ Putman G.E. (1916): Land Tenure Reform and Democracy, Political Science Quarterly, Published by the Academy of Political Science, Vol.31, No.1, Mar., pp. 53 of 53-65.

population might have been higher. Another factor that tends to point to a similar conclusion is that the ruling hierarchy mainly lived in the urban centres along with the absentee landlords, which meant that along with the revenue generated by the merchant castes and money lenders the whole of the land revenue, on average half of the agricultural output, landed in the urban centres. This enormous accumulation of resources means that it could have easily supported more than 5% of the country's population, leading to the assertion that urban population must have been greater than that assumed by population studies.

From a historian's point of view, what is important here is that there is a clear distinction and divide between the castes and communities living in the urbanite areas and those living in more purely rural patterns of life. What is more important is how they relate to each other. The main activities of the urban areas being that of various trades, revenue administration, trade and money lending indicate that all these activities are auxiliary to the agricultural activity that surround them. Compared to other parts of the world, urban areas in the sub-continent were not prominent centres of production; if they were, then they were few and isolated. Goods like textiles, pots and shoes for example were mainly caste based products and were manufactured in small, closed communities. What this indicates is that production of various goods took place outside the urban centres; in other words production of goods, along with agricultural proceeds, was reserved to the rural areas, although not exclusively. There are many reasons for this evolution and gives a glimpse into the diversity of the productive system of each region and the complexity that might impend upon the administrative effort of the state or governing authority. But as we will see later urbanism of today cannot be transposed back in time because the very notion of what was urban was different. Large villages of the 19th Century India quite easily fulfilled the definition of urban centres, by the economic functions they fulfilled.

Rural therefore should be taken to categorise those small villages, hamlets and isolated farms that orbited the big villages and markets centres. These small villages are totally dedicated to agriculture but not always totally depended upon it. The degree of dependence on agriculture mainly depends on the geographical situation of the particular area. Where the soil was rich and water readily available the labour capacity of the community is totally absorbed because rice and vegetables are planted with two or sometimes three crops a year. Rice-planting compared to other crops is comparable to any industrial activity by the intensity and the flow of labour capacity it needs. But those areas which were dry, where rainfall was in short-fall, revenue deriving from agriculture could not cover the existential needs of the inhabitants. What this led to was a parallel specialisation in crafts and professions that could

make-up for the shortfall of revenue. The products thus manufactured but enter the markets in the urban and semi-urban areas. The picture this set-up gives of rural life is that people's engagement in agriculture would be punctuated by a wide variety of cottage industries, a context where all possibilities are tried to earn that little bit of extra money that would make a world of difference in their material life. Caution should however be expressed concerning the industriousness of the rural lot since it was possible where the caste-system was lenient and caste-guilds allow it to take place.

What makes the case of villages which have less than thousand inhabitants particularly interesting is the presence of '*levy guilds*.' At most of the times a hamlet or a village could not afford to pay for fulltime presence of certain service providers and at times it was uneconomical for certain guilds to commit themselves to only a single village. Due to the dictatorship of the caste-system, even in the smallest of hamlets it was a custom for people to get their clothes washed by a '*dobi*' or a washer who came regularly to collect dirty clothes and returned them washed. People had the time and energy to wash their own clothes but most of them decided to follow the custom set out by the caste-system. What is more interesting is the way the washer man was remunerated. He was not remunerated on the one-off basis or as his services were demanded; the remuneration was annual, at the end of the harvesting season. I decided to call this a '*levy*' and not an '*Annual Payment*' because the necessity to seek the services of a washer man is created more by the caste-system induced custom than by the intrinsic need on the part of the farmer or peasant. A wide range of castes from the priest to the barber and money lenders are therefore '*levy*' seekers.

When one tries to map-out the institutional value of the village and its organisational capacity, the predominance of '*levy*' seeking relations means several things. Firstly, the degree of urban integration could be highly dependent upon the number of '*levy guilds*' involved, since this can indicate the level of economic saturation of the village by the urban contiguity. Secondly, the predominance of these guilds could change the status of the Indian village into that of an '*estate*' of the levy seekers from that of an independent political and institutional unit of a larger framework. As these guilds dictate the pattern and organisation of the village relations, there is little that the village can '*generate*' in terms of organisational capacity. And finally, the wide presence of these guilds meant that the net activity of the village itself was that of agriculture. Any autonomy of organisation was restricted to that of agricultural production. This of course meant for a big proportion of the village inhabitants the scope organisational control and command was limited. It is safe there to assume that the population with urban characteristics was hierarchically diffuse; it depended on the needs of

the community and their capacity to pay for it, or support it. And the overall consequence of this predominance of the caste and levy-seeking guilds was that the role of both market and local political institutions were kept at a distance.

What remains, after deduction of implications generated by the guilds, are the land and the status of those who exploited it. Local government, *panchayat* in the local vernacular, depends on the status of the people who tilled the land and their relative freedom. Slaves in the American plantations, before the Civil War, tilled the land and possessed community characteristics resembling those of the Indian village. They had their own culture and customs which were prevalent in that community. They lived in a condition that was not far from the subsistence level of many in the Indian village. But the comparison ends here, without dissipating the clouds of doubt over the question; the slaves in the Southern States did not have property rights, not only over the lands they tilled but also their bodies. On the other hand they were not responsible for anything other than their work. Whatever organisation that emerged was the result of their desire to make this condition of slavery as liveable as possible.

There are many who could argue that the condition of the Indian village was no different from that of the slave communities of the Confederate States before the civil war in the United States of American. According to E. Washburn Hopkins this was the case for almost several thousand years: “On the coronation of the king, in distinction from the office implied in the earliest (Indo-Iranian) title of “protector of the people,” it is expressly stated that the king has become “the protector of the priest and the devourer of the people.” This is no isolated phrase; nor are the people, literally “the clans,” other than his own. It is said again and again that the farmers are “the food of the nobility.” In a characteristic passage of the *Aitareya Brahmana* it is said that the peculiar function of a priest is to “take gifts,” while the peculiar function of the Vaishya (peasant-farmer caste) is “to be devoured by priest and nobleman.” Even in this early age (1000-800 B.C.) the only difference recognized between the slave and the farmer is that the latter may not be killed at pleasure, because he is of Aryan blood.”¹³⁸ What this implies is that the village and its inhabitants constituted a sort of ‘fodder’ upon which the upper castes can feed upon. Translated into common language, this does not directly imply a slave and master relationship, although indirectly it amounts to that. However, the ambiguity of the phraseology implies that the village is free but indiscriminate use of it or over-exploitation of it was permitted.

¹³⁸ Hopkins E.W. (1898): *Land-Tenure in Ancient India*, Political Science Quarterly, Published by The Academy of Political Science, Vol.13 No.4 Dec 1898, page 674 of 669-686 also available online at jstor.org

The same ambiguities are reflected in property rights. As Putman pointed out property rights and relative economic freedom does reflect the status of the individual and his or her political freedom. If we take this into account, property rights, in particular the right to till the land, will shows us the collective status of the Indian village and its salient institutional features. Earlier 'guild levies' imposed by custom were discussed, which are not directly linked to land and its tillage, although they feed upon it. Apart from these spiritual and custom induced levies, there are levies related to political order which are directly linked to the use of land. May it be a feudal set-up or levelled down layout of central administration, one would imagine a detailed land-tenure system and regular records concerning the village, the basic agricultural unit, as far as revenue harvesting was concerned. But nothing could be more deceptive.

1.7. Administrative absence of the Village

Although from the early 19th Century onwards, the importance of the Indian village was recognised as a very crucial element of the local administrative structure, there was no official record or data to prove it. For the purpose of local records the Indian village and its inhabitants were nowhere to be seen. As Baden-Powell claims: "In Bengal there was no survey and no record-of-rights, and no local native revenue establishment, and the Settlement was always with some one landlord or Zamindar, never with a body of village sharers (village communities being unknown)."¹³⁹ Important information and records was never noted down since at various levels everyone knew the regularity of the pre-established arrangements. One of the main reasons, however, that the State did not bother to keep records was that it was not sure how it should claim to own the lands under its rulership. "The State claim to the land was not one of defined principle, nor of declaration by Imperial decree, but of tacit assumption; it did not alter the position of the villages ostensibly."¹⁴⁰ Successive State structures did not want to clear the ambiguities and establish a transparent system of to whom the land belonged. Instead they let ambiguities persist; as long as it served their purpose there was no need to touch it. This however reveals to us their approach to governance of the country and the engagement towards their people.

¹³⁹ Baden-Powell B.H. (1990): *The Land-Systems of British India*, vol. II, Bok III: The system of village or Mahal Settlements, Low price publications, Delhi, 1990 (first published in 1892), page 7. (Baden Powell was member of the Bengal civilservice and later one of the judges of the chief court of Punjab).

¹⁴⁰ Baden-Powell B.H.(1896): *The Indian Village Community*, published by Longmans, Green and Company, London, p. 426.

Assessment of the physical and economical conditions of the village, meaning the lands under cultivation compared to those not under cultivation, and their composition was not deemed necessary. In earlier times, in the Mauryan Empire for example, details were deemed necessary because the State built agricultural infrastructures and levied tax according to the usage of these public agricultural assets. For example those drawing water from public canals or tanks had to pay a higher tax rate. For this purpose more detailed records and closer administrative engagement was necessary. Since the use of water depended upon the general weather conditions, it could be assumed that these changes in the usage of water had to be recorded. By the 19th Century all this had disappeared and given way to a 'non-developmental' attitude from the State and revenue administration. The State depended upon an incremental or forwarding system where revenue was pooled and forwarded to the level above. Fiscal administration was deemed efficient as long as these 'one-way channels' kept working. This also shows a disregard for the human condition and 'human aspect' of the local administration. Local Government and Local Administration as proper did not exist because most of what make up local government and local administration were simply absent; first and foremost the 'human being' was absent.

In terms of land rights and tenure, this did not matter as long as the land was collectively cultivated but it does not seem to be the case everywhere. But an element of chaos was introduced by the Marathas, as elsewhere discussed. "No doubt villages that had once been truly joint may have got that character through oppression and misfortune, for example, in the *Jhansi* division, where the Maratha power levelled down rights more than else where; and here the joint character of the villages, even of those that had once been held by landlord families, often seemed to have disappeared. But there were many communities where a joint claim to a fixed area as a whole, never existed, and, in fact, the village group of Manu's time each man claiming his own holding was the original or pre-settlement condition of things."¹⁴¹ This said land tenures were generally categorized into types, influenced by geographical conditions and the degree of tribal concentration that still remained outside the total integration into the Brahminic Order or the control of Aryan tribes. For these reasons, the huge land mass stretching from plains of Bengal to the banks of the river Indus fell under the system called the 'joint-ownership' and generally referred to as the Zamindari system of land holding; meaning that the inhabitants of the village brought the land under collective management. The other system was mainly present in the peninsular part of the Subcontinent

¹⁴¹ Baden-Powell B.H. (1892, 1990) op. cit., p. 108-109

and those areas dominated by hills and mountains. This system was called the '*Raiyatwari System*' in which the village was composed of tenants.

The two systems are distinct and give a distinct character to how the village is managed; this said in both contexts the payment of rent, tax or levy to an overlord was under collective responsibility. Seen from above, therefore, for the native rulers the uniformity was achieved although there was a preference for the 'joint-ownership' model. "It may be interesting now to take note of some practical results which arise from the difference in question, and also those which arise from differences in the internal constitution of the joint-village. These points of difference have a direct bearing on the value of the 'village' as a form of aggregation in agricultural society with reference to economic and administrative considerations."¹⁴² In terms of tax cropping the joint-ownership system presented an obvious advantage. "It is curious to remark that the privileged tenure was not unattended with corresponding drawbacks; for the rulers appear invariably to have taken advantage of the attachment which these older families, with pride of origin, had to their ancestral lands, to assess them at a much higher revenue-rate than could be taken from the *raiya*, whose resource was flight when a rate was imposed which he could not pay."¹⁴³ And as Baden-Powell points out, the optimum administrative efficiency from above was achieved when this joint structure of one village added to by a collection villages that belong to the same caste, tribe or clan: "And so the local *Amils* or revenue officers found it profitable to deal with districts made up of joint-villages all of one clan, and also with the stronger joint-villages generally, by making the local *Caudhari*, or the village headman, responsible to bring in the required revenue total."¹⁴⁴ In terms of managing relations with the overlord the 'joint-ownership' villages seem to be preferred. "It is probable, on the whole, that, owing to the power of combined effort and an internal sense of abiding right, the joint-village holders were more rarely interfered with or driven from their homes than the villagers in the *raiya* provinces."¹⁴⁵ What this means is that records need not be kept since the whole process touched very few people in the revenue cropping chain. One the most important institution was therefore invisible, economically integrated but politically forgotten.

¹⁴² Baden-Powell B.H. (1896) op. cit., p. 423

¹⁴³ Ibid. p. 424

¹⁴⁴ Ibid. p. 425 (Chaudri is used as a term mainly in the Province of Bengal)

¹⁴⁵ Ibid. p. 426

1.8. Standards and measurements

The state of disregard and inertia described in the above pages was further entrenched by the absence of confidence in the system of measurements and standards. It can well be argued that standards and measurements constitute the corner stone of any civilisation. Both of them constitute the basis of progress in all walks of life, upon which society is formed, regenerates and evolves to a higher level. They acted to regulate and structure the way a society works. One could go as far as saying that both standards and measurements constitute a common platform for integrating the different acts of the community to bring about one coherent whole. The absence of these restricts the action of the individual members of the community in scope and in time. If for example the width of the bullock cart is 1.5 metres and the roads built is only 1 metre in width the scope for the use of the road is close to zero. In the same manner if one lends 10 gold coins today and expects to be reimbursed the same amount plus the interests in 5 years, lending would become relatively easy but if one knows the weight of the coins would be reduced or the gold composition would be different then there is less likely hood that the lending would take place. If it did take place then the lender would calculate the future risks in which case the transaction would be so costly that no one would be keen to go ahead. If standards and measurements lose their trustworthiness and their constancy in time then all economic life would be restricted to a very small base in which the lack of these does not greatly impede the existence of livelihood at that level.¹⁴⁶ This would be comparable to an Indian village life at the beginning of the 19th century. The situation in the sub-continent can best be described as consisting of two combined effects. Firstly measurements and standardisation did not cover many spheres of life. Secondly whatever measurements and standards did exist, were simply not trustable.

As with many things in the sub-continent the peasants were at the receiving end of the cheating game that plagued trade and commerce. The weights and measures of the traders were rarely certified. In one instance for example, “The *Batta*, or price exacted by the money-changers for converting coins of one kind into another is moderate; but the dealers are accused of imposing on those who are unacquainted with business; and, as scarcely any of the coins are aliquot parts of another, they have great opportunities for this kind of fraud.”¹⁴⁷

¹⁴⁶ Francis Buchanan (1988) op. cit., p. 129

¹⁴⁷ Ibid.

Standards and measurements were manipulated at all levels but what is interesting is that the state was again the main culprit.¹⁴⁸ Once again those who were trusted to keep and check the trust-worthiness of measurements were those who purported to destroy all confidence in them. As Francis Buchanan explains: “The value of the different coins was frequently changed by the late Sultan in a very arbitrary and oppressive manner. When he was about to pay his troops, the nominal value of each coin was raised very high, and kept at that standard for about ten days; during which time the soldiery were allowed to pay off their debts at the high valuation. After this, the standard was reduced to the proper value.”¹⁴⁹ This would in turn make the shop-keeper even more risk averse and increase the general prices to recover his losses. This manipulation from Tipu Sultan could not have been only of his workings, the Brahminic Order which controlled the whole of the ministries and had a tight control over the revenue department, not to mention the fact that the Prime Minister was also a Brahmin. It was not a coincidence therefore that the other ‘exotic’ measures concerning the payment to the Temple. In some places they got ten percent of the produce but under Tipu Sultan, for example, the farmer was forced to pay differently: “In some places the Brahmins received their share by an estimate of the quantity of seed sown; but in other places the land was measured. The standard for this measure was the *Acsaya Muttada colu*, a rod equal in length to the height of the king, who was a tall man.”¹⁵⁰ Although this was a measure intended to measure the share of the Brahminic Order, in reality it can be seen as a standard to measure the cupidity of its reign. The measure was made to last only the reign of a king, which in those troubled times was relatively short.

The risks of being outbound were so numerous and so many that economic life falls back onto the safe and secure relations of proximity and kinship that were sometimes built over several decades or even centuries. The majority of transactions would take place within the perimeters of the kinship whenever possible, and beyond that one would venture to transact only if the counter-party was known to be trustworthy. Even the money lender would venture to lend to only those he knew well or had the knowledge that they could be trustworthy. This might be one of the reasons why name and reputation became such a valuable assets during these times. Clean reputation meant that easy access to money and at reasonable interest rates, transactions with delayed payments; sometimes herds would be sold and money paid later because the process of selling meant that one person would centralise

¹⁴⁸ Francis Buchanan (1988) op. cit., p 129.

¹⁴⁹ Ibid.

¹⁵⁰ Ibid. p. 195.

small transactions before up-scaling to a bigger transaction in a distant market. Payments in the lower markets therefore could only be made at a later date. This possibility was given to only to those individuals who had a good reputation, name was worth everything. The value of the family name was so important as an asset that future generations would do everything in their power to continue the tradition, leading to the situation where the name became more important than the individual. This was the consequence of loss of faith in the standards and measurements set by the State and its authority, which had failed to enforce the strict maintenance of these measurements.

The failure of the state did not mean that life came to a stand still but it became ever more cumbersome and costly to operate. As Sir J. Malcolm, who wrote the Revenue Report on Malwa (Maratha stronghold), puts it: “The size of the *pylee* varies in every district. In some districts it weighs more than 100 rupees and in others less. The number of *pylees* to the *cooroo* and *cooroos* to the *khundee* never alter. Grain dealers purchase by a large *seer* and retail by a small one. All other articles sold by weight or measure are purchased and sold on equal terms.”¹⁵¹ As standard bearers of money go into disrepute this has the double effect of inducing uncertainty into the system of exchange as well as sharply reducing the circulation of money, meaning the circulation of good money. The inhabitants were therefore obliged to find alternatives that could replace the use of money in order to continue a minimum of exchange. Whatever happened outside the strict perimeters of confidence and trust had to take a different form. So it was that disavowed of their monetary base markets started to function on the basis of barter. Barter is a bilateral or multilateral system of direct exchange that annuls monetary counter-party payments; it is a system that gives priority to exchange of goods against goods. Beyond the limited number of goods and beyond a certain number of counter-parties transactions become very difficult to execute, and things become even more complex if one wants to extend the system geographically. Transporting goods around the inexistent or badly maintained Indian roads would be impossible.

As in many cases the main problem with standards and measures was that of local government and administration. Rules and regulations were created at the level of the central authority but the execution was not. The main problem seems to be the loss of central control and the type of centralisation that was in place under the Mogul state. Nominally the Mogul state had all the features of a centralised state but in reality it was a federated centralism,

¹⁵¹ Notes suggested from a perusal of Sir J. Malcolm's Revenue Report at on Malwa and sent to the Resident, November 1820, Govt. Press, Nagpur, -No. 1387, Civil Sect.-16.I-23.- 100. page 10 (the *plyee*, *cooroo* and *khundee* are all graduated cylindrical measures used mainly in Central India)

which might be one of the reasons for its slow decline. As with all structured administration the Mogul empire tried to regulate every sphere of life and there was no exception with measures and standards. But the problem seems to be that no separate authority was designated to supervise the respect of these standards. What this led to was that the responsibility to impose sanctions on those who cheated was diluted and neglected. Although petty corruption from the part of the officials at the lower end cannot be ruled out, it does not seem to be the principal problem. The fear of authority seems to have been very light because of its absence on the ground. And since the central tax administration was only worried about the tax receipts it did not see the necessity to control fraud in the market place. As long as the tax quotas were met by provincial and local administration, the central authorities turned a blind eye. And this attitude repeated down the hierarchy. And after a period of acceptance of the situation, as it quite often happens in the Subcontinent, it becomes a norm.

This did not mean that there was no fraud in the tax administration in terms of measurements and their regular manipulation. It was a very regular practice to manipulate the measures and weights when it was the time for payments of taxes or rents in kind. At this time the measures would be set to favour the local tax collection. This extra in take would escape the central authorities because it simply would not be declared. Sometimes two separate accounts would be kept, those with the actual in take and those if the weights were not manipulated. At the local level therefore the standards and measurements and their manipulation became one of the means by which the provincial officials could increase their cut in the revenue collection. Manipulating the measurements and standards set by the central authority is in essence the refusal and denigration of the centre and its authority. But in most cases no one saw this as going against central authority. This made the central authorities shy to provoke the ire of the provincial strong-holds. Only in extreme cases would the centre take action when the losses incurred outweighed the benefits.

In the independent kingdoms, princely states and break away provinces the situation was even more worrying because even the potential for a reappraisal from above did not exist. This paved the way for the fickleness of the rulers to decide on standards and measurements depending upon their immediate needs. They imposed stringent controls of the quality of the minted coins when it was the turn of the people to pay their taxes and rents. But when it came to the treasury paying out for the goods that were purchased from the peasants or the salaries that were paid to the infantry, fresh coins were minted in which the quality of the precious metal was low or was mixed with similar coloured alloys. These practices became very common in the areas conquered and controlled by the Marathas. Here the practice was to mint

coins with a nominal value that was much higher than what the real value of the precious metal represented. So it was very common for local Zamindars at the lowest level of the Maratha administration to counterfeit coins and pocket the difference between the face value of the coins and the real value.

The central authorities of the Maratha administration were very angered by these developments and tried to put things right by destroying the illegal mints. Two separate issues are at play here; firstly it is interesting to note that the Maratha authorities were not that much concerned by the want to maintain the purity of the minted metal and thus defending the standards, it was the idea that some else at the lower end is pocketing the difference in valuation and not the treasury at the centre that made them angry. Secondly what is important to note is that those embracing counterfeiting were not miscreants or dubious characters, it was someone in the numerous hierarchies in the sovereign administration of the Marathas.¹⁵² It is also important to notice that the practice of deviating and manipulating the standards was rampant from the very top to the very bottom. What this illustrates well is that once again those who were supposed supervise and uphold one of the fundamental institutions of the state were precisely those who were destroying them, in favour of particular interests. The obvious victims of these practices and tradition of cheating were the peasants and the countless number of petty traders, because the money lenders and the bigger merchants had the experience to deal with such issues.

What the fiasco of the standards and measurements shows is that a system of double standards was slowly making its way into the administrative practice which sooner or later were to become a tradition in the sub-continent. The practice of double standards really takes meaning in this context and gives way to an atmosphere where everyone knows what norms are but refuses to follow these norms. Instead, everywhere, ways and means are devised to work in the shadow of official norms. Private interests were always cloaked in the protection of the official function in the state apparatus. A tradition gets established where the state is maintained to serve private interests, and fails to establish its own independent and preponderant control over society to give coherence and meaning to its action. The loss of confidence from the part of the majority of the inhabitants comes from constant doubling of functions and intentions. By all means the state is feared but never respected in the same way as banditry is.

¹⁵² See: Sir James Macnabb Campbell: *Gazetteer of the Bombay Presidency*, Volume XXII: Dharwar, Karnataka Gazetteer Department, Bangalore, 1884, p.672. ; and see also: *Glimpses of Maratha Socio-economic History* by Krishnaji Nagesh Rao Chitnis, Atlantic Publishers, New Delhi, 1994, page 91,

1.9. The Situation at the end of the 18th century

At the end of the 18th Century the Indian population, in its large majority was starved of government and craving for good government; and nowhere was it more needed than at the local government level, a pivotal level where, execution of policy, reform implemented and national policies get a feed-back. Central Governments of all times took the path of extraction rather than build an institutional framework on the ground, which could have given it an instrument of execution of government policy. Although the government had the fiscal control, which was tantamount to cascading tyranny, it did not have the administrative control of the population. For this reason the central government, or the Paramount Power which had its tutelage over the Subcontinent, could not bring its message of change to the people. In the absence of the administrative structure it could have got the message through by a political structure, but this too was inexistent. The Centre which was controlled by a small *clichés* and engaged in an extractive model of government, could not tolerate the rise of strong political communities outside its own. The only lever of change, therefore, could have been the social structure which is renowned for its survival and solidity.

It is at this stage that we realise that this social system is in turn an extractive instrument of the Brahminic Order, which is tuned to preserve the impregnability of the social structure to any change that might put its interests in danger. For this it uses the temples and the Hindu religion to sow ignorance and aversion to rationality of the human condition. Through the caste-system it divides, and rules. Its grip on the social structure, which kept increasing over the centuries, is the secret to its political power; a political power which is always laying low to escape the attention of the nominal rulers. In essence the Brahminic Order provides the key manpower and human resources to run the extractive state machinery. The extent of its grip is so intensive that it is the *de facto* state which has the monopoly over all extractive power of the state. It writes, expounds and compounds directives, both spiritual and administrative. It makes and maintains the ignorance of the people while provokes the cupidity of its members and those it serves.

Its control over the social-structure is so strong that it does away with the need for Local Government. While it has total control over the social instrument of power, it was not ready to encourage a system of local government that might become a drag on its extractive capacity. This logic is further strengthened by its extractive model which favours a system of administration that is very small, administration is not, in its eyes, a service to the people; it is a process of extraction. And extraction could only be optimal when the costs are reduced to

the minimum. This attitude in government gives way to a situation where the state and each-and-every official is transformed into an entrepreneur, cascading from top to bottom. The upper level is interested in only setting a target on what it expects in terms of revenue, little energy is dispensed on how it should be done. State function is progressively auctioned off to trade houses and individuals to the point that the state writes off its own extinction. The 18th Century Indian capitalists are in reality 'licensed extractors.' As a mirror reaction to this 'pseudo-administrative power' society engages and reorganises itself in similar fashion, honour is replaced by deceit, making no place for trust and confidence. In this new shift to 'total entrepreneurialism' society becomes an orphan of government regulation, especially at the Local Government level. The paroxysm of the system is when the Maratha Brahmins become the challenger to the dying Mogul Paramount Power. Extraction is taken to a level where it suffocates the whole society, breathing inertia into the economic domain. Pillage, thuggery and fraud become instruments of state policy. Society becomes totally disoriented, taking the economic base to a lower level. The frontiers of Civilisation were pushed back since the regenerative capacity of the country was not only tampered but also dislocated.

However, all was not lost in terms of civilisation. If we see civilisation as an alignment of strong political will, strong objectives and a capacity and organisation to generate surpluses, then the Indian Village was the last entrenchment of civilisation in the Subcontinent. In this chaotic situation of the 18th and early 19th Century, the Indian Village stands out as a contrast. Although it had derived its form and method of existence over several thousand years it slowly evolved into an administrative unit without parallel by the percentage of inhabitants it brought under its system. Within the walls and fortifications of the village everything worked on the principles of practicality, simplicity and trust. It was geared to optimising production to survive and cater for the 'extractive' appetite of a number of predators. And in such, it stands out to be not only the most efficient administrative pillar of Local Administration but also the most efficient Enterprise, relative to its circumstances, in the Subcontinent. Taking into account all the aspects one could venture to say that the Village Government was temporarily the only government in the country.

After examining the Brahminic Order, it is worth looking at the general characteristics of the local administrator who reincarnates all the prejudice and bias of the Brahminic Order. What is important to realise in the nature of this context is that in the absence of strong institutions the person, the administrator, and his ways of dealing with the inhabitants becomes central, state power becomes personalised.

1.9.1. The native administrator – delegated autocracy

The decision to include a sub-section on the native administrator was motivated by the fact that in the absence of any institutionalisation where checks and balances are built-in, the professional aptitude of the administrator or official, at whatever level he might be designated, becomes primordial. The lack of the right type of man of power might have pushed the invader to adopt a type of local government that privileged benevolent dictatorship rather than set up an institutional order which is less personalised. The nature of the native officials also shows us that all are branded as Indians; at the communal level the risks are there that certain communities become the masters of others, which witnesses the purposeful introduction of oppression and cruelty of administration to communities who were already under the yoke unaccountable burdens. The Company officials were weary of this fact, as they saw it as the biggest plague of the land, was the uncontrolled behaviour of the native bureaucracy. Centuries on, the native officials continued to daunt the populous.¹⁵³ Replanting native officials with their age-old manners would not bring relief as they saw it. To understand the Company's efforts, in their organising of local government, it is absolutely essential to understand their exact perception of the native official at that time.

As so often mentioned India is a country full of paradoxes. One of the many paradoxes is that a huge country like British India was ruled by so few and for such a long time. At the height of the British rule in India there were around 1000 British members of the Indian Civil Services who ruled the Indian Empire.¹⁵⁴ This means that there must have been a whole army of native officials. While some pour scorn on the native inaptitude in the art of administration, others are full of praise. In the words of Lawrence Lowell: 'As compared with the Continental nations the English have adopted the principle of having few European colonial officials, but striving by the nature of the competitive examination at entrance, and by the payment of very high salaries and large pensions, to recruit them from men of the best calibre available. This has been especially the case in India, where the high native civilization has rendered it possible to make an even larger use of native officials than in the other British colonies in Asia.'¹⁵⁵ The reasons for this optimism can be found in what Lieutenant-Colonel Sleeman saw after more than thirty years of service of the East India Company, from the turn of the 19th Century to the 1840s. If we ask Sleeman, he would certainly say, 'avoid the Brahmin and the

¹⁵³ Lowell A. L. (1900): *Colonial Civil Service*, Macmillan & Co, London, p. 59.

¹⁵⁴ *Ibid.* p. 57.

¹⁵⁵ *Ibid.* p. 58.

Rajput if you want talent and commitment.’ Beyond the Brahmin caste and associated castes it was possible to find rare native administrative talent. And perhaps this explains why the British could maintain their paramount power over their Indian possessions with only 1000 professional British civil servants. As Sleeman discovered in one of the hill districts he travelled through: “The man who administers the government over these seven villages in all its branches civil, criminal, and fiscal, receives a salary of only two hundred rupees a year! He collects the revenues on the part of the government; and, with the assistance of the heads and the elders of the villages, adjusts all petty matters of dispute among the people, both civil and criminal. Disputes of a more serious character are sent to be adjusted at the capital by the Rajah and his ministers.”¹⁵⁶ But if the official does not put the purpose of his position above everything else then the risk was a tendency towards autocracy and disregard for the object of local administration. Not many occasions give reason to Sleeman’s hope.

The retired officers and experts in the field of government in colonial India did not share the same vision as Sleeman. For, one of the Governor Generals of the Indian Empire, Lord Hastings, had this to say, “It is the custom of the native sovereigns to keep inferiors, who come to pay their respects, dancing attendance for several days before they grant an audience. The trampling on the convenience of another is a distinguished proof of elevation.”¹⁵⁷ The Marquess of Hastings was a man of observation and was known for sharp remarks. And when one goes through the two volumes of his copious private journal one is gripped by his opinion of the local official or administrator. He paints a picture of the native officer as lacking a sense of ‘duty, service and respect’ towards those whose well-being he is responsible for. Hastings’ opinion is given weight by the judgement of a journalist from Reuters News Agency, who had the opportunity to cover one of the numerous famines of 19th Century India, and had this to say about the behaviour of the native official “Any one cognizant of the lower-class native official when put in a position of trust, is well aware that the natural result is *zoochim* and *zubberdustie* (oppression and high-handedness).”¹⁵⁸

Another characteristic of the native official is that he is filled with prejudices while it is generally expected him to be impartial. Prejudices are not an end in themselves, instead at crucial moments they are instrumentalised to gain advantage over someone else. And because community identities are put at the centre of any individual’s existence, the code of prejudices becomes the arsenal in a war of attrition between communities. Not a single opportunity is

¹⁵⁶ Sleeman W.H. (1844 V-1) op. cit., p. 232

¹⁵⁷ Hastings, Marquess of. (1858 V-2) op. cit., p. 15

¹⁵⁸ Merewether F.H.S. (1898): *A Tour Through the famine Districts of India*, published by A.D. Innes and Co, London, p.78

passed or lost to portray the 'other' as something lesser than himself or his community or even his province. Touring the Carnatic in 1800, just after the demise of Tipu Sultan's rule, Francis Buchanan writes the following: 'In passing through the Company's *Jaghire* I have found very little inclination among the natives to oblige a European traveller. It appears to me, that their condition is better than that of the people in *Bengal*; but this is entirely contrary to the opinion of my painter. He has no doubt better opportunities than I can have of knowing the truth, the houses of the natives in both countries being inaccessible to a European. I suspect, however, that he is not exempt from prejudice in favour of his native land.'¹⁵⁹ When one thinks of the history of administration and local administration in particular, the picture that comes to one's mind is that the innate principles of order and regulation of society through rules that do not change according to the type of citizens administered. Rarely do we think that administration is a code of prejudices, the person in fact who is bestowed with public function becomes the catalyser of social prejudices and ultimately economic oppression.

Prejudice was built into the social fabric of the Indian society and is often transmuted into the administrative sphere. Birth right was the criteria with which a native official gets appointed; while in reality it should be personal merit honour that should count. While in Britain, 'The man who receives honour and comes to the front, is he who adopts the motto of the heir to the Crown—"I serve." The chief subject is the "Prime Minister," or head servant of the nation.'¹⁶⁰ In the Indian social context honour is a birth right, a Brahmin feels superior to other even if he has not done anything to merit this honour. On the opposite end of this prejudicial system, a member of the lesser caste, whatever his merit of action and behaviour might not be recognized as for his deeds. This incapacitates the urge for everyone to feel belonged to one cohesive community, resulting in apathy. And apathy becomes a huge administrative cost.

The Company had all sorts of officials but for revenue administration a certain degree of knowledge in book-keeping, reading and writing was needed, knowledge that was a rare thing in the local community. In comparison to China, the Muslim and Christian worlds, reading and writing were not deemed necessary to belong to the mainly Hindu community. As one observer notes: "Now the ordinary Mussulman or Hindoo is not more intelligent, not naturally better, not less in need of teaching, than the ordinary Christian; yet Mussulmans and Hindoos do not get teaching, and grow up ignorant, except that the Mussulman is expected to

¹⁵⁹ Buchanan F. (1988) op. cit., p. 12.

¹⁶⁰ Carstairs R. (1895): *Human Nature in Rural India*, William Blackwood & Sons, London, 1895, p. 190.

learn by rote his holy book, the Koran, which he does most often without any notion of its meaning.”¹⁶¹ Over time the Brahmins had accumulated the monopoly over the interpretations of religious texts.

These restrictions of choice almost make the Brahmin as the unavoidable candidate for all opportunities of official employment. And because of the same qualities the administrative scope of the Brahmin could not be abbreviated even if one wanted. Generations of rulers could not change the corrupt and communitarian partialities of the Brahmins. As Francis Buchanan witnessed ‘The Brahmins, who managed the whole of the revenue department, so avaricious, so corrupt, and had shown such ingratitude to Hyder, that Tippoo would have entirely displaced them, if he could have done without their services; but that was impossible; for no other persons in the country had any knowledge of the business. Instead of checking them by constant inspection into their conduct by exemplary punishment when detected in peculation, and by allowing them handsome salaries to raise them above temptation, he appointed Mussulman Aspothes, or Lord Lieutenants, to superintend large divisions of the country; and this greatly increased the evil, for these men, entirely sunk in indolence, voluptuousness and ignorance, confident of favour from the bigotry of their sovereign, and destitute of principle, universally took bribes to supply their wants; and the delinquencies of the Bráhmans were doubled, to make good the new demands of the Asophes, over and above their former profits. Owing to this system although the Sultan had laid on many new taxes, the actual receipts of the treasury never equalled those in the time of his father’.¹⁶²

The Company officials were not in a better situation than was Tipu Sultan or his predecessors. They needed the Brahmins until they could acquire the knowledge of local languages and needed enough time to understand the local social structure. The problem of the irreplaceable Brahmin is a problem that has confronted rulers since millennia. The Company’s officials were of the feeling that, to put power in the hands of the Brahmins would weaken their position at several levels. Giving the indomitable Brahmin power in a society where he manipulates all the levers could be very risky for the fortunes of the Company. In a sense the Maratha Confederation epitomised this danger more than anything else. The Maratha history illustrates well how the Brahmins break ranks with the caste system. Traditionally, according to the caste system it is the Kshatryras (the caste of kings or knights who are at the same time masters of warfare) that are the rulers and the Brahmins second them

¹⁶¹ R. Carstars (1891) op. cit., p. 41.

¹⁶² Buchanan F. (1988) op. cit., p. 71.

by giving their advice on the rightful way to govern a country or kingdom. The Maratha statecraft reversed the situation as the Brahmins decided that they could combine temporal and spiritual power.

The British officers in charge were aware of the fact that part of the native population could be used if needed for administrative purposes, yet they were unable to use this reservoir of manpower because they were confronted with a population which had come under enormous amount of discrimination of one type or another and they had no intention to continue in the same path. They intended to make a difference. The fact that most inhabitants of the Indian Subcontinent rarely possess the character and endeavour to transcend their castes and communities, always makes their actions partial, was the main hurdle the English were faced with, throughout their tenure in the Subcontinent in their pursuit of local talent. In essence the English were not that different because they did not belong to any particular community which they administered. They none-the-less saw one element that advantaged them in their pursuit of fair and sound administration, and this was that their function as administrators or magistrates came first before anything else. And this they noted was mainly due to their education and the attention paid to the moral character.¹⁶³ According to their experience the native pretenders lacked these qualities.

Another characteristic of the caste-system was that it creeps into the administrative sphere as factionalism. On the surface the caste-system acts as a pacificator, that weeds out factionalism by building mighty walls between each caste. This is just an impression. The caste-system negates common interest and purpose. With more than twenty years of experience as a District officer, R. Carstairs has the following to say, 'Social ambition fired rival claimants for the leadership of their little circles, and in every village there were generally faction feuds raging. Active minds were busy, just as in our larger political field in England, devising plans for dishing the other side, detaching members from it, and generally putting their own side ahead.'¹⁶⁴ The whole landscape resembled the modern day traffic in one of the bigger cities of India where everyone avoids all rules and signs and sticks to only one objective: being ahead of the others with his or her vehicle. And so it was that each one tried to take his community ahead.

The native administrator is a product of conquests and tutelage of changing authority, changing allegiances and moving loyalties. In this situation, where nothing is permanent, he diverts all energies to the advancement of his own interests and that of his own caste-

¹⁶³ Lowell A. L. (1900) op. cit., p. 59.

¹⁶⁴ Carstairs R.(1912): *The Little World of an Indian District Officer*, Macmillan & Co, London., p. 26.

community. Inside the nominal state-structure, the native official creates his own mini-structure, his own little world where he is the autocrat where the purpose of official power is his personal aggrandisement. In short, he becomes the object of his own administrative effort. This is a portrait painted by travellers and observers throughout the Subcontinent's history; and it is the prime reason why the East India Company thought it could create an advantage for itself by making administration its main trade.

The conquest of the Indian Subcontinent by the East India Company and the administrative structures it developed have to be understood in the context of what the 'Indians' had created for themselves. What the above described shows us was that, under nominal state structures there was a juxtaposition of entrepreneurial activity, both good and bad. But both did not add up to progress and self-engendered civilisation. This situation almost authorises us to say that where local government and administration becomes deficient, civilisation creates a vacuum. It should be no surprise therefore that a company destined to trade goods takes up 'administration' as its prime commodity and slowly occupies a civilisational function. Bringing administration to a country under these circumstances becomes synonymous with bring civilisation itself. In this mission it is only too natural that the Indian Village becomes its partner. The challenge of the East India Company therefore becomes that of aligning its own entrepreneurial strength with that of the Indian Village. How this junction between the two takes place is the object of Part Two. Being an enterprise *per se* has a profound effect on its vision of local government and the conception of it.

2.0. PART TWO: LOCAL GOVERNMENT UNDER THE EAST INDIA COMPANY

The East India Company had spent more than one hundred and fifty years in India before it turned to territorial conquest and the business of administration. It was a mercantile company which had difficulties getting ahead with its business of trading in goods for civilisational reasons like the absence of security, absence of organized infrastructures both physical and administrative, lack of well developed urban centres and markets. Being perpetually harassed by the Marathas the Company had restricted its activities to the coastal areas and remained under the nominal protection of Mogul Emperor; and it was customarily cautious to step out of its purpose of trading. Circumstances, the need to protect itself in an organised manner, the realisation that the Paramount Power was crippling and personal ambitions of its leaders had precipitated it into a position of a tax collector, but the role of administrator was new to it and it had to scramble itself together to make a profit on this new

profession. In a Subcontinent on the verge of collapse one would think amateurish incursions into statecraft were hardly the solution. It depended upon the Company to prove this not to be always true; for an amateur is also an innovator, unwilling to sit in his ivory tower.

Constraints abound, the Company initially had to mask its administrative creativity and 'experimentation' as a clandestine affair. For it had several masters and sponsors, all too keen to instrumentalise it to their own advantage. Its own priorities and the practical sympathies it came to acquire were sometimes in stark contradiction with those pulling the strings from London to Delhi. At all levels of its operations a 'duality of mandate' was established. As it always happens, wherever there is a duality of mandate there inevitably appears a duality of purpose, narrowing the choices the man in field can make. The same duality came to play a part between its mission to provide administration to the 'people' and make a 'profit,' leading to a stress on the Local Government segment of the administration, than the rest. The structure of dual mandate and purpose creeps into the notion of control of local government. The means of communications transform the officials on the ground into virtual dictators and ways had to be found to control them. The presence of this element in its functioning was so important that it became a permanent feature of Local Government in the Indian Subcontinent. As we will see, this situation is at the same time an opportunity and a constraint at the Local Government level. All the odds were against the Company making a success on the ground, because of the disorganised nature of the country, although a large majority of the inhabitants displayed a pacified disposition.

Without it knowing, its new profession makes the East India Company into the 'Saviour of the Indian Civilisations'. With the evolution in the native system, described in Part One, we realised that nominal structures had little scope of assuring the good functioning of the institutions. Something else was needed. The Company does not take on the mission of civilisation for reason of posterity; it does it because of a fundamental realisation. We will go on to discover the key functionalities of civilisation. Civilisation could well be something treasured and jealously guarded by learned and secluded pundits, but it cannot be a living civilisation; for civilisation proves its worth, through its utility to those under its influence, or those who create it day after day. To understand this one has to get acquainted with the reasons why it tries to align its civilisational mission with that of 'putting together' a Local Government system in the Subcontinent. And because of its fundamental character of a company, it will be interesting to see how it chose practicality over political priorities of a far off land, leaving plenty of scope for entrepreneurialism and economic prospect.

2.1. The East India Company

The East India Company had been under criticism ever since the idea of creating it surfaced at the end of the 16th Century. Starting from a handful men, by the end of the 18th Century it was employing to the tune of twelve million workers of different grades and specialisations; having administrative responsibility of hundreds of millions. As one can imagine the proportions of the organisation are mind boggling. As for its political influence, none could be more evident; it had gone from ‘privateering’ to political supremacy of a country several times the size of Great Britain by the year 1800. The History of the East India Company, so rich in detail and argument, is too big to treat in this study; I will try to give an outline of its history up to the end of the 18th and early 19th Century, with details or arguments pertaining to the main thrust of this study. The main object is to see who controlled it and how it got involved with the art of government; and how it was pushed into concentrating on the local government segment of the administrative structure. It would be interesting to see in what sense the structure it possessed was unique; which gave it confidence to even consider the adventure of governing a Subcontinent so complex, both politically and culturally.

Particularly important to this study is to examine the structure of the enterprise, to see if it can give us an insight into its performance in the later years as an administrative master. The portrayal of the company as a political player, coincidental or accidental does not, to my opinion, give a true historical picture and a linear evolution of the Company. A lot of what happened later was quite visible if we examine other criteria which were ignored or not given enough scope. Far too much is focused on the adventurism and the ‘scandalous behaviour’ of the Company to evaluate the overall historic importance played by the East India Company, both in Britain and in India. My object is to avoid ideological perceptions by retaining the functional importance and value in the purpose of mapping out the predetermining conditions that pushed or led the company to take on such a complicated administrative ‘burden’ of pulling the Subcontinent back to administrative coherence, the absence of which it was one of the victims.

2.1.1. Navigating between Theft and Trade

The first Englishman to travel to India is thought to be a certain Thomas Stevens. Travelling in a Portuguese ship Stevens took seven months to arrive in India and considered

himself lucky to be alive.¹⁶⁵ The Englishmen like James Lancaster who decided to venture into the Indian Ocean and came back with enormous treasure were really never in India. They got their treasure from ‘privateering’ on Spanish, Portuguese and Dutch cargoes.¹⁶⁶ As if it was not attractive enough to attract hordes of adventurers, Lancaster was given a Knighthood which also bestowed nobility on such an activity. In particular this was noticed by a group of merchants who were trying to trade with India over land. Two hundred and eighteen merchants get a Royal Charter to do trade in the East Indies in the year 1600, which was only approved by the Privy Council in 1609.¹⁶⁷ The first decade of the Company’s activity is not far from pirating, headed by the same James Lancaster. “Privateering was in his blood: he was always spoiling for a fight at sea, especially against any Spanish or Portuguese ship.”¹⁶⁸ Although it was universally accepted that it was illicit and contentious and disapproved by the gentry of Britain, since these adventurers were becoming fabulously rich over night, it however gave rise to a new category of men and a sentiment of conquest-in-waiting. “They imagined that might on the sea was right, and honesty was deemed not always the best policy. But among their virtues they were the very opposite of cowards. ... There was no panic, no kicking against the inevitable: they did their best, and according to their own rough morality left the rest to God.”¹⁶⁹ Although this general character remained decades after this period, very little was left into the hands of God.

2.1.2. Sailing out of the muddy waters

Although it took part in privateering in its early years, the Company soon started to distinguish itself from the rest. This has a lot to do with the fact that it now had a vague monopoly but without a strong commitment from the British Government to protect the privileges of the Company. In the initial years the company was an umbrella organisation, instead of being an integrated company. Practically speaking, a number of private merchants traded under the same collective banner; company for them meant companions who protected themselves collectively, as did the guilds. And most of the time many of them were working against each others interests. Part of the problem surfaced when King James who was sympathetic to the Company’s interests, decided to increase the number of merchant-

¹⁶⁵ Chatterton E. K. (1914): *The Old East Indiamen*, T.W. Laurie Ltd., London, pp. 46-47.

¹⁶⁶ Ibid. p. 49.

¹⁶⁷ Ibid. p. 54.

¹⁶⁸ Ibid. p. 60.

¹⁶⁹ Ibid. p. 65.

adventurers from 218 to 276.¹⁷⁰ The core merchant company was distressed by this development but there was nothing they could do. Trying to trade in a foreign country, without formal agreements, mean that the costs of getting established became very high; and insecurity becomes prevalent. The government of that country will only give protection under compliance to prevailing rules.

The time each one for himself could not last. As Francis Russell explains: “A remarkable influence of the inconveniences with which experiments of this fort have been attended, happened in the reign of Charles-II. Many private ships had ventured to trade in India in defiance of the Company, and if some of them found their account in it, a contrary fate attended the majority. Their loses were, however, the lead of the inconvenience; the officers and men conducted themselves with so much arrogance and impropriety, and created such disturbances, as at length to excite the general indignation of the Natives, and draw upon the English in general, the resentment of the Mogul, and other native powers; who, making no distinction between the interlopers and the agents of the Company, waged war and seized on the Company's factories, and were on the brink of totally extirpating them from India...”¹⁷¹ There was a real probability therefore that trade possibilities to these distant countries would eclipse, if things were not reversed quickly. “In the year 1612 Captain Best had obtained from the Court of Delhi considerable privileges, including that of establishing a factory at Surat.”¹⁷² This marks the beginning of a long process of formalisation of trade for the East India Company. This did not mean that ‘adventure’ was wiped out, what this meant was that the approach to trade privileged stability as opposed to precariousness. This desire for stability makes it obligatory to maintain institutional structures that can preserve it. The time for loose understandings and cooperation as the initial Charter of 1600 bereted was no answer to the chaotic situation on the ground.

2.1.3. A formidable war machine in the making was created by the privilege of Monopoly

Liberal politicians and philosophers alike often attacked the East India Company because of its monopoly over trade from the Cape of Good Hope to Hong Kong. It was attributed with preventing the expansion of trade and creating the industrial inefficiency by its impact on pricing. All this might be true although it can be argued that there are occasions

¹⁷⁰ Chatterton E. K. (1914) op. cit., p. 75

¹⁷¹ Russell F. (1793): *A Short History of the East India Company*, John Sewell, London, 1793, p. 21

¹⁷² Chatterton E. K. (1914) op. cit., p. 107

when monopolies can be of utility. If there are solid reasons why states should have a monopoly over 'violence' in the Hobbesian perspective, there could be a reason for the existence of a monopoly in an 'unregulated' segment. Monopoly was needed by the Company for a very practical reason that it wanted to bring order to an unregulated segment of trade and commerce. "In the 17th century, round-the-world voyages were rather like space missions today. They involved huge upfront costs and huge risks. Monopoly provided at least a modicum of security."¹⁷³ In those days there was nothing in terms of international law or agency that provided protection for traders. It was evident that without the privilege of monopoly there would not be any investment in the development of better ships or the foundation of Pax-Britannica. Monopoly was a precondition to bringing order to a very chaotic situation in international trade.

In the initial years the Company's main challenge, along with dealing with enmities at home and abroad, was to make the 'Monopoly' accorded to it by the consecutive Royal Charters into a reality. In reality although the English government made the East India Company pay massive sums to the British government for the purchase of the Charter, the English Government rarely came to the rescue of the Company. It had to accept the fact that there was no one to enforce its privilege. In short it had to fall back on its own resources. The importance of the 'Monopoly' bestowed upon the Company was that to make it into a reality, it had to acquire a wide range of military and tactical capacities. And being a commercial company it had to learn to engage in 'military' posture at very little cost, in order to maintain its profitability. If we take the pattern of its actions, in the consolidation and road to commercial Monopoly of the 'East Indies,' then its actions in creating a political monopoly over the Subcontinent become less surprising. It was as if it was in the DNA of the Company from the beginning.

As explained earlier, the natural hurdles of seafare in those days were itself an expensive and risky business. Added to this it was faced with the threat of rivals disrupting its trade physically or at the market place. For a Company everything finally melts down to 'costs and profits'; and making war was a way of simultaneously reducing its costs and increasing its profits. "The Company was a model of economy and austerity that modern managers would do well to emulate. For the first 20 years of its life it operated out of the home of its governor, Sir Thomas Smythe. Even when it had become the world's greatest

¹⁷³ Economist Magazine: The Company that ruled the waves, The Economist Weekly Magazine, London, Dec 17th 2011 (From the print edition), this article can also be found at the following URL: <http://www.economist.com/node/21541753> (down loaded 2013-09-08)

commercial operation it remained remarkably lean. It ruled millions of people from a tiny headquarters, staffed by 159 in 1785 and 241 in 1813. Its managers reiterated the importance of frugality, economy and simplicity with a metronomic frequency, and imposed periodic bouts of austerity: in 1816, for example, they turned Saturday from a half to a full working day and abolished the staff's annual turtle feast."¹⁷⁴ It would be interesting to remember that it was in this year that the Company lost its privilege of trade in India.

In other words, in the long run what the Company was trying to do was to make trade more predictable. It had made huge contributions to Britain to get the Charter and bought a wide range of costly ships and equipment for long haul. And if it were to continue to make these investments it needed to add a degree of predictability. In the initial days it was far from achieving this as Keble Chatterton explains: "The first joint stock began in the year 1613 and ended in 1617. During this period twenty-nine ships of the Company were employed, and by the end of the year 1617 eight had returned with cargoes, four had been either lost or broken up, two had fallen into the hands of the Dutch, and fifteen were still in the East Indies."¹⁷⁵ Contrary to what the European states were doing, including Great Britain, the Company was indirectly rehabilitating trade which had become victim to both political manipulation at home and piracy at sea.

Privateering had turned to becoming the 'making of war on individual initiative.' The nature of what they were doing changed when some of the owners of these Merchant Companies started to be knighted and were supported by Royal Charters; looting a Portuguese or a Dutch ship was considered to be a patriotic as act, as well as being a lucrative one. And it has to be underlined that getting a 'monopoly' on paper was relatively easy considered to what it meant on the ground. The East India Company had to fend off, not only its Dutch and Portuguese rivals¹⁷⁶ at sea but also several hundred merchants and 'interlopers' from its own soil. This was later followed by engaging with the French on the India soil, at Arcot, with the defeat of Dupleix and the termination of French ambitions in India.

The capacity to make war and the mastering of the naval warfare had also attracted the Mogul Emperor, who was willing to grant the East India Company the right to settle if they could get rid of the Portuguese, who were belittling the Mogul authority.¹⁷⁷ "In the year 1612 Captain Best had obtained from the Court of Delhi considerable privileges, including that of

¹⁷⁴ Economist Magazine(Dec 17th 2011) op. cit.,

¹⁷⁵ Chatterton E. K. (1914) op. cit., p. 107.

¹⁷⁶ Ibid. pp. 108-109.

¹⁷⁷ Ibid. p. 109.

establishing a factory at Surat.”¹⁷⁸ This was the result of Captain Best’s victory over the Portuguese ships on early September 1612. The significance of this victory over another European power marked a double victory for the East India Company. Firstly it showed its usefulness to the local Paramount Power which was not a maritime power and secondly it had made territorial inroads into the Indian Peninsula.

The Battle of Plassey (1757) and Sir Robert Clive’s victory over the Nawab of Bengal, is often presented as a turning point in the structural characteristics of the Company; a break through for its fortunes in the Indian Subcontinent. “In 1761 the Court wrote to its agents in India, declaring that trade was to be combined with “warfare, fortification, military prudence, and political government.”¹⁷⁹ But if we look at the evolution of the Company’s structure, the Court of Directors was belated by at least a century in its directive. If we are looking for turning points, there were many in the history of this formidable structure. It took everything as a challenge and an occasion to learn and apply what it learned. In line with its financial stringency and prudence, the Company’s practice on the ground was to take calculated risks that were always greater than its physical capacities. At sea as on land, its was always outnumbered. What it had and others did not have, in moments of confrontation, was the capacity to adapt, and adapt quickly. The same agility at taking warfare seriously, spread to other activities of the Company, namely that of administration of its commercial activities.

2.1.4. The Great Administrative and Diplomatic Machine

Much of the above described war making capacity depended upon the bravery and spontaneous action of hardy captains but a lot more depended upon the fundamental characteristic of the East India Company, which was its organisational and administrative capability. This desire to get its organisation into ‘top gear’ as it were, derived from three needs it had to satisfy: 1) ascertain applicable information and knowledge, 2) coordination of operations and 3) maintain the confidence of its shareholders. In the first part of this study attempt was made to show the India Village was forced to become an administrator of its own domain in its functional pursuit of economic production. We also saw that the constraint for it to produce several times over what it actually needed for its own subsistence, meant that it had to take over the administrative and political aspects to an optimal level. For later purposes

¹⁷⁸ Chatterton E. K. (1914) op. cit., p. 107.

¹⁷⁹ Robinson F.P. (1912): *The Trade of the East India Company* (1709-1813), Cambridge University Press, Cambridge, p. 61.

it will therefore be interesting to see another economic unit on the other end of the scale organising itself, before going on to organise the Indian Subcontinent.

The Company was always accustomed to challenges that were far greater than its capacities could afford but none-the-less it could show success on the ground. It was a joint-stock company, where a big part of its capital went to the British Government when it was virtually forced to buy its privilege to exclusive trade in Asia proper; so the sums available to develop the company were largely reduced. To survive, the Company was therefore under an obligation to find elements that could redress its initial handicap. Information was one such element that became the most important asset during the entire career of the East India Company. By the 1800 therefore, the Company was an accumulation of 200 years of information and knowledge which had an unparalleled value. It had gathered information on geographical settings of far-fetch lands to the habits of foreign Monarchs. No information of worth was lost. According to the Economist Weekly magazine, “The Company pioneered the art of government by writing and government by record ... Its dispatches to and from India for the 15 years after 1814 fill 12,414 leather-bound volumes. It created Britain's largest cadre of civil servants, a term it invented.”¹⁸⁰ This does not include the thousands of diaries and personal notes kept by its employees.

From fauna and flora to the habits and customs of foreign lands and their inhabitants were carefully written down and recorded for further use. Recording was something but all of this information had to be collated and classified for retrieval at short notice. There were no super IBM computers at that time to help in archiving all this material. Any delays in retrieval or a wrong set of data or information could become a costly mistake. The coordination of operations was equally a gigantic burden and complicated as managing scrolls of information. In geographical terms, the East India Company was dealing with every part of the world although its Charter restricted its monopoly from the Horn of Africa to Hong Kong. The Company had acquired more knowledge of the new world than some of the most sophisticated diplomatic services existing in continental Europe. Conquering the Americas, Africa or Australia was not very demanding in terms of diplomatic knowledge. Doing trade with acquiescence of foreign powers meant that the Company had ascertained first hand knowledge of these foreign powers on the ground.

The East India Company had trading posts and representatives scattered all over the Asian continent; to which we can add all the sea ports where its ships stopped on their way to

¹⁸⁰ Economist Magazine(Dec 17th 2011) op. cit.,

the 'East Indies' and back. There was a constant flow of goods and people between these points. In terms of goods it had uncountable number of goods that it exported and sometimes re-exported. It also had production centres and 'factories' in India and Hong Kong, while also provided English factories with semi-finished goods. To this production facilities and relations generated, we have to add literally thousands of suppliers all over Asia. In the later years, especially after Plassey (1757), the military personnel gained importance which meant that garrisons had to be maintained. The Company had to keep them supplied with funds to pay the salaries; supply them with food, clothing and armaments. It had almost a hundred ships that transported goods and people, along with the crew onboard. Sometimes the crew and various personnel amounted to more than 500 or more per ship. It maintained its own shipyards to build and upgrade its ships which were always, in the initial days at least, fitted with canons. All this mass of operations were directed from London and the various presidencies in India; and paid for by either one, or the other. It involved literally hundreds of thousands of people. This description of the intricate relations generated by production and trade cannot be complete without the relations provoked by 'credit'. Having peaks of shortage in funds it had to apply for funds in Europe as well as in Asia. Sometimes it too lent money to states and monarchs, but mainly to producers of various items that it was trading in; to stabilise the flow of products to its retailers.

What made the above described operations particularly difficult was that the East India Company was a joint-stock company, where the shares could be bought and sold in the free-market. The fact that it was prone to negative publicity and became a victim to any rumour or badly managed information, which could be ruinous to the interests of the Company, made it pay extra attention. This meant that the flow of information had to be managed and a great degree of transparency maintained to give confidence to the shareholders and potential shareholders. In the initial years it took six to seven months for information to arrive in London concerning the operations in India. To avoid having to be accused of insider-trading and get its reputation damaged the Company went to great extents to have an optimal control over the flow of information. It is worth mentioning that no government needs to worry about shareholder reactions of the same kind. In this respect, the East India Company, is a rare example of the quality of its capacity to administer a country was immediately measured by the value of its stock. The slightest drawbacks in its handling of the Indian situation, created a glitch in the price of its stock. As we will see in the later part of this section, one of the top priorities of the Company was not to perpetually increase its profits but to stabilise them by making them regular. The Company's administration of the Subcontinent has to be seen under

this light. The organisational effort was in part geared to bring predictability to whatever it undertook.

The Company was a pioneer in another matter as far as shareholder treatment went, which had structure-wide repercussions. One of the key characteristics of the new joint-stock company was that it was open to all. On the surface at least as Russell points out: “It knows no distinction of professions, religions, or even sexes, and in the General Courts there is the mode of perfect equality: everyone present has the same right with another to speak his sentiments, and give his advice.”¹⁸¹ It was true that the Company was a widely traded stock; this meant that all new owners could actively seek information about the company’s activities and prospects. If they held enough stock then they could attend shareholder meetings and converse with Company attendants in matters pertaining to ventures of the Company in Asia. The Company always displayed a sense of maturity in accepting equality. As we have seen in the Part I, and will see further down in the study, the spirit of equality and openness characterised its behaviour on the ground. From Warren Hastings to Captain Sleeman, all displayed the same openness. Both of them were equally at ease in engaging conversation with monarchs as with barefooted village heads, in remote parts of India; and more than once felt closer to the village head and his preoccupations than the manner less monarchs. This made them popular among those hordes of servicemen who served under their orders. The conquest of India by the Company did not resemble the conquest of parts of France by Britain in the 14th Century; where farmers opposed them with their fork sticks. A lot of the inhabitants were moved by the easiness with which the Company men approached them, seeking their help and advice to get know their exact conditions. The openness and ease to open up to suggestions was in itself a revolutionary thing for many inhabitants who had experienced tyranny in one form or the other. This characteristic of openness took administration away from smoke filled rooms and put it among the people and their everyday preoccupations. The structure of joint-stock company and its perception of its shareholder were not restricted to the gangways of Indian House, the seat of the East India Company’s government; it was given a wider scope.

What the reader should try to understand is that, in comparison to what the Company was doing, the best of European States were undertaking only a fraction of administrative burden. There was no welfare-state or education system to maintain and pay for example. The administrative structures of these states cannot be said to assume as much as the

¹⁸¹ Russell F. (1793) : *A Short History of the East India Company*, John Sewell, London, p. 12.

Company where personal responsibility was the name of the game. When we compare the Company of post-1800 to the Indian situation, then the sophistication of the Company is incomparable. Semi-feudal European states had a method of appointment that was not based on the candidate's ability. As the Economist Magazine quite rightly points out, "State-backed enterprises risk getting stuffed with powerful politicians' half-witted nephews."¹⁸² The magazine argues that the company managed to escape this trend when it founded the now famous Haileybury to train professional cadre. "The Company also established a feeder college—Haileybury—so that it could recruit bright schoolboys and train them to flourish in, and run, India. These high-minded civil servants both prolonged the Company's life when Victorian opinion was turning ever more strongly against it and also provided a model for the Indian and domestic civil service."¹⁸³ It not only focused aptness when it appointed personnel it also aimed at excellence. "It offered positions to all-comers on the basis of exam performance. It recruited some of the country's leading intellectuals, such as Edward Strachey, Thomas Love Peacock and both James and John Stuart Mill—the latter starting, at the age of 17, in the department that corresponded with the central administration in India, and rising, as his father had, to head it, on the eve of the Company's extinction."¹⁸⁴ It can therefore be said that the East India Company was on the cutting-edge of administrative innovation where improvement was a constant preoccupation.

Although it was true when we look at the middle and lower levels of English administrative personnel, it was not true with the top appointments, which were most of the time imposed by the British Government and coming mostly from the British Aristocracy. But as we will see in the section dealing with the 'dual mandate', the decisions of this aristocracy were not the most apt and had terrible consequences on the ground; like the hurried decision of Lord Cornwallis to establish a Permanent Land Settlement, because he was craving for glory and wanted to fight a war in the Carnatic. He almost made the Carnatic venture into a disaster and certainly provoked a famine in Bengal that cost several millions of lives with his ill-conceived land tenure system. It took the unrelenting efforts of the 'Company Men' to reverse the actions of the implants of British Aristocracy. Much of the bad publicity of the Company surely came from the meddling of the British Government. If things were left into the tried and tested hands of the Company officials then things would have been on even better footing. The Permanent Settlement was later dropped as demanded by Thomas Munro,

¹⁸² Economist Magazine (Dec 17th 2011), op. cit.,

¹⁸³ Ibid.

¹⁸⁴ Ibid.

a Company Man, who had spent almost all his long professional life in India and had much better knowledge of the country. For obvious reasons, more of this will be developed in later sections. We will see how two economically and organisationally efficient bodies, the Company and the Indian Village, meet at the District level, far from the madding crowd of politics and imperial imbroglios. At this level the Company Men find the opportunity to show what they are really made of.

Although good administration was an everyday necessity, one would not think the same of good government for the survival of the East India, but it was very much an integral part of the Company's life. The Court of Directors became the government of the Company and how it became a counter-weight to the executive branch in India. In India the Company was organised into small communities. Planted in the middle of an unknown foreign land these communities had to be organised to face up to unexpected challenges. "In the buildings, where the English were generally housed, there was a highly developed system of organisation. The younger members were subject, to a strict discipline. Fines were inflicted for various trifling offences, such as returning home late at night, or swearing. Every settlement had a chaplain, and, by a Charter of 1708, it was decided that he should have precedence of the fifth member of the Council."¹⁸⁵ Government had become a 'manner' of existence, even in the smallest unit of the Company. The green sprouts of government were quite visible from the beginning. Being a commercial venture the Company gave top priority to individual responsibility.¹⁸⁶ Leadership was clearly identified, so that everyone knew from whom to take instructions in time of need; it was a matter of life and death. And nowhere did good government matter more.

2.1.5. Navigating between the status of a company and a sovereign power

The realistic suspicions of the British Government made it put in place checks and balances in the workings of the Company; actions which partly pushed it into an administrative career, which made it half-heartedly go into politicking. Over the decades and centuries the British Government had nurtured suspicion concerning the possible implications of the Company's development; and there was admiration and aversion as well concerning its way of doing things. Another important reason that had to be digested for the British public and

¹⁸⁵ Robinson F.P. (1912) op. cit., p. 62.

¹⁸⁶ Ibid.

Parliament was that India was different from the ‘Crown Colonies’, it did not have enough white contingent in terms of population. And while the Crown Colonies were considered part of Britain in terms of ethnicity, the Indian Subcontinent was not, it was a fully populated territory. In the Crown Colonies, the governments (Local Governments) were fully in the control of the British (ethnic) community and so was the economic structure. Taking any development into a country where the conditions for massive British emigration were not possible, was a danger to the rest. When we look at the criticisms angled at the East India Company in the British Parliament this becomes very clear. When we look at the attitude of British Government since Cromwell towards it, we get a picture where three main issues were at work: 1) Royalist and counter weight to the British Parliament, 2) Potential threat to the British Economy 3) Surrogate structure for British desires in Asia

Firstly, the timing of the foundation of the East India Company happened during troubled times, it happened in a period of the English history when institutional tug-of-war was in its full bloom. “Being founded upon a Royal Charter, it was inevitable that it should be viewed with deep suspicion.”¹⁸⁷ Oliver Cromwell always saw it as an instrument of Royalist pressure on Parliament. In effect, the chartered companies, with their huge financial fortunes from the spoils of privateering were throwing the Landed Aristocracy off balance. As the English Civil war raged Cromwell even decided to suspend the Company’s Charter, because the King was a share holder of the Company.¹⁸⁸ Things only improved when in 1629 the Company withdraws its financial support to the King.¹⁸⁹ And as for its monopoly, Cromwell had haphazardly decided to let the door open to all.¹⁹⁰ But nothing was free, the policy was to extract as much as possible from the Company as well as keep it tightly under parliament’s control.

In the renewed Charter of 1657, the Company is made to pay the British Government two million pound in exchange, whereas the Royal Charter of 1600 made no exigency of such a payment. This made a big dent in the Companies finances but all was recuperate very quickly as the monopoly reasserted itself at sea and on land.¹⁹¹ But we can see how Cromwell’s actions were very beneficial to the Company over the long run. Since the ‘monopoly’ attributed by Cromwell was absolute. And because it had to increase its capital to pay the British Government, it become a better organised capitalistically, by adopting a sort of

¹⁸⁷ Robinson F.P. (1912) op. cit., p. 7.

¹⁸⁸ Ibid. p. 11.

¹⁸⁹ Ibid. p. 7.

¹⁹⁰ Ibid. p. 7.

¹⁹¹ Ibid. p. 10.

government for itself with the creation of a strong internal structure.¹⁹² From Parliaments point of view the Royal Prerogative was reduced when the Company was brought under the control of Parliament, since the renewal of its charter now depended uniquely upon the will of the British Parliament.

Although the Monopoly got strengthened the Company was prone to ‘molestation’ by Parliament.¹⁹³ The superiority of its own structure is confronted with that of a Parliament which in comparison was liable to all sorts of manipulations. To stabilise the prospect of renewal and to see that its trade is not jeopardised by the involvement of Parliament, it needed to have a direct or indirect control of the Parliament. The direct influence happens when members of its top leadership retired to ‘buy’ seats in Parliament and indirectly it tries to get a hold on the families of those deemed to be important in Parliament. “The Company created a powerful East India lobby in Parliament, a caucus of MPs who had either directly or indirectly profited from its business and who constituted, in Edmund Burke's opinion, one of the most united and formidable forces in British politics...,” wrote Lord Macaulay.¹⁹⁴ But this was never enough to stop the ever increasing encroachment of Parliament over that of the Company. When the Charter was renewed in 1693 Parliament imposed a rule that no single person should hold more than 10,000 pounds worth of stock and one’s with 1,000 pounds got the right to vote.¹⁹⁵ This was a clear attempt to weaken the Company and make it sensitive to popular opinion. For one commentator argued that the East India Company, “...were men of business who only dabbled in politics out of necessity,”¹⁹⁶ after 1757 when the Company got to administer the province of Bengal.

The position of the East India Company, by the scope and structure that it had given itself was that of a sovereign power. The hypothetical possibility always existed that as soon as its wings spread it could take its independence, and both were aware of this situation. The Company petitioned the king in 1757, after its conquests in Bengal, it could keep the “*lands, plunder and booty*.”¹⁹⁷ The King, naturally receptive to the demands of a Company which had always enjoyed the fruits of royal patronage, heeded to their demands with certain reservation.¹⁹⁸ But the House of Commons, after seventeen years of consideration and nine years after the Mogul Emperor granted the Dewaneeship of Bengal to the company, decided

¹⁹² Robinson F.P. (1912) op. cit., p. 9.

¹⁹³ Ibid. p. 21.

¹⁹⁴ Economist Magazine (Dec 17th 2011)

¹⁹⁵ Robinson F.P. (1912), op. cit., p. 24.

¹⁹⁶ Economist Magazine (Dec 17th 2011) op. cit.,

¹⁹⁷ Russell F. (1793) op. cit., p. 11.

¹⁹⁸ Ibid. p. 12.

that: “*That all acquisitions made under the influence of a Military Force, or by Treaty with Foreign Princes, do of right belong to the State.*”¹⁹⁹ But the British Parliament was more than ten thousand kilometres from where things really took shape. “It is noteworthy that when, in 1687, Madras was raised into a Corporation with Mayor and Aldermen, the Charter was issued under the seal, not of the Crown, but of the Company.”²⁰⁰ Despite the constant vigilance of the British Government and Parliament, the Company was making its sovereignty on the ground.

Secondly, the Company was seen with suspicion even on economic grounds, although it was the chief beneficiaries of the Company’s activity, commercial and colonialism included. Up to the acquisition of Bengal the balance of payments position was in favour of India, when gold bullion was the main commodity going out of Britain. There were heated debates in Parliament concerning this situation. In the words of Robinson: “It was bitterly attacked for this, as also on the grounds that the East India trade was unprofitable to England since it did not enlarge the market for her woollen goods.”²⁰¹ (In a hot country like India, there was little or no possibility of selling these woollen goods) The Battle of Plassey in 1757 changed the flow of bullion. “The company then loaded the contents of the Bengal treasury onto a fleet of 100 boats and sent them downriver to its base in Calcutta. In one stroke, Robert Clive, who had engineered the victory, netted 2.5 million pounds for the company and 234,000 pounds for himself. (Today, this would be equivalent to a 262 million-pound corporate windfall and a cool 25 million-pound success fee for Clive.) The flow of wealth from Europe to Asia would now be reversed, and the East India Company’s shares soared on London’s markets.”²⁰² And as if this was not enough, compared to the 400 000 sterling the company paid in annual dividends to its share holders, the Country (Britain) got up to 3 870 000 pounds sterling from the companies activities every year.²⁰³ This did not include the huge fortunes that some of Company officials brought back to Britain. In the later sections we will see how the district officers overworked themselves and had little except debts to take back home.

These benefits had no effect on the opinion of the British Government which increasingly treated the Company as if it was a foreign country aiming to defeat Britain on its

¹⁹⁹ Russell F. (1793) op. cit., p. 12

²⁰⁰ F.P. Robinson (1912) op. cit., p. 10

²⁰¹ Ibid. p. 13

²⁰² Robins N. (2013): *East India Company: The Original Too-Big-to-Fail Firm*, Bloomberg Online News and Current affairs publication, 12th of March 2013, permanent URL: <http://www.bloomberg.com/news/2013-03-12/east-india-company-the-original-too-big-to-fail-firm.html> (Nick Robins is also the author of “The Corporation that Changed the World: How the East India Company Shaped the Modern Multinational.”)

²⁰³ Russell F. (1793) op. cit., p. 39

own territory. Indian exports, especially textiles and sugar were subjects of strong resistance. In this period, equalling in quality the Indian textiles were much cheaper than those loomed in Britain. “This calico boom prompted fierce resistance from Britain’s weavers, who felt threatened by a flood of cheap Asian imports. In 1720, the government responded with a ban on Indian calicoes, and it was behind this protectionist wall that the Industrial Revolution would take shape.”²⁰⁴ On one side the British Parliament was preaching free trade but on the other it was peddling barriers against Company products made in India. By the end of the 17th Century the argument of those supporting the Company was that British workers should be provided with cheaper garments from India, which in turn would make British exports to Continental Europe cheaper, as wages could be controlled in Britain.²⁰⁵ But the British Government treated products coming from India as unwanted. Concerning sugar imports, British Government’s principle objective was to protect the sugar production in the Crown Colonies.²⁰⁶ Britain feared the collision between a highly organised and well capitalised company and a huge productive labour force would create formidable competition to it and the Crown Colonies. The combination would give birth to an economic power that would be difficult to resist. From this perspective the strategy of *slow suffocation* exercised by the British Government on the prospects of the Company in India become more logical. If we remember from Part I, the influence exercised by the Brahminic Order, over the prospects of the Indian Village, were structurally similar. Equalling the ethics of Thuggee.

Ultimately therefore, the relation between the British Government and Parliament on the one side and the East India Company on the other had evolved into purely a colonial one. It is often suggested that Britain used the Company to conquer India. As it was largely demonstrated this was far from being true. When we look at debates in Parliament, India is of little interest. When something does come up then it is always given a negative publicity. Only after the Crimean war does India come close to becoming important. Before that the Company is nothing more than a colony from which the British Government could extract at will. In this it is comparable to the Brahminic Order which was doing the same to the Indian society, extract at will. Whether this attitude was due to the fact that at least from the outside, the Company does look to be Scottish by the high number of Scottish names that one comes across; when looking at the literature and memoirs on the Company. The Scottish element also gives a special tinge to the whole relation between the Company and the British

²⁰⁴ Russell F. (1793), op. cit., p. 39.

²⁰⁵ Robinson F.P. (1912), op. cit., p. 17

²⁰⁶ Russell F. (1793), op. cit., p. 28

Authorities who were aghast at the mushrooming of *MacMansions*²⁰⁷ constructed by *MacNababs* or the Scottish officers and servants of the Company coming back from their service in India.

The way that the British Government achieves tutelage over the Company is through the creation of the Board of Control. In 1784, when Pitt returned to power with the help of the East India Company, “to show his gratitude, the new minister reduced the duty on tea from 50% to 12% and shortly afterwards introduced his famous India Bill.”²⁰⁸ What the same Act did however was to establish a Board of Control to supervise the activities of the Board of Directors and the overall affairs of the Company in India. At the time the Company did not see the trap coming because much depended on the character of the Board’s chairman. The docility and ignorance of the first Chairman made the situation acceptable. The Board of Control was put into, “To secure ministerial control a Board of Commissioners, composed of six Privy Councillors”, amongst whom a Secretary of State and the Chancellor of the Exchequer were always to be included, was established for the supervision of Indian affairs. This Board was to be elected by the King and to hold office during his pleasure.”²⁰⁹ Once again, with a friendly government in power one is easily fooled into things which in opposition one would never accept. “Mill deprecates this result on the grounds that, so long as the Board of Control refrained from interfering, things were left in the same situation as before, while, if it did intervene, India would be governed by a body which had less knowledge, talent, and motives for good, than the Court of Directors.”²¹⁰ Just as the case with the Brahminic Order and the Indian Village, without anything to be perceived, the British Government was slowly closing on the Company.

As if this was not enough the bill made the position of the Governor General stronger, replacing a situation where there was more collegiality between the governors. In a further Act of 1786 the position of the Governor General, is made into that of a dictator if not a despot from the Company’s point of view. In the words of Robinson: “With regard to India itself, the Bill strengthened the hand of the Governor-General, and in 1786 a further Act was passed, which allowed him to act in opposition to the majority of his Council.”²¹¹ The British Parliament which represented a uniform selection of semi-feudal aristocrats took the liberty to impose a dictatorship in India, to cape the creativity of a company which harboured contempt

²⁰⁷ Economist Magazine (Dec 17th 2011) op. cit.,

²⁰⁸ Robinson F.P. (1912) op. cit., p. 104

²⁰⁹ Ibid. p. 104

²¹⁰ Ibid. pp. 105-106

²¹¹ Ibid. pp. 106-107

and aversion to the thought of dictatorship. The company never sold itself as being a perfect democracy. It prescribed organisation where the chain of functional command and responsibility were identifiable. But when it came to making decisions it was rarely the business of one single individual. Part of the creativity and flexibility of the Company was derived by allowing the free flow of information which was readily debated before moving to the stage of final decision.²¹² What the British Government was trying to install at the end of the 18th Century was an institutional protection for British interests not only inside Britain but also in the heart of the Indian Government, with a consequent disruption of Indian interests. This served neither the interests of the Indian Village nor that of the East India Company.

While the British Government was progressively increasing its influence, what did the Company get in return? “In 1784 the government established a board to direct the Company's directors. In 1813 it removed its monopoly of trade with India. In 1833 it removed its monopoly of trade with China and banned it from trading in India entirely...”²¹³ And finally in 1857 Britain was able to make “the acquisition of India without the payment of a single shilling from the national treasury.”²¹⁴ In essence what happens when the British Government clutters its inefficiency into the central and provincial governments is that, the Company activity moves down to the District-Level, to the Local government level.

In the beginning of the 19th Century, in the administrative hierarchy therefore, we have four main actors, the British Government, the East India Company, the Brahminic Order and the Indian Village. In this hierarchy we have the British Government on the one end and the Indian Village on the other extremity. In this foursome relation it will not be difficult to predict who collaborated with which other body. In this particular context, two of them, the Indian Village and the East Indian Company are functionally oriented, while the British Government and the Brahminic Order have a parasitical orientation on the structure. The East India Company has a tight-knit relation with the British Authorities by stock and race, as is the Indian Village with that of the Brahminic Order. But in terms of mutual respect and cooperation the Indian Village becomes a natural ally to the East India Company, while on countless occasions, the Brahminic Order becomes the natural ally of the British Government. This duality of mandate and structure has a profound impact on the evolution of Local Government in India. Under the Company Rule, the consequence is that it seeks refuge at the District level where it had a keen partner in waiting.

²¹² Robinson F.P. (1912), op. cit., pp. 106-174.

²¹³ Economist Magazine (Dec 17th 2011), op. cit.,

²¹⁴ Robinson F.P. (1912), op. cit., pp. 178

2.2. Dual Mandate: The Way Towards the District

From a historical perspective the notion of *Dual Mandate* is interesting in itself for the understanding of power sharing and the responsibility that goes with it. For political structures, power or responsibility sharing can make sense, in situations where the question of sovereignty is not evident. It can also make sense when a weaker entity is put under tutelage until it can gain its structural independence. But in the domain of administration 'dual mandate' is considered a draw back if not catastrophic. As a gigantic enterprise, where literally millions of people are involved, the East India Company privileged clear lines of hierarchy and command; where leadership and responsibility were clearly established. In this section it will be shown how the Company is clipped of its political privileges related to territorial sovereignty, but squeezed into an administrative responsibility without clear lines of commandment. Devoid of the necessary political power the Company is practically pushed to the administrative responsibility at the district level.

We will see how the Company's background, as an enterprise, becomes fundamental in its administrative responsibility. Dual Mandate in the Indian context also becomes interesting for the way in which the Company uses the principle of dual mandate to its advantage. At different levels, dual mandate could also mean that entrusting a code of conduct between nominal authority and the active (executive) authority. In the chain of command it can be considered as delegating or decentralising but as we will realize that this could also mean that one is allowed to do what one wants to, as long as one respects a minimum of nominal tutelage. The importance of dual mandate always seeps into the relations that machinate local issues. The most important aspect of dual mandate as a system is that, the one who is the object of this dual tutelage becomes the real one to enjoy almost unhindered power. Only the Company could have used a loophole in such a creative and extensive manner.

The interesting aspect of the British Rule in India, put into a historical perspective, is that it is not the result of conquests in the classical understanding of either conquest or empire. If we take the example of the Mongol conquerors there was no doubt who the conqueror was and who the subjugated was. The Mongols came into a country by an overwhelming military conquest and most probably physically executed the rulers and followed this up by the setting up of an administration of their own making. The same principle was closely followed by other Central Asian invaders. The Moguls, who later conquered India, followed the same pattern in building their empire; piece by piece they turned conquest into chains of administrative command that were visible. Akbar combined not only the talent for conquering

but also a known and much appreciated talent for building an administrative model that could maintain the cohesion of the empire, tightly holding it together as it were. Once a stretch of country was conquered it was immediately turned into an administrative division that was integrated into the main administration of the empire. There was no doubt as to what the chain of command and control was, without any space for duality of mandate. The ruler was clearly identifiable to the ruled.

In contrast the expansion of the British Empire in India resembled more of a sequel of administrative squabbles at the local level. Although wars there were, and bloody battles fought, ultimately it was more a fight for administrative control. It was a tangle to choose who would be the fiscal potentate within a larger structure of an empire. The British Empire in India was born, copiously fed and nurtured in the bowls of the Mogul Empire. The patronage of Mogul Emperor was demanded and got whenever necessary. Relations of regal subordination were respected. Although Britain had modernised its institutional structure to breathe in economic progress and feed its starving population; it was shy of introducing similar changes to its Indian Empire. On the contrary, it hinted at enforcing the traditional or existing structures of power. Where it could, the Company was for change but was constantly slapped on the hand for taking such initiatives. What this attitude amounted to was that it was forcing the company to play second fiddle in terms of political power by restricting it to the sole domain of administration.

The Company taking political power would mean a fundamentally new departure with a real possibility of change, but the British Crown did not want this; it preferred the general political and social structure to remain the same. As Michael Haviden and David Meredith point out: "Colonial officials, whether in London or the colonies, often interpreted the 'Dual Mandate' in a way which placed preservation of the existing social structure ahead of more rapid economic change."²¹⁵ They argue that the development of non-white colonies was a dichotomy to the British political establishment; they were those who thought the economic development of the colonies to alleviate poverty was needed but there were those who thought that economic development should not cause disruption of traditional societies and cause disintegration.²¹⁶ From the point of view of London the best option would be to put them both under a 'trusteeship' which would give the natives security of good government from Britain and the comfort of traditional society.

²¹⁵ Haviden M. and Meredith D. (1993): *Colonialism and Development*, Routledge, London, p. 312.

²¹⁶ *Ibid.* p. 312.

The State of Britain, in spite of all the glory, was never rich like Moguls were; it was always on the verge of bankruptcy. It was one of the reasons why it was never in favour costly conquests. It knew well the dangers of trying to govern a foreign country from several thousand miles, so the preferred policy was to establish 'Indirect Rule'.²¹⁷ The Brahminic Order created the same dependency structure which was primarily social and religious, but the pitfalls of which were economic. In the context of the British State, in practical terms this meant creating a structure of mutual dependency with traditional entities, and keeping it largely in favour of the British interests. The creation of this dependency happened through the adaptation of political structures but, as Michael Haviden and David Meredith explain, dependency also happened by seeing that no economic progress happened on the ground.²¹⁸ The British Authorities had a large array of arsenal at their disposal, by changing the personnel at the top quite frequently. Before a new Governor-General could get into grips with his job, he would have to pack his belongings and head back to London.²¹⁹

Although this was generally true of British policy towards its colonies, the Indian situation had its particularities. It was a huge land mass, which was densely populated and had achieved a high productive capacity. Contrary to other colonies, India was conquered and held firmly by the East India Company which had its own interests to defend. After the conquest of Bengal in 1757, "Clive proposed that the Crown should take possession of the territorial acquisitions, and Chatham (Board of Control) agreed with him that it was both the right and the duty of the Crown to take the Government of India under its direct control. He held that no subjects could acquire the sovereignty of any territory for themselves, but only for the nation to which they belonged."²²⁰ But the British Cabinet was divided on the matter, with the Liberals wanting the Company maintain its right to the territories conquered, since it did it on its own expense. While the Conservatives reverted to the wording of the Charter and argued that the Company only had the right to the 'government and revenues'²²¹ of the conquered province.

What this implied was that the Company should limit its action to the administration of revenues. Since the territorial sovereignty either belonged to Britain or the remnants of the Mogul Empire; confusion abound, the Company had no right to make laws on top of what had existed. Like the Brahminic Order, the British Crown laid the foundations of its own 'divide

²¹⁷ Haviden M. and Meredith D. (1993), op. cit., p. 313.

²¹⁸ Ibid. p. 313.

²¹⁹ Ibid. p. 313.

²²⁰ Forrest G.W (1910) -editor and ex-director of records, Government of India: *Selection from the State Papers of the Governors-General of India*, vol-1, Blackwell, Oxford, p. 3.

²²¹ Ibid. p. 4.

and rule' policy. Contrary to the popular sentiment, this was not directly meant to damage the interest of the 'traditional society', of which the ruling elite was part of. It was constructed to keep in check the East India Company and its allies. By this arrangement, a *slow suffocation* of the Company's actions was sought.

Robert Clive was a man of talent to win war against all odds but he had become immensely rich and there was praise and recognition for from all corners. He had decided to submit himself to the desires of the British Government. He established a double system of government in Bengal. While the natives were left with duties of dispensing justice the revenue collection was left as it was before, the Zemindars of the Mogul period allowed to forward the rents. The Europeans supervised the whole system from far, not knowing which end to hold. But this was a recipe for disaster. As was explained in the earlier part the main problem with the traditional system was the incremental tyranny it put the peasantry under. As G.W. Forrest describes, "... the internal administration of the country had been placed in the hands of natives under the control of a few European supervisors, had proved a failure. The people grew poorer day by day and the native functionaries and zemindars richer. To remedy the evil, the Court of Directors determined to place the internal administration of Bengal and the collection of the revenue directly under their own European servants."²²² The whole situation was getting out of control and needed to be redressed by someone who knew the situation on the ground.

2.2.1. Warren Hastings – The Napoleon of the East

In 1772 Warren Hastings was appointed Governor General of Bengal.²²³ By birth Hastings was not a son of the Indian soil, but by adoption he certainly was. Coming from a modest family²²⁴ he came to India to work as a clerk for the Company. Getting a good start in his early education he realised his exceptional abilities and so did the others. Given his extraordinary intelligence, he climbed ranks quickly but recognition was slow to come, or never was willing to come. On the eve of his appointment he was a man who had gained decades of experience of the Company and the land in which it operated. He was a Napoleon in waiting, at least by stature and the vision he had fostered for his adopted country. In a document, written after his retirement, Hastings had this to say: "I have been represented to

²²² Forrest G.W. (1910), op. cit., p. 5-6.

²²³ Ibid. p. 5.

²²⁴ Kaye J.W. (1853): *The Administration of The East India Company*, published by Richard Bentley, London, page 7.

the public as a man of ambition, and as too apt to be misled by projects of conquest.”²²⁵ The turmoil in which he is engulfed over the decade after his appointment gives us a perfect insight into the purpose of the Dual Mandate as the British Government saw it.

Returning to Bengal from Madras, Hastings very quickly realised that the situation could get out of control. After spending so much time in the country he did not need much time to come up with a vision of things. He knew well that the traditional structures of power were rotting or rotten and needed to be constructed anew. Being a Company man he knew that the dual system of government in Bengal meant. As Forrest explains: “Hastings knew that everything depended on a vigorous Executive, but he wanted an Executive guided by law and rule; among the civilians he had appointed as Judges there was, however, no one of sufficient legal experience who could ascertain the law and rule. They were junior servants who, as Hastings said, wanted guidance and government.”²²⁶ He saw that he needed to have the overall control of the situation to bring things into order. For this he needed to settle the question of Sovereignty before he could introduce lasting structures of government and administration.

When one goes through his memoirs one realises two things. Firstly, he entertained an enormous respect for the tiller, the toiler and the villager in general. Secondly he entertained an absolute disdain for the local governing elite, in short, the Brahminic Order. Doing honour to the ordinary man and relieve his burdens would mean getting ride of traditional structures who were in his eyes responsible for creating the misery. “Hastings recognized the economic principle which Adam Smith put forward a few years later, that the first interest of the Sovereign of a people is that their wealth should increase as much as possible; and he was particularly impressed with the necessity for its application to a country like Bengal, where the revenue is chiefly derived from the land rent.”²²⁷ As a Company man he understood that these traditional structures represented waste and blockage to creating a productive society.

The system put in place by Robert Clive had failed because of its over-dependence on the traditional structures which did not really exist. The verdict on the matter by James Caulfield (Lieutenant-General of the Bengal Army), is very revealing: “Our present system, to be rendered effective, must be released from the shackles with which it is bound; every obstacle to improvement must be removed; the forms and regulations which clog every

²²⁵ Forrest G.W. (1910) -editor and ex-director of records, Government of India: Selection from the State Papers of the Governors-General of India, Volume II: Warren Hastings, Blackwell, Oxford, p. 61.

²²⁶ Forrest G.W. (1910 –vol 1), op. cit.,p. 209.

²²⁷ Ibid. p. 17.

department must be done away. We shall then behold that favoured region rise vigorous and triumphant from her present prostrate and inanimate condition.”²²⁸ Warren Hastings had decided to disregard the wishes of the British Parliament and go ahead and create those structures of government that were most in need. As Lieutenant-General Caulfield explains “There exists not, between the common people and rulers, a middle order, who feel a common interest in the prosperity of the state, who love their rulers, or are by them respected. Hence it is evident the whole machine is imperfect for want of a class who do not, nor can exist under the present system.”²²⁹ After Ashoka the Great and Akbar, Warren Hastings had returned to the same conclusion, there was an urgent need to reach out to the people. “The happiness of the people is the great end of all law; from it emanates the right to command, and the obligation to obey; and unless it be secured by their institutions there cannot possibly exist a legitimate pretension to command, nor an adequate motive to obedience.”²³⁰ To do this he had to bypass the Brahminic Order and ignore the British Government. To achieve both goals Hastings realised Local Government had to be created under new lines to connect government with the people, in other words the productive forces.

What he realised was that at this level, the traditional structures, so prized in Westminster, were objects of misplaced confidence. In effect the Zemindari system of the Mogul system was badly understood by those sitting in the British Parliament. These Zemindars were not the Landlords of the land they administered. “... though they possessed certain lands for the immediate support of themselves and family, they were rather in the position of contractors for land revenue than of owners of landed estates paying revenue to Government. They were also contractors for the general administration.”²³¹ In reality none of these Zemindars fulfilled their function; on the contrary they rained havoc on the peasantry which had few means to defend itself. As Forrest points out: “The Zemindar was responsible for loss of life and property; but they maintained no efficient police, and dacoits and robbers plied their profession with vigour. The dacoits were often in league with the police, and even with the Zemindar himself or his higher officers.”²³² In a minute to the Board of Directors (1st November 1776) Warren Hastings expresses this as one of his main “...great aim was to protect the claims of the actual cultivators of the soil. The Ryots, under the existing system, not having their contracts with landowners clearly defined, were subject to all kinds of

²²⁸ Caulfield J. (Lieutenant-Colonel of the Bengal Army): *Observations on our Indian Administration, Civil and Military*, published by Smith Elder and Company, London, 1832, p. 19.

²²⁹ Ibid. p. 53.

²³⁰ Caulfield J. (1832) op. cit., p. 37.

²³¹ Forrest G.W. (1910, vol 1) op. cit., p. 13.

²³² Ibid. op. p. 13-14.

arbitrary exactions.”²³³ It is interesting to note that the first foray of Hastings, in his efforts to create Local Government, was to rescue the Indian farmer from the suffocation caused by the traditional structures of government that had crashed on him.

The ‘Dinghy’ comes in the form of the *District*. Hastings settles the issue of sovereignty vis-à-vis the local power structures and London by one stroke. He thinks he has sufficient reason on his side to act to transform the Zemindaris (landholdings) into Districts. And in each of these new districts he appoints a *Collector* from the ranks of the Company, formally holding the position of *Supervisors*, created by Robert Clive.²³⁴ “It was impossible to place the revenue administration on a sound footing without a thorough reform in the administration of justice, and the first step Hastings took towards accomplishing a reform was the establishment of a Criminal and Civil Court in every district.”²³⁵ In line with Ashoka the Great, Warren Hastings now had his own flagship to take government to the people; it was the District, with a benevolent Collector. “After the abolition of the Provincial Councils, the direct management of the District Revenues was definitely entrusted to the British Collectors, and from that time the British Government (Company) began to undertake the internal administration of the country.”²³⁶ These moves were totally and whole heartedly supported by the Court of Directors and so was the decision of Warren Hastings to give life contracts, at fixed rents, to those who actually tilled the land. “A strict preference was to be given and every indulgence shown to the native inhabitants.”²³⁷ At one stroke the Zemindari system was cast away. The people had the tranquillity to till their lands and the government could share in their development. A corruptive and parasitical element of the traditional system of administration had been removed. As one commentator remarks: “All government is, more or less, an experiment. In India, it is, especially, an experiment; and it is one on a gigantic scale.”²³⁸

By these reforms Hastings had not only laid the foundations to modern footing in Local Administration, he was doing justice to what he had long realised. In his own words: “*The submissive character of the people; the fewness of their wants; the facility with which the soil and climate, unaided by exertions of labour, can supply them; the abundant resources of subsistence and trafficable wealth which may be drawn from the natural productions, and from the manufactures, both of established usage and of new introduction, to which no men*

²³³ Forrest G.W. (1910, vol. 1) op. cit., p. 144.

²³⁴ Ibid. p. 13-15.

²³⁵ Ibid. p. 16.

²³⁶ Ibid. p. 161.

²³⁷ Ibid. p. 158.

²³⁸ Kaye J.W. (1853) op. cit., p. 4.

*upon earth can bend their minds with a readier accommodation; and above all, the defences with which nature has armed the land, in its mountainous and hilly borders, its bay, its innumerable intersections of rivers, and inoffensive or un-powerful neighbours; are advantages which no united state upon earth possesses in an equal degree; and which leave little to the duty of the magistrate; in effect, nothing but attention, protection, and forbearance.”*²³⁹ Warren Hastings was long persuaded of the potential of the land, what was needed was local government with a strong central guidance and support. As Emperor Ashoka had realised some two thousand years before him, Warren Hastings had realised that the people, by capping the limits on their wants, had already shown that they could govern themselves. The need for government and local government only existed in as he said, “...which leave little to the duty of the magistrate; in effect, nothing but attention, protection and forbearance.”

Hastings did not feel that he was going against the principle of Dual Mandate, which was sanctified in Westminster. He was only being selective in his choice of ‘traditional or existing structures of administration.’ In his view the Zeminadar was an obstacle to sound administration. He had to cut this out but keep the Indian Village which was the basic unit of production at the time and the foundation of Indian society as well. He had no intention to take his new plan of administration into the heart of the village. He had no intention to change their religion or the way they relate to each other. His only ambition was to reduce the burden on their shoulders. As we will see later, the secret of the District administration was exactly to bring it squarely under the principle of dual mandate. Although there was a desire and a need to reach out to the people, the Company and its officers did not want symbolically to upset the structure of the village and its optimisation of economic resources. To the frustration of Parliament, Warren Hastings could not be accused of doing something wrong on this account, he had not over-stepped the limits set by the British Authorities.

The angle of attack had changed to attacking Hastings on the situation of the dispossessed Zemindars, which he makes reference to in his papers, “The public in England have of late years adopted very high ideas of the rights of the Zemindars in Hindostan; and the prevailing prejudice has considered every occasional dispossession of a Zemindar from the management of his lands, as an act of oppression.”²⁴⁰ To this the position of Hastings was clear as it was made in the earlier paragraphs. He was nominated to govern the province of Bengal, and not the particular interests of a few hundred Zemindars. The majority of the

²³⁹ G.W: Forrest (1910, vol. 2) op. cit., pp. 66-67

²⁴⁰ Ibid. p. 72

parliamentarians were feudal lords, where the peasantry was in similar or worse situation than that in Bengal. As John William Kaye says, “There are clamorous social evils crying out for redress almost under the walls of the Palace at Westminster.”²⁴¹ The condition of the poor and the disposed there was actually little done to redress the situation in either Britain or Ireland; it was only the interests of the gentry that counted. As Kaye points out, “The ‘happiness of the governed’ was to be considered as a means to an end—not as the end itself. But in those early days of Anglo-Indian rule, it was something to think of the people at all. It was no small matter, indeed, to recognise the great truth, that the prosperity of the governing and the governed are mutually dependent upon each other; that, to secure the former, we must, at all events, promote the latter.”²⁴²

The fear in Westminster was partly derived from the fact that a non-aristocrat was introducing a ‘pro-people’ measure. The ‘reaching out to the needs of the people’ had popular and radical overtures to it. One could well imagine why the novel ideas of Warren Hastings had for decades terrorised the English Aristocracy. As if this was not enough, there was the affair of Nanda Kumar, a very influential Brahmin who had held ministerial posts under successive governments and was held highly by the members of British Aristocracy. Unwilling to give into his fraudulent and illicit manipulations against the Company interests, Hastings, after a period of high voltage legal proceedings, got Nanda Kumar executed. This incident interpreted as the advent of not only Hastings’ policy against the local aristocracy but also aristocracy in general. It was true that he wanted to send a message to the local tyrants but in no way did he think that he would be the object of an enormous ‘*complot*.’

Hastings tried to calm the fears of British legislators, in particular, by telling them that the land still belonged to the State and that land tenure contracts were made life tenures to make the farmers reinvest in lands which were much degraded of recent. He was a formidable opponent to Parliament because he always tried to have the legal and constitutional arguments act in his favour and in favour of the Company. He believed firmly in the merits of the Company. For him there was no doubt in terms of his responsibilities to the East India Company. The question of sovereignty had a functional implication. Since the land belonged to the State, and here he insists that it was the Company and no body else, it had its right of ‘estate’ over Bengal; more specifically the Company had the right to organise its estate in the most efficient way. The object of the Company, as he points out was evident: “Its first existence was commercial: it obtained, in its growth, the sudden accession of military strength

²⁴¹ Kaye J.W. (1853), op. cit., p. 11

²⁴² Ibid. p. 2

and territorial dominion, to which its political adjunct was inevitable.”²⁴³ He uses the notion of estate to continue political and administrative consolidation but with the ultimate aim of demolishing the system or of dual mandate.

The next step of Hastings is again to put the security and the protection of the villagers at the centre of the argument against the system of Dual Mandate. Hastings argues that the Company has not only the right to organise and develop its estate; it most definitely has the right to defend it. Since the security of revenues cannot be disassociated from the collection of them, it introduces a fundamental change to not only the administration of India but also the political consolidation of it; and brings a temporary arrest to the momentum displayed by the Brahminic Order in the 18th Century and early part of the 19th Century. Hastings’ understanding of the traditional mode of administration of the country was that the whole weight is accumulated on the weak shoulders of the peasant, for he is the only and most efficient productive unit to be found. And it’s on his shoulders, that the consequences of maladministration fall. The reforms introduced by Hastings might have relieved part of the burden but not all of it. For few at that time understood how the traditional structure of government and the Brahminic Order functioned, and he was one of them.

The traditional structures of administration had two sides, official and extra-legal. The practical application of this dual approach was that the Zemindar made the farmers pay the rents after the harvest, and a few weeks later organised ‘raids’ into the villages to steal what remained. The phenomena had different names, Pindaree, Decoitee or Thuggee. The farmers hardly had anything left to eat, not to mention the seeds for the next season. This was a big disruption in the economic life of the country. And it was also political, as it was explained in the part dealing with the Marathas and the Brahminic Order; sovereignty was sapped from under the feet of the nominal authority. As Hastings saw it, the fundamental right of the Company was put in question by the organised banditry, and the State could not fulfil its fundamental duty of protecting ‘life and property and the fruits of property’ of the people. And like a responsible Sovereign he has to make war on all elements that disturb the peace of his estate.

Several decades of experience in the service of the Company had made him see who the main culprit was. Hastings knew that the main culprits were the Marathas. Ultimately the pressure on the peasants will be relieved only when the Maratha Confederacy, in its various forms, is reduced to insignificance or taught to behave like a responsible power. And since the

²⁴³ Forrest G.W. (1910 vol 2), op.cit., p. 60.

Marathas had the habit of, in one way or the other, to terrorising the whole of the Subcontinent, Hastings had the luxury of choosing the time and opportunity to attack. To the British Parliament, this action would send a double message, the Company would continue its territorial and administrative consolidation and that it had no desire to give-up political sovereignty over its territories, since ‘making war’ was one of the major prerogatives of sovereign power. This goes to showing that the Company had the merit of recognising that the village constituted its core interest; and that its entire strategy against the Brahminic Order and the Semi-Feudal State of Britain was derived from the desire to secure the productivity of the Indian Village.

Without surprise the British Parliament and Government had no appetite for these arguments of Warren Hastings. Like him it waited for the right moment to show its displeasure about Hastings and his plans. It never sympathised with those who challenged feudal authority. Another reason for it wanting to protect the existing order of things was that Britain itself was a traditional society where the majority lived in line with the serfs of Russia. At least the peasant in the Indian village was his own master. Any attempts of social revolution in India could rapidly create and enforce similar movements shimmering from Ireland to North America. When we see that in less than two decades of Hastings’ move, there was revolution both in Europe and North America. And it could not allow him to take his ‘people’s revolution’ to other parts of the Subcontinent. Since as Hastings had repeatedly mentioned, if Indian can achieve the right kind of political and administrative consolidation then there could be no country more powerful or enviable than it. This was obviously difficult to digest for a Britain which was structurally weak and perpetually feeding upon others for its own strength, similar to the Brahminic Order.

The British Parliament soon gets its opportunity: “The first charge brought against Hastings was regarding his conduct towards Cheyt Sing (Ruler of the Benares Zemindari). He was accused of violating a treaty with an independent Prince, unjustly compelling him to pay five lakhs of rupees annually for three years, intending to impose upon him an enormous fine for imputed delinquency, and causing his person to be arrested. Burke took infinite pains to prove that Cheyt Sing was made independent of the English Government in every respect except that of paying to it annually twenty-three lakhs of rupees, and that the Government had irrevocably bound itself down not to exact in any case a larger sum.”²⁴⁴ The Company and Hastings were not of this opinion; again reverting to the notion of territorial integrity they

²⁴⁴ Forrest G.W. (1910, vol. 1) op. cit., p. 231.

argued that there could be no pockets of independence within it.²⁴⁵ On the 21st May 1781 Hastings had got full powers from the Board: "...invested him with full power and authority to form such arrangements with the Raja of Benares for the better government of his zemindary, and to perform such acts for the improvement of the interest which the Honourable Company possesses in it, as he shall think fit and consonant to the mutual relation and actual engagement subsisting between the Company and the Raja."²⁴⁶ The Company viewed the Raja of Benares as nothing more than a Zemindar.

The Company had the desire to have one legal system that encompassed the whole territory, without exceptions and privileges that had existed in the period of Mogul rule there. The British Parliament, through Burke and others, opposed to this consolidation of the legal system, without which the Company had no chance of making the administrative structure work. Any reform or action that strengthened Bengal was opposed by Parliament, and systematically. This was followed by the Rohilla War which led to a prolonged effort by Parliament to impeach Warren Hastings. The Rohillas was once a group of "bandits" who had declared themselves to statehood. To protect the villages in the hill districts of Bengal, Hastings had decided to put an end to the illicit activity of these bandits. Once again, the British Parliament comes to the rescue of the Rohillas by accusing Hastings of pillage and plunder. Similar accusations are made of Hastings when he tries to protect Bengal against the incursion by the Marathas and their Pindaree auxiliaries. Standing accused of every possible sinful conduct Hastings had this to say to the British Parliament: "I gave you all, and you have rewarded me with 'confiscation, disgrace, and a life of impeachment.'"²⁴⁷ The époque threw up men of experience who also had a different vision for a better world; their conquests were only a means to bring about the conditions necessary. Certainly Warren Hastings fell into the category of men like Napoleon in Europe, Washington in North America and Simon de Bolivar in South America. The Company had nurtured him to be a "no-nuisance" man for whom administration was something which should have no ambiguity, and should be conducted by men of impartial character in their duty of providing good government to the people. But his fight against the 'Dual Mandate', so dear to the British Parliament, was a struggle of man against a system which had no race or frontiers; in the end the interests of the British Parliament and the Brahminic Order were to prevail. We will therefore come to

²⁴⁵ Forrest G.W. (1910 vol. 1) op. cit., p. 220.

²⁴⁶ Ibid. p. 221.

²⁴⁷ Ibid. p. 291.

understand “Dual Mandate” from that as maintaining ‘status-quo’ or the impediment to progress.

2.2.2. Dual Mandate and the Amalgamation of Fragmented Realities

This did not mean that the company was totally against ‘Dual Mandate’, on the contrary whenever the opportunity arose; it made full use of it, but only by strict selection. The land itself invited the duality of administrative action at all levels of government. What the Company officials realized very quickly as their territorial conquest gathered pace was that there were many differences from one region to another. And at the turn of the 19th Century when serious considerations were given to reviving some form of local government it came to their realization that almost every village had its own way of functioning. This pointed to the fact that a uniform and all encompassing system of government was almost impossible; but some how the burgeoning empire had to be held together and its administration rationalized. Building everything from scratch would mean a lot of financial and human resources, which the company lacked, and it would take decades; the luxury of which the Company felt it did not have.

Thus the imperative of dual mandate at every level became the only way forward. This was the only way to bridge the gap between the demands of the British Empire in India and the fragmented realities on the ground. Following this logic of things it is interesting to note that the strata of English officials represented the rationalising and centralising elements, while the native structures or their nominees represented the local pattern of customary organisation. What this meant in other words was, that a local community comes under the mandate of the local leaders who are allowed to rule in their own customary modes and methods. At the same time the community comes under the mandate of the colonial official at the district level. This is not to be confused by a hierarchy of an integrated administration with a continuous chain of command from the top official of the Empire to the inhabitant of a remote village. The line of control of the colonial administration comes up to the District; and which ‘accumulates’ there, without the ambition of going further down. The reasons for this discontinuation are multiple, going from financial to the lack of local knowledge which will be discussed amply elsewhere.

The position of the District Collector / Commissioner becomes the key to how the two strata are amalgamated into one hierarchical structure. The district officer represents uniformity throughout the empire; he represents the will and authority of the Company and

the British Empire up to a certain point. Below him, there were the local representatives who canalised the customary wishes of the inhabitants but without hindering their productive capacities. How the two understand each other and come to terms with each others imperatives is very critical to how we interpret the evolution of local government in the Subcontinent. Does the District officer mitigate the will of the Company and the Empire or impose it? The scope of this question will be elaborated later. But what we realise after careful observation is that the head of the village or a group of villages and the district officers are associates and partners in a system but at the same time remain independent of each other.

What emerges clearly is that the colonial strata during the Company Rule chose not to impose its will because it simply was not in the position to impose its will with force. This meant that everything had to be negotiated between the head of the village and the District Officer after which the head tries to sell it to his village community. And because nothing was permanent and everything was put in a slow motion of reform these types of negotiations were a continuous process of adaptations and adoptions. After a while what this intercourse leads to is an accumulation of power at the local end of the administrative chain. We come back to the fact earlier mentioned; a duality of authority or mandate allows and often leads to the creation of a third force made-up of the officials like the District officer. For the Company, since political power and control of the 'centre' were obviously denied to it, its main power became executive and local, at the local government level. In the next section we will see how this 'Dual Mandate', a tussle between the Company and Crown, makes the District Officer the sole person to interpret the scope of his power; he becomes the arbitrator, leading to a triangular relationship. This pattern of dual mandate and the formation of a triangular tangle for power becomes a recurrent feature of the Local Government set-up in the Subcontinent.

"Dual Mandate" for the British Parliament means co-habiting with traditional power structure. Forced to fall upon traditional structures of power, the Company tries to select those structures it finds worthy. After several tries and periods of experimentation the opinion of the Company officials was unanimous, avoid the Brahminic Order and the corrupt semblance of native elite. By a process of trial and elimination, the Indian Village becomes the rare candidate which fulfils the rationality that the Company was searching for. The Company's choice for light structure of administration also comes from the fact it had an aversion to the traditional structures of power. By keeping to the minimum, the need for these structures is reduced. One thousand in all, district officers, magistrates and those staffing the presidencies were needed to govern a vast country.

The refusal to fall back on traditional intermediary structures meant that the Company had to sort to administrative dictatorship, within the scope of legality and common sense. But whether this turns to be benevolent dictatorship or not, the reality of Company's methods provides us with a special understanding. From the beginning of the 19th Century the Company is surely pushed to becoming an administrator in the proper sense of the term, but the heritage of its initial period, lingered on as if it was an unofficial policy of the East India Company, the guiding principle that took it through almost a century of experimentation in "governmenting" at the local level because everything else, all the upper levels either did not touch it, or it loathed to hold. In essence the Company's venture into government and administration was indeed a venture into local government. The Company's invention of the District and the administration of it were designed to keep the original Dual Mandate system as far away as possible from 'Local Government and Local Administration'. For the Company this was the only way to protect and nurture the 'productive forces'. As we will see the District becomes the protective ring and fortification for the defence of the Indian Village.

2.3. District Administration and the Emergence of Local Government

Faced with chaos and collapse, leaders are sometimes forced to lean on structures best suited to providing stability and coherence and leave their political dogmas for another day. These temporary constructs sometimes outlive their initial purpose because of their usefulness but also as a sign of continued chaos around them. In the earlier section we saw how the notion of dual mandate was causing friction and confusion between the various actors, leading to a chaotic situation at the local government level. There was confusion in the hierarchy and the chain of command. There was also a functional confusion between that of administration of a 'colonial possession' and 'revenue collection.' There were also geographical divisions between Britain and the Subcontinent; and within India huge distances separated the various presidencies and provinces. All this was a recipe for disaster for everyone. And there was little scope for institutional development because everything was put on a temporary footing, always negated by another. But like Foucault's Pendulum, it had to be pegged somewhere. And as we will see in this chapter Warren Hastings pegged the administration of the Indian dominion at the District level, comforting the institutional stability of the Indian Village. Although most of the reforms introduced by Warren Hastings were done at the turn of the 18th Century, their development and entrenchment started at the very beginning of the 19th

Century. For much of ‘the legislation of the three succeeding decades was designed either to carry out those aims or to prevent their fulfilment.’²⁴⁸

If Warren Hastings had arrived in the inner regions of Africa he might have had a better chance at making a clean beginning but he had the misfortune of being appointed Governor of a Province, where everyone was trying to make his nest; there was no shortage of people claiming power and privileges. He was appointed by the East India Company and approved by the British Parliament but on the British side he had no less than four masters. Immediately above him he had the Board of Directors who were jointly controlled by the Colonial Office and the Board of control. Above all this executive matrix was the control by Parliament at Westminster and the Cabinet.

In Calcutta, the seat of government of the East India Company, his movements were watched and checked by a Council composed mainly of implants from the British Government. Since Warren Hastings was not of aristocratic blood, every step he took became a declaration of class war. He had the native protégés of the Crown and the remains of the Nabab’s ministers and officials who were crafting a comeback. As if this was not enough at the sub-provincial level Company officials and Natives alike were doing what they wanted. As one member of the civil service wrote: “With the high court of revenue at Murshidabad, under the nominal authority of the Nawab-Nazim, Hastings found on his arrival that, although the court was composed of junior English Officers, it possessed more actual powers in revenue matters than the Governor in Council. It was, in fact, an *imperium in imperio*.”²⁴⁹ In a letter dating March 26, 1772 he wrote the following to the Chairman of the Board of Directors: “A few words I believe will suffice to describe it. The Government of this Country consists of three distinct powers, the Supervisors, the Boards of Revenue at Moorshedabad and Patna, and the Governor and Council at Calcutta. The order in which I have named them is not accidental but consonant to the degree of Trust, Power and Emolument which they severally possess.”²⁵⁰ This declaration of weakness from the part of Warren Hastings shows two things. Firstly, the position of the Governor, upon which the Court Directors bestowed overall responsibility, was empty of all substance, giving no scope for a strong central authority. Secondly he realised that he had no control over the revenues and the way in which they were managed.

²⁴⁸ Monckton Jones M.E.(1918): *Warren Hastings in Bengal 1772-1774 (With appendixes of hitherto unpublished documents)*, published by Clarendon Press, Oxford, page vii of preface.

²⁴⁹ Malleson G. B. (1894) : *Life of Warren Hastings*, published by Chapman and Hall, London, 1894, p. 104. (author is from the Civil Service of India-colonial)

²⁵⁰ Monckton Jones M.E. (1918) op. cit., p. 148.

Hastings' diagnosis had been that strongly centralised structures in India, like that of the Moguls and the Marathas had not prevented the collapse of their authority in the eyes of the people of India. And one of the principle reasons why central authority was weak was because the revenue collection had created a dependency upon local tyrants. By the time he took power, authority was overwhelmingly in the hands of these local 'tyrants' who lacked the basic notion of governmental responsibility. An English aristocrat might have sat there for a couple years and enjoy his privileges making place for the next one, but Warren Hastings was made of something else. In other circumstances, he would have taken the troops under his command and cleansed these untamed elements of the administration. But the task was easily said than done.

The way revenue was collected until then was that the Zemindars or landlords paid the taxes under the control of a 'Supravisor' who dominated a geographical division of the province. The supervisors then transmitted to regional centres which in turn transmitted the collected revenues to the Company's headquarters. In this pattern of flows the Governor had no foresight of the evolution of the revenues. The tradition was to choose as Supravisors from among the protégés of the Board of Directors, Members of Parliament or the Board of control. Given this patronage and weight of their appointment, these Supervisors had an administrative disdain for the Company officials in Calcutta. Warren Hastings being a 'Commoner' made the situation even worse: "The Supravisor is often supported by strong connections either in the Council or in the Court of Directors... their conduct and totally exempt from the fear of punishment. ... I am told also that the trade in every district is engrossed by the Supravisors, but more especially rice and the other necessaries of life."²⁵¹ For a man who went there to redress the situation of the Company, this looked like a 'Holding Company' which had small stakes in small enterprises lead by Supervisors, upon which he had no control. In other words, elements of the British Establishment had hijacked the everyday operations of the Company.

As if this was not enough to make the administration of the Province difficult, these elements of British aristocracy were strongly enmeshed with the Brahminic Order, native money-lenders, the Banyan. In the part dealing with the Brahminic Order we saw how it transforms every political and administrative structure of importance into a nominal structure devoid of all power of action. In a letter addressed to Mr. Colebrooke, Chairman of the Court of Directors (March 26, 1772) Warren Hastings described the situation as follows: "No, the Supravisor is the sovereign of the division over which he presides. He farms the lands to such

²⁵¹ Monckton Jones M.E. (1918) op. cit., p. 149 (Letter addressed to Mr. Colebrooke, Chairman of the Court of Directors - March 26, 1772).

persons as he judges most deserving preference in the distribution of them or to those whom he chooses to favour. He collects the rents. He is the Chief Magistrate. As he is absolute and it is the invariable consequence of despotism that every inferior agent is equally despotic with his principal and most commonly governs him also, the Banyan is in fact the lord of every supervisorship. . . . All the business of the District passes through the hands of the Banyan to his master. He chooses and nominates all the other servants and of course has it in his power to shut out all access to the Supervisor.” This collusion between elements of the British Crown and the Brahminic Order looks, in the eyes of Warren Hastings, more like an ‘*association de malfaiteurs*²⁵²,’ than local government. The addition of all this looks like that those losing out was the Company and the Village.

In the same letter as mentioned above, Warren Hastings lays down the beginnings of a plan: “The remedy which I would recommend to these distractions is obvious and simple. It is not to introduce fresh innovations, but to restore the government to its first principles. To recall the Supervisors, nor suffer a Christian to remain in the country beyond the bounds of the Factories. To abolish the Boards of Revenue. To bring the Collections to the Presidency and make it the capital of the Provinces.”²⁵³ From 1772-1774 Warren Hastings undertakes an alternation of institutional creation and eradication which transforms the future history of local government in India and in general the history of the Subcontinent.

This idea was not new. In 1765, in an address to the Court of Directors, Robert Clive, the hero of Plassey, conscious of this problem had come up with this idea: “The power of supervising the provinces, though lodged in us, should not however, in my opinion, be exerted. Three times the present number of civil servants would be insufficient for the purpose: whereas, if we leave the management to the old officers of the government, the Company need not be at the expense of one additional servant; and though we may suffer in the collection, yet we shall always be able to detect and punish any great offenders, and shall have some satisfaction in knowing that the corruption is not among ourselves.”²⁵⁴ He knew very well that the Crown implants were very corrupt and increasing their numbers would only risk a bigger damage to the Company’s reputation. He continued: “Considering the excesses we have of late years manifested in our conduct, the princes of Industan will not readily

²⁵² This a French legal term used to describe a band of people with criminal intent and bad-doing to the community.

²⁵³ Monckton Jones M.E. (1918) op. cit., page 150 (Letter addressed to Mr. Colebrooke, Chairman of the Court of Directors - March 26, 1772).

²⁵⁴ Court of Directors (EIC): Authentic Papers concerning India Affairs . . . , published by Richardson and Urquhart, London, 1771, page 25 ; Online: <https://archive.org/details/authenticpapersc00eastiala> (7/09/2013).

imagine us capable of moderation; nor can we expect they will ever be attached to us by any other motive than fear.”²⁵⁵ Clive thought by getting rid of the parasitical elements of the British aristocrats he could gain the confidence of the natives.²⁵⁶ But he too was not willing to allow anyone from the Brahminic Order: “This form of government I thought proper to recommend, in order to purge the Court of a set of knaves and parasites, by whom the Nabob was surrounded, and who were always undermining our influence, that they might the more firmly establish their own.”²⁵⁷ In Clive’s time the Nabab was still maintained as the nominal ruler of Bengal. But Clive’s plan had the disadvantage of engrossing the Brahminic Order which already had too big a presence for the Company to handle. And further to this reality, if all the knaves and parasites were got rid of, then there would hardly be anyone on the ground to do the job.

Warren Hastings put’s forward Clive’s strategy conscious of the fact that it cannot and should not be the final solution. Clive was only interested in cropping revenues for the Company. Warren Hastings was on a mission to building institutions which would give relief to the tenant and stabilise his situation in the hope of thus stabilising the revenue situation of the Company. There was no way he could achieve either as long as the Brahminic Order was in command at the lower end and the most important level of the administration. But he was gearing up to a strategy of double detonation. He knew well, that there was no way of getting rid of both actors of this parasitical enterprise in one go. He uses Clive’s accepted wisdom to remove the British section, leaving the Brahminic Order to graze alone and without hindrance. In a letter written to his trusted friend Mr. Dupré he was more straightforward unto what he had in mind: “They were originally what the word supervisor imports, simple lookers-on without trust or authority. They became collectors and ceased to be lookers-on; but though this change had taken place two years before I arrived, yet I found to my astonishment that they were known to the Court of Directors only in their original character. It was necessary to undeceive the Company. It was once intended to withdraw the collectors entirely. They monopolize the trade of the Country. . . .These perquisites I believe to be an oppression on the people and an obstruction of the Revenue.”²⁵⁸

By way of remark it is interesting to see how for the first time in India’s modern history Warren Hastings ties the interests of the Company with those of the Indian masses. Contrary to the British Parish (and the County), which has its origins in the administration of

²⁵⁵ Court of Directors EIC (1771, op. cit., pp. 29-30.

²⁵⁶ Ibid. p. 23.

²⁵⁷ Ibid. p. 32.

²⁵⁸ Monckton Jones M.E. (1918) op. cit., p. 258.

the Poor Law²⁵⁹, the Indian District (the Sir-Car as designed by the Emperor Akbar) has its origin in the collection of the revenues. As explained earlier the traditional structures being based on an extractive function, the administrative framework followed the same principle. But the unique contribution of Warren Hastings is that for the first he introduced ambiguity unto the purpose of this sub-provincial unit. He provides a strong rationality, where good revenue collection resonates with that of the 'welfare' of the people. And it was something novel to the Subcontinent. He deemed the welfare of people as necessary not because any far fetch religious doctrines or political dogmas. His arguments were based on the strict rationality of maximising the revenues for the Company, on the long-term. Where the Brahminic Order had brought suffocation and resignation, Warren Hastings was offering relief and hope, strictly on entrepreneurial rationality. As we will see later, since fiscal revenue was principally derived from land, the Indian District's primary function was designed to protect the basic productive unit, the village; which was structured and self-sufficient as far as the organisation of productive relations were concerned. Everything depended upon the pace of reforms. Hastings had to be quick before his enemies could undo what he wanted to achieve.

2.3.1. The Revenue Board – Imperium in Imperio

In the space of two years, 1772-1774, Warren Hastings takes through reforms that otherwise would have taken several decades. As announced, he moves to centralise before decentralising and makes the Revenue Board into a powerful organisation, which has an absolute control over the collection of revenue. By this move he makes the revenue board a kind of government through which all reforms are initiated. As was explained earlier he was constantly hassled and marginalised by the Council which was in reality controlled by the British Crown. The establishment of the Revenue Board becomes the centre of his power; like-minded people dominated this organisation. It was one new and clean organisation upon which he could make his imprint. For the next hundred and fifty years this organisation in reality becomes the true government of India. Beside this, everything else, becomes an unnecessary adage and parasitical. Whatever happens with other institutions, what Hastings does is to constantly add to the fire power of the Revenue Board. For the history of the country this is a huge break with the tradition. Over several thousand years of history,

²⁵⁹ Rathbone WM. (1885): *Local Government and Taxation*, published by Swan Sonnenschein & Co., London, p. 37 (At the time the author was an MP with intimate knowledge of the subject).

whoever the rulers were, the Brahminic Order dominated the Revenue Department; in one way or the other it was a Brahmin who handled the finances of kingdom to empire. Tippoo Sultan in South India was a very fanatical Muslim, but his revenue department was entirely made up of Brahmins. Warren Hastings had succeeded in making a break with this tradition and it was going to have a profound impact on the development of local government.

Parallel to the creation of the Revenue Board, Hastings unwinds the system of Supervisors and replaces them with native Collectors of Revenue in various forms in a system which is not perfect but workable. Neither was it the intention of Hastings to make this situation into a permanent institutional framework. What he does is to double them with youngmen from the ranks of the Company (from the *corps de metier* of Writers) to oversee the native collectors. These young men came under the strict control of the Board of Revenue.

The strategy of Warren Hastings was two fold, firstly he wanted the young Company employee to look at the native revenue collector and acquire a kind deep repulsion of the ways and means the Brahminic Order deals with the people of India. Secondly, he takes the opportunity to transfer certain functions to the Company Official. But by imposing a strict regime that deprives him the opportunity to ‘enrichment.’ John Shore, who began as a clerk in the Company and later became an enlightened Governor-General of India wrote home on the 1st of April 1772 in what looked like a complaint: “The road to opulence grows daily narrower, and is more crowded with competitors. . . . The Court of Directors are actuated with such a spirit of reformation and retrenchment, and so well seconded by Mr. Hastings, that it seems the rescission of all our remaining emoluments will alone suffice it. The Company's service is in fact rendered an employment not very desirable.”²⁶⁰ But as Shore later realised, Hastings was only cutting down the importance of a strange mix of ‘*association de malfaiteurs*’ to give more scope to vital economic units on the ground, the ryot and his village.

Warren Hastings does not take any chances, in a letter to the Board of Director in March 1772 he announces three measures that he will take to support the reform already initiated. 1) ‘That the Collector be forbidden on pain of demission from the Service to be concerned directly or indirectly in the purchase or sale of Grain. 2) That no Banyan, Mutteseddie, or other Servants of whatever Denomination, of the Collector be allowed to farm lands; nor directly or indirectly to hold any Concern in any Farm, nor to be security for any Farmer. 3) That Proclamations shall be made prohibiting all persons from lending money to

²⁶⁰ Monckton Jones M.E. (1918) op. cit., p. 262.

the Zemidars, Talukdars, Farmers, or any other officer of the Revenue. That the Collector be enjoined to reject all Applications for the Recovery of such Loans, and that any man using Violence or Intimidation to enforce payment of a Debt so contracted shall be severely punished.²⁶¹ Further on, Hastings goes even deeper: “That the Collector and Zemidar shall settle the debts of the Farmer or the officers or dependents of the Zemidarree and the Collector those of the Zemidar: and that all Zemidaree debts not claimed within the limited time of six months from the publication of this order shall be cancelled.”²⁶² The message is loud and clear so that it could heard as far as London; illicit business relations will not enter the domain of local administration and divert the purpose of it. Where before, there were no ethical considerations, he had brought the notion of good and responsible government as a strategy to drive out two very parasitical structures: the Brahminic Order and the British Crown.

On the surface, in everything he did, Hastings was acting in the interest of the Company and its capacity to improve its revenue collection. But as it becomes evident he systematically tries to weed out the influence of the British Crown and the Brahminic Order with whatever means at his disposal. He had constructed the Revenue Board to circumvent the influence of Westminster in Calcutta and he extends it into the far corners of Bengal to drive out all the remnants of the Brahminic Order and the Crown. Those which he thought not timely to eradicate, he reduced their scope for ‘wrong-doing’ and put them under surveillance. He had understood the importance a strong body at the centre, the Revenue Board, which seconded the effort of the District; between the two he thought it necessary that no impediments occupy the place of authority, state authority. There had to be a clear indication given to all that authority existed and anything else pretending to be that was an imposter and would be punished severely.

By removing the various layers of burden upon the royt (tenant), Warren Hastings not only wanted to remove confusion but he wanted to give people government like Ashoka the Great wanted. What happened in the earlier period was that the local officers did not represent central authority although they were delegated to do that; they represented their own indiscriminate power. For the people the local strong man was their *de facto* ruler. The idea of Warren Hastings was to take government to the people by reducing the middlemen who put their own interpretation on everything. In the hierarchy, now there were only the people, the district officer and the Revenue Board. This was virtually what was needed and what Warren

²⁶¹ Monckton Jones M.E. (1918) op. cit., pp. 269-270.

²⁶² Ibid. p. 270.

Hastings did. The people were at that particular stage of development, where they were more than happy that governments or officialdom stop harassing them. There was the Governor and Council but none really preoccupied themselves with the real problems of the people on the ground, Hastings was aware of that. The welfare of the people really depended upon their physical security and the size of the tax burden, and both of these preoccupations can be efficiently taken care of by the Revenue Board and the District Officer. After Warren Hastings the local strongman was the District Collector but as we discover more and more he is on the side of the people not against them.

Another aspect of this new design was that a vague notion of hierarchy does exist between the three segments but it is very little compared to the independence each enjoyed. Hierarchically, the District Collector knew that the Revenue Board stood above him but this was balanced by relations of dependency, since without the Collector the Board would be nowhere. In the same manner the village knew that the tradition of 'exaction' had made it into a subordinate in the revenue relations. But outside this it notionally could claim its sovereignty. During native rule and the initial period of Company rule the balance between the three was not respected, certain boundaries were over-stepped. And this had made the whole system inefficient, with catastrophic consequences. Warren Hastings' institutional design aimed at putting the pendulum to the right motion. If the right balance is not kept then there is always a risk that things could go astray.

The best guarantee would be for the royt or peasant to regain confidence in himself and stand up for his rights but it would take a lot of time before this could happen. Until this could become an eventuality, the peasant and his village had to be protected by the other two segments. There was a hierarchy but the cooperative impulsion towards one another would give rise to an interesting solidarity between these three entities. The Collector could never stay indifferent to the mammoth effort made by the peasant and then in the same manner the Revenue Board could not remain indifferent to the magnitude of work load that the Collector had to cope with. Local Administration and Government at the District level has to be understood with this background of mutual understanding and benevolence, where the District Collector and Village become the main actors of Local Government, while the Revenue Board became a benevolent onlooker from afar.

Another important point to know about the creation of the district was that it was not based on ethnicity. It was based on the practicalities of administration. Sometimes new districts were created to take better care of opium plantation or tea plantation. And sometimes a certain number of districts were merged with others, as order was installed and the

administrative efficiency increased. A member of the Indian Civil Service described the situation as follows: “The new districts were territorial units, thirty-five in number, the revenue of each of which amounted approximately to eight lakhs of rupees. In accordance, however, with a minute of Shore dated March 13, 1787, these districts were reduced to twenty-three in number. The process of rendering the districts more compact continued until 1793, but the system evolved by Shore, based on a series of compact districts, each controlled directly by a Collector, who was responsible for the whole administration, subject only to the general control of the Board of Revenue, has formed the basis of all subsequent administration. The creation of districts as territorial units was in fact a revival of Akbar's system of Sarkars.”²⁶³

Neither Akbhar nor Hastings was interested in taking into previous borders which were never traced. The only institutions which had borders were the villages. It is very important to note the fact that the District was an aggregation of a certain number of villages and not an arbitrary separation. This explains why, in the post Independence period, trouble erupted when the States tried to trace the borders. Sometimes some villages speaking a totally different language were attached to a State. But on the other side this policy also shows that the Company thought in terms of villages, the basic economic and entrepreneurial units, than in terms socio-linguistic criteria. Whenever there was a question of sovereignty, there was no hesitation to consider the village as a sovereign territory in its own right.

As for Warren Hastings and his contribution towards India's administration, I think the best tribute comes from Lord Macaulay who wrote: “His internal administration, with all its blemishes, gives him a title to be considered as one of the most remarkable men in our history. He dissolved the double government. He transferred the direction of affairs to English hands. Out of a frightful anarchy, he educed at least a rude and imperfect order. The whole organisation by which justice was dispensed, revenue collected, peace maintained throughout a territory not inferior in population to the dominions of Lewis the Sixteen or of the Emperor Joseph, was formed and superintended by him. He boasted that every public office, without exception, which existed when he left Bengal, was his creation.”²⁶⁴ Within two years he had done more in terms of true reforms than the remaining 150 years rule of Company and Crown after him. He had spent more than 35 years studying the country and its people, ruminating with reformist zeal. Whether his administrative District will be as lasting as Ashoka's pillars only time will let us know, but their utility to the Indian Village was unparalleled in the

²⁶³ Ascoli F. D. (1917): *Early Revenue History of Bengal and the Fifth Report-1812*, Clarendon Press, p. 39.

²⁶⁴ Maclauly T.B. (1892): *Warren Hastings*, published by Allyn and Bacon, Boston, p. 330.

history of India. But the District would be nothing without the special breed of District Collectors.

2.3.2. The District Collector-A Human Constitution on a Horseback

Local Government and its origins in the Subcontinent had the clearly set object of defending the rights of the ryot and the village, based on the principles of 'fairness.' None of this could be boiled down into written statutes or constitution. Parliament would be up in flames and say that the 'Commoner' Warren Hastings was introducing a plebeian revolution. He was already irked and jerked for his initiative and did not want to be isolated further; he had to cling to power further to bring his project to fruition. The times were not precipitous for such acts. And any such act would be considered as wanting to create a country independent of Britain. And it was a matter principle with his conduct that everything had to be done in accordance with the Court of Directors and the hierarchy of the East India Company; it was his home from his youth. But at the same time he saw it as an obligation to protect his people by giving them an administration, a local administration that it badly needed and was much overdue. It was urgent for him to instil his preoccupations in a 'human constitution' where the responsibilities and obligations of office were deeply embedded in the conduct and reasoning of the people who administer the institutions. Since these institutions by themselves were no guarantee against the abuse of power, especially in a country where the peasants were reduced to several layers of servitude, something else was needed. Putting this 'Human Constitution' on a sure and certain foundations meant that a certain type of irreproachable 'character' had to be impressed upon the people who form this 'human constitution.'

2.3.2.1. The Haileybury College – the Character Factory

Previous to its business of administration, the Writers (clerks and functionaries) of the Company did not distinguish themselves from the members of the Brahminic Order in the narrow definition of fulfilling one's duty. Each Writer had a specific assignment with the Company, and beyond this he was allowed to deal on his own account. Their engagement with the Company was only partial and as could be expected was done very badly by the majority of them. And since these dealings, in one way or other involved, the Brahminic Order, the door was open to abuse and corruption. Robert Clive had alerted the Board of

Directors to the consequences this system quite early: “Independency of fortune is always averse to those duties of subordination which are inseparable from the life of a soldier: and in this country if the acquisition be sudden, a relaxation of discipline is more immediately the consequence.”²⁶⁵ This system also provided the Brahminic Order to have an indirect control over the Company’s activities. And since the majority of the Writers were recruited by ‘recommendation’ of members of Parliament and the British Government, the Crown had its influence and strings of loyalty that could be used at wish. The overall picture we get is a situation where the most important category of the Company’s personnel was appropriated by two parasitical systems.

From Robert Clive to Warren Hastings the need to reform the *corps de metier* of Writers and Clerks was seen as fundamental in the view of the Company’s long-term presence and prospects in the Subcontinent. As both had repeatedly argued, the single most important element that was needed was ‘Character’ and personality. At the turn of the century moral standards and sense of duty were very low, which left the door open to the Brahminic Order, because it always found a way to corrupt officials at all levels. What was needed on the ground for the new generation of administrators was a corruption-proof character. As early as 1765 Robert Clive had warned the Company: “It is past a doubt, that every attempt of reformation must fail, unless the superior servants be exemplary in their principles and conduct.”²⁶⁶ Parliament constantly made violent attacks on the Company about the paucity of its conduct in India, all the while most of the Writers were recruited under its patronage. The Company had to put its house in order.

The system up to then was that of internal promotions where good existed with bad. By the year 1800, the Company was in control of Bengal and the Berar in the North East and much of the Deccan in the South. The need for able administrative personnel was growing and the traditional methods of recruitment were no longer a solution to the enormity and complexity of the administrative task of the Collectors. Lord Clive had sensed the need long before and had written to the Court of Directors of the East India Company (Calcutta, 30th September, 1765), detailing how the body-corrupt comes to impose itself: “In a country where money is plenty, where fear is the principle of government, where your arms are ever victorious; in such a country, I say, it is no wonder that corruption should find its way to a spot so well prepared to receive it: it is no wonder, that the lust of riches should readily embrace the proffered means of its gratification, or that the instruments of your power should

²⁶⁵ Court of Directors EIC (1771), op. cit., pp. 10-11.

²⁶⁶ Ibid. p. 23.

avail themselves of their authority, and proceed even to extortion in those cases where simple corruption could not keep pace with their rapacity. Examples of this sort, set by superiors, could not fail of being followed in a proportionable degree by inferiors.”²⁶⁷ Nothing distinguished the Company officials from the Pindarees under the Maratha domination.

This did not mean that the Company, after taking the reigns of government, wanted to wipe out the entrepreneurial spirit of its employees, far from it. The private activities of the Writers were causing harm to its activities and bringing disrepute, because these private activities were illicit and criminal. From the Company’s point of view it was a question of separating good enterprise with that of bad. It is interesting to see what Charles Grant who finally put together the Haileybury College; had the opportunity to taste the corruptive life that was prevalent at that time. He even got into gambling. And at that time he was against the reforms and manner of government adopted by Warren Hastings. Indeed, Grant belonged to the last generation of Company officials who traded on their own account. It was not until he reached a far-flung corner of Bengal did he realise what the ‘duty’ he was assigned to meant. ‘Charles Grant led a life of considerable activity and usefulness at Malda (Bengal). He was in fact, the head of a large district, and all matters connected with trade and the Company’s investments were under his superintendence.’²⁶⁸ In a letter to Thomas Raikes (Malda District, 7th January 1782) Charles Grant wrote the following: “Here, as to the company, we are quite retired: besides my own family there is not a European nearer to us than fifty miles. As to business, I find abundantly enough-more, indeed, than I can manage without constant and even laborious application; and I am happy that it is of a kind which affords support to the people instead of taking from them the fruits of their industry.”²⁶⁹ Grant could now compare this with his earlier life where all luxury was obtained at the expense of a unique form of oppression and tyranny that the Brahminic Order induced every Company servant of importance to follow.

Armed with this unique experience, Charles Grant comes up with an idea to design a special school to educate and nurture upright administrative officers. By the year 1800, the Deccan was pacified after the Carnatic wars and it was evident that sooner or later the rule of whole of the Subcontinent would become the responsibility of the East India Company; the need for trained civil servants became ever more urgent. Marquess Wellesley, who

²⁶⁷ Court of Directors (EIC-1771) op. cit., p. 3.

²⁶⁸ Morris H. (1904): *The life of Charles Grant, published by John Murry*, London, p. 73.

²⁶⁹ *Ibid.* p. 74.

incidentally got similar treatment from the British Crown as was given to Warren Hastings, was the first to take initiative. As Frederick C. Danvers explains: “During the administration of the Marquess Wellesley, the first regular Institution was formed for the education of the civil servants of the Company. In the year 1800, that distinguished nobleman founded the Calcutta College, in order that ample means might be afforded to the junior civil servants to qualify themselves for the efficient discharge of the duties of the several offices to which they might be nominated.”²⁷⁰ The importance of this decision was ground breaking. All have heard of the strict examination and scholarship for civil servants in China. But in India except for Brahmin priests none else were thought fit to be groomed for administrative responsibility. And as for the curriculum, Kautalya’s ‘*Arthasastra*’ and Manu’s laws were hardly the ingredients for good government; it was more tyrannycraft than statecraft and oriented towards the benefit of the administered. As Robert Clive once said: “At the time of my arrival, I saw nothing that bore the form, or appearance of government.”²⁷¹ For a country which boasts several thousands of years of civilisation, the establishment of this college was the first attempt of giving the country a professional administration.

Even before it was established, this college at Calcutta became too small for the purpose and could not cope with the demands made on the new administrative structure. Arthur Wellesley had to decide if an existing establishment in Calcutta was to be extended for the purpose or some other option envisaged. Grant was the first one to advise against the idea of extending the facility in Calcutta. He knew well what this meant. He remembered well, what influence the corrupting environment of Calcutta had on him, as he arrived there as a young man. He equally knew how valuable a morally secluded place was to him, to embrace his duty with the entirety of his energy. Grant wrote: “I had the power, within my own breast, to fullfill the duty of my station, by remaining incorruptible in the midst of numberless temptations artfully thrown in my way, by exposing my character to every attack which malice or resentment are so apt to invent against any man who attempts reformation, and by encountering, of course, the odium of the settlement. I hesitated not a moment which choice to make. I took upon my shoulders a burden which required resolution, perseverance, and constitution to support.”²⁷² These few sentences very well outline the basic philosophy of the future establishment of a school for the purpose of training new Company officers. Clive had also warned that if things were not taken into hand: “The sources of tyranny and oppression

²⁷⁰ Danvers F. C. et. al. (1894): *Memorials of Old Haileybury College*, published by Archibald Constable, London, pp. 12-13.

²⁷¹ Court of Directors (EIC-1771) op. cit., p. 5.

²⁷² Ibid. p. 15.

which have been opened by European Agents, acting under the authority of the Company's Servants, and the numberless black Agents and Sub-agents acting also under them, will, I fear, be a lasting reproach to the English name in this country.”²⁷³

In 1801 Arthur Wellesley sent a plan for instituting a college in Britain.²⁷⁴ But this was nothing new to the Board of Directors, as mentioned earlier they were strongly advised by Robert Clive and Warren Hastings some thirty years before that. Although the Company Directors agreed to the necessity of such an establishment the Carnatic wars had depleted the resources and the foundation of the school was postponed. And finally in 1805 the school was founded with the responsibility of the whole affair entrusted to Charles Grant. In a letter to Sir James Mackintosh (17th Sept 1805) Grant outlines the aims and purpose of the school: “I think I must have told you something of this Institution and the design of it. Its leading idea is to fill up in the manner most suitable to the destination of young men intended for the Civil Service, the years they have to pass in this country before they embark for India. ... Its professed intention was its real one, to give the best education which could be crowned into the years young men destined for India should pass in this country. But it may incidentally have the effect of reducing the studies of the Calcutta College to subjects purely Oriental.”²⁷⁵

The Board of Directors could have built the school in London but the decision was made to seclude the students from the bad environment of this great city. There was not much difference between Calcutta and London; one was controlled by the Brahminic Order and the other by the British Crown, neither was suitable for the ethical education of the future administrators of a rising empire in the East. Haileybury was a small village far from corruptive influences. It was more of a fraternity than a school, the future civilians and cadets had time to build strong bonds that they would carry to the Subcontinent, they were a class of their own. Most of them were from the lower middle-classes and possessed a high sense of diligence and duty. This was reinforced by the people of Haileybury College. There were a lot of clergymen involved in the running of the school and teaching the young recruits who arrived at the school at around seventeen years of age. Later an attachment was made to the school where students came even earlier to prepare for the College. The first Principal of the school for example was Reverend S. Henley.²⁷⁶ The teaching of ethics was top of the list and political economy came only second.

²⁷³ Court of Directors (EIC-1771) op. cit., p. 23.

²⁷⁴ Morris H. (1904) op. cit., p. 243.

²⁷⁵ Ibid. p. 245.

²⁷⁶ Danvers F. C. (1894) op. cit., p. 15.

Each of these recruits knew that they would spend many years as junior ‘civilians’ before becoming Collectors or members of the Revenue Board. And during this time every move of theirs would be watched attentively. Their future was traced and there was no quick rise to riches or gaining powerful office, everything was geared to and connected to the performance of duty on the ground. The best possible conduct was to stick to the established sense of duty, it was the best guarantee. They were not prepared to dominate or even lead, they were prepared to govern to the best possible outcome to the administered, which meant that they were taught to decide with responsibility.

The East India Company was to benefit from this administration and one could be led to think that this had something to do with the increase of tax revenues. This was not altogether true, as I tried to demonstrate elsewhere; without administration civilisation cannot take place, and without civilisation trade and commerce cannot prosper. Along with the peasants, the East India Company was a collateral victim to the absence of proper administration because it could not conduct its business operations with security. On the ground it was perpetually harassed by the Brahminic Order and at home its minor gains were siphoned –off by the British Crown. Everywhere there was political order but without administrative order and fair-play. By concentrating on administrative power the Company tried to create a specific domain for itself and as with everything else it did, the Company was permanently trying to bring stability to its ventures. The education at Haileybury was of utmost importance to the future of the Company. The East India Company did not want Englishmen with their strictly English ways to go to India and become administrators; it wanted its own breed of administrators acquainted with the best knowledge of the art of administration. It was not going to be for the benefit of either the Brahminic Order or the British Government. This time it was going to benefit the people of the Subcontinent and the East India Company; at least it was the plan of people like Charles Grant.

The British Government and the Brahminic Order realised the threat of this venture and continuously, at various intervals, tried to interrupt its development. In Calcutta, a lot of ‘leading’ classes were willing to pay for the cost of expanding the existing facility, since the Company at this time was faced with a lot of financial difficulties. The British Government was the most violent because it had the most to lose. Its aristocrats, who had completed their studies in Cambridge, or Oxford, could no longer be appointed by patronage; competitive exams, self-sacrificing and hard work were the name of the game. In a Parliamentary debate (House Commons) Joseph Hume had this to say: “... in his opinion, a strong reflection on the East-India company's institution at Haileybury. He thought that the whole of the system on

which that institution was founded was exceedingly injurious. The young men were shut out from all society, and had no opportunity of acquiring the least knowledge of the world. Such a system was calculated to destroy the native character of Englishmen.”²⁷⁷ In terms of ‘knowledge of the world,’ these young men had some of the best teachers, Hume was thinking of his caste of people who were open to corruption when he spoke of worldly knowledge. Sitting in Parliament at the time, the founder of Haileybury College, Charles Grant had this as reply: “The present system, he conceived, was well calculated for sending out efficient servants to India; but, if a better could be devised, be the expense of time or money what it might, he certainly would support it.”²⁷⁸ There was very little that Hume could reply to this challenge.

The Company’s position in the Subcontinent was in itself rare and unique and to distinguish itself from bandits it had come up with an administrative machinery and a human resource system which resembled the antithesis of ‘bandit-state systems’ present at the turn of the 18th Century in India and in Britain. The greatness of Britain was produced by civil society and not the state. It would not be judicious to attribute qualities of benevolence to a system which possessed few. And it is very important and characteristic that a private company, although hijacked by the British State, should produce a ‘merchandise’ of the highest quality for its times. Professor Monier Monier-Williams, renowned orientalist and specialist of Sanskrit, writing a preface to the Memorials of Haileybury College, wrote the following: “However that may be, I can in all sincerity declare that my only object in revealing the bad as well as the good points in the picture, has been to give a trustworthy historical delineation of a unique Institution which has long since done its work and passed away, and the exact counterpart of which has never existed before, and is never likely to exist again.”²⁷⁹ Professor Monier Williams knew the British Aristocracy well and was one of the first to outline the workings of the Brahminic Order. As for Mr. Frederick C. Danvers, the author of the Memorials, has this to say: “...for fifty years, from its foundation in 1805 to its abolition in 1858, generation after generation of Indian Civilians were trained there; and though there may, perhaps, have been defective discipline from time to time, there issued from that Institution a body of men who made the Indian Civil Service one of the purest and noblest Services that has ever existed in the history of the world. The English nation owed

²⁷⁷ Hume J (1826): *East India Company—Appointment of Writers*. HC Deb 16 March 1826 vol 14 cc1374-9, (This debate in the House of Commons can be downloaded at Hansard.millbanksystems.com)

²⁷⁸ Grant C. (1826): *East India Company—Appointment of Writers*. HC Deb 16 March 1826 vol 14 cc1374-9, (This debate in the House of Commons can be downloaded at Hansard.millbanksystems.com)

²⁷⁹ Danvers F. C. (1894), op. cit., p. xix of preface.

that Institution to the exertions of Charles Grant.”²⁸⁰ It was not the British who gave India a rationalised administration; it was a company, the East India Company.

Its immense success led to its down fall, the school in essence closed its doors in December 1857, paradoxically coinciding with the end of the Indian Rebellion of 1857 but the two incidents have nothing in common. The political coup d'état against the Company did take place at the end of 1857 but the closure of the Haileybury College pre-dates that of the coup d'état. The fate of the College was decided “by an Act passed on the 16th July 1855, 18 and 19 Vict., c. 53, it was declared that no person should be admitted as a student into Haileybury College after the twenty-fifth day of January, 1858, the College should be discontinued and closed. Accordingly on Monday the 7th December, 1857, the East India College at Haileybury was closed.”²⁸¹ This closure is highly symbolic, since, after this period recruitment would re-become what it was before the year 1800 but more in a controlled manner. And as we will see under the Crown rule, a majority of the judges were native recruits principally coming from the Brahminic Order. So it was evident to whose benefit the Haileybury College was closed. But during the Company rule it acted as a catalyser to put government back to work and at the service of the administered, and generally of recreating the Indian civilisation.

2.3.2.2. Power and Poverty and Administration as an Ethical Enterprise

The Haileybury College was only part of the education of the candidate for collectorship. On his arrival on the Indian soil those who completed Haileybury were appointed as assistant collectors or magistrates where they had to finish six to seven years of apprenticeship before getting appointed as collectors or magistrates. It is this period of apprenticing which is most enterprising of the career of the collector. As we will see it was an enterprise of another sort, that of giving a sense to state-reach and local government. This apprenticeship was supervised by the best professionals on the ground and the tradition built up at the Revenue Board. Both pushed the potential candidate to experience administration in his own skin before being able to administer others.

In the previous periods it had become the practice to administer the interests of the powerful and their economic claims over society. And naturally the administrators were chosen among this group to perpetrate the same status quo. Now it had to change. The

²⁸⁰ Morris H. (1904) op. cit., p. 246.

²⁸¹ Danvers F. C. (1894) op. cit., pp. 19-20.

prosperity of the Company depended on the welfare of the peasantry. This new breed of candidates had to be christened to poverty and the discomforts of rural production as the peasants were; to understand the welfare that was to be administered. Haileybury College had imposed an iron-cast moral conduct on the recruits and their life in India was structurally designed to become a poor man's enterprise. Promotions and appointments to higher office were reserved to those with a perfect track record. While before, public duty was construed with illicit dealings that for all intentions and purposes it was an immoral enterprise; the Company after Warren Hastings had made it into an 'ethical and responsible' enterprise, as far as the conduct of administration and public duty was concerned. And at the Local Government level it was a one man enterprise, that of the District Collector. In a letter to his father 'Bank of Cavery, opposite to Erode, 31st January 1795' Thomas Munro writes the following: "To this knowledge and zeal in fulfilling the duties of their station, collectors should also unite a sound constitution, capable of bearing heat and fatigue; for if they are not active in going about their districts, and seeing everything themselves, the petty officers under them, in combination with the head-farmers, will make away with the revenue on pretence of bad seasons."²⁸² As Robert Carstairs explained elsewhere, if the District Collector became corrupt every other edifice around him collapses and becomes inoperable.

To achieve a high moral stringency what the Company and the Revenue Board in particular did was to lock the candidate into a pattern of life that puts duty at the centre of his life. To get a good understanding of the situation we have to turn to Reverend G.R. Gleig's compilation of letters written by Thomas Munro to his father and sister, where he describes life of a district officer in his first years. What transpires from these letters is the limited means compared to the magnitude of their duty and the task. This was typically what every entrepreneur confronted, and what made the job of the district collector the primary mover of the East India Company.

After the reforms introduced notably under Arthur Wellesley, the salaries of the Collectors were increased but they did not take into account the fact that the Officer was to pay from his pocket all the charges including his means of transport and servants. In a letter to his sister, Madras, 23rd January, 1789, Thomas Munro wrote: "You may not believe me when I tell you, that I never experienced hunger or thirst, fatigue or poverty, till I came to India – that since then, I have frequently met with the first three, and that the last has been my constant companion. If you wish for proofs, here they are:- I was three years in India before I

²⁸² Gleig G.R. (1849): *Life of Sir Thomas Munro*, published by John Murry, London, 1849, p. 79.

was master of any other pillow than a book or a cartridge-pouch; my bed was a piece of canvas, stretched on four cross sticks, whose only ornament was the great coat that I brought from England, which, by a lucky invention, I turned into a blanket in the cold weather, by thrusting my legs into the sleeves, and drawing the skirts over my head.”²⁸³ This description looks more like that of tramps than that of mighty men that ruled a huge land mass. And he continues: “My only conveyance is an old horse, who is now so weak, that, in all my journeys, I am always obliged to walk two-thirds of the way; and if he were to die, I would give my kingdom for another, and find nobody to accept of my offer. Till I came here, I hardly knew what walking was. I have often walked from sunrise to sunset, without any other refreshment than a drink of water; and I have traversed on foot, in different directions, almost every part of the country between Vizagapatam and Madura, a distance of eight hundred miles.”²⁸⁴ The Company’s objective that the candidate should get an intimate knowledge of the country was partly achieved.

This modesty of condition in the everyday life, in performing his duties, was also showcased. People coming to visit the District Collector could get a firsthand perception of the simplicity of office, it was up to everyone to take example. In a letter to his sister, Madras, 23rd January, 1789, Thomas Munro wrote: “My house at Vellore consists of a hall and a bedroom. The former contains but one piece of furniture – a table; but on entering the latter, you would see me at my writing-table, seated on my only chair, with the old couch behind me, adorned with a carpet and pillow; on my right hand a chest of books, and on my left two trunks; one for holding about a dozen changes of linen, and the other about half-a-dozen of plates, knives and forks, etc. This stock will be augmented on my return by a great acquisition, which I have made here – six tea-spoons and a pair of candlesticks, bought at the sale of the furniture of a family going to Europe. I generally dine at home about three times in a month, and then my house looks very superb; every person on this occasion bringing his own chair and plate.”²⁸⁵ This description is especially important when we see how this tradition of serene simplicity is transformed in the later periods, especially when we consider Local Government when it reverts to Native Rule.

A desperate Thomas Munro who at the time did not know that he would one day be appointed Governor of the Madras Presidency, thought that the Company had taken things a bit too far. In a letter to his father ‘Bank of Cavery, opposite to Erode, 31st January 1795’

²⁸³ Gleig G.R. (1849) op. cit., p. 46.

²⁸⁴ Ibid. p. 47.

²⁸⁵ Ibid. p. 47.

Thomas Munro writes the following: “A collector ought to have at least a thousand pagodas a month; he will probably have been eight or ten years in the country before he receives his appointment; and allowing that he remains ten more, and that he annually spends half his income, which he may do without being very extravagant, by having no fixed place of abode, and keeping an extra number of servants and horses for frequent travelling, he may, at the end of twenty years, return home not much richer than he ought to be.”²⁸⁶ What Munro forgot to write is that many of these officers returned home half crippled, as he himself was.

From the above, it becomes clear that the riches of ranks always looked beyond reach to most of these officers and those who lived to go back home; they had little to take back home. So what remained was the duty to the people they administered and the service that they rendered to the East India Company. After he became Governor of the Madras Presidency, Munro circulated this minute (Minute on the Subject of the Conversion of Natives by the Instrumentality of the European Servants of the Company. 15th November, 1822): “The best way for a collector to instruct the natives is to set them an example in his own conduct; to try to settle their disputes with each other and to prevent their going to law; to bear patiently all their complaints against himself and his servants, and bad seasons, and to afford them all the relief in his power; and, if he can do nothing more, to give them at least good words.”²⁸⁷ The Company was obliged to keep its servants on meagre rations lest the peasantry attribute their suffering to the larges given to its personnel, as it was so often done before its rule.

The Revenue Board had a strong control over these officers in a very interesting way. As explained before the lion share of the Company’s revenues went to the British Crown, and the Indian Princes that were ‘pensioned,’ this meant that there were very few resources left to invest in proper structures of control. And as we will see later the variety and magnitude of things that each Collector performed was so immense that controlling would become impossible. Rather than adopting this cumbersome and costly method the Company chose an indirect method which proved to be highly efficient in the form of ‘self-controlling.’ The method was an obligation for the Collector to write down, in a simple and detailed manner, his performance of the day. As H.A.D. Philips of the Bengal Civil Service, who had worked at the Revenue Board, wrote: “The crack Collector, man of equal might, Reports all day, and corresponds all night.”²⁸⁸ At the end of his collectorship Thomas Munro almost got blinded by writing long and detailed reports by the help of an oil lamp at night.

²⁸⁶ Gleig G.R. (1849) op. cit., p. 79.

²⁸⁷ Ibid. p. 297.

²⁸⁸ Philips H.A.D (1886): *Our Administration of India*, published by W. Thacker and Company, London, p. 62.

The Collector has to submit a weekly report concerning the rainfall, weather, state of crops, and prices.²⁸⁹ Besides this he would make notes on matters of justice, since he dispensed justice in matters everything except for criminal cases. In a ledger he was obliged to note every detail, as things sometimes went on for a protracted period. And these details were needed for his protection against complaints. Since most cases dealt, concerned relations between the peasants and the land lords, the later would often make complaints on the behaviour of the Collectors to the Provincial executive. In such instances he was obliged to give a detailed defence. So what this reporting introduced was a sense of self-control. While writing down the days proceedings the Collector would unconsciously reflect on his own conduct as administrator, and this induced him to correct his behaviour and method of administration.

What this also shows is that rather than putting in place procedures and entrusting a reference book into the hands of a new recruit, which rarely delivered the results expected, the Company invested a lot of time in perfecting the human being responsible of the administrative action. Circumstances on the ground varied from place to place and in time, where no one situation resembled another. In essence what the Company tried to do was identify a problem: an unethical person cannot become a corrective influence on society. The administrator has to be irreproachable in his conduct to be able to judge and conduct the actions of others. And to this extent it thought it appropriate to make his action auto-regulating.

The best way to keep this 'self-regulation' permanent was to keep the intensity of duty under constant application: "Collectors are obliged to be on tour in the interior of their districts for not less than 90 days, and Sub-Divisional Officers for not less than 120 days, in the year. Government regard these tours as of the greatest importance, from an administrative point of view, as they bring the hakims (administrators) face to face with the people; and while they enable the latter to make known their wants, the former can see things for themselves, and can judge what requirements are most urgently needed."²⁹⁰ And the idea was to overwhelm the officer with duties, not to crush the individual but to make him live-up to the demands placed upon him. As a reminder H.A.D. Philips give this long list of duties that had to be performed by the District Collector: "The Collector on tour may have to turn his attention to a hundred different things in the course of a single day : the Protean variety of his duties is such as to excite astonishment. He inspects schools, dispensaries, police-stations,

²⁸⁹ Philips H.A.D. (1886) op. cit., p. 63.

²⁹⁰ Ibid. p. 67.

pounds, registry offices; he observes the condition of the crops, the state of embankments, the progress of irrigation, inquires into the state of public feeling on various subjects, the relations of landlord and tenant, and other matters connected with land revenue and rent administration. He, perhaps, has to overhaul a settlement made by a subordinate officer, and to satisfy himself that the rates imposed are fair and just. ... He pays and receives visits from influential zemindars; and, perhaps, settles amicably some dispute between a landlord and his tenantry. He inquires into the working of the regular and village police, satisfies himself that bad characters and convicted offenders are properly looked after; inspects liquor, opium, and ganja shops ; see that roads have been properly repaired; inquires if any well-to-do traders have escaped the license tax. Then he looks after vital and mortuary statistics, vaccination, the sanitation of villages, the state of roads and communications, drainage, and other matters almost too numerous to mention.”²⁹¹ The result was that everything else got very little place. A lot of them got married in their late forties or early fifties, as was the case with Thomas Munro. There was no time left for family and neither was there enough money to establish a comfortable family life.

The Collectors were not only encouraged to know the structure of their own budget but also that of the administered. Revenue structure of the villagers was intimately connected with that of the Company since a big part of its revenue and the most stable part came from land tenures; whatever the Revenue Board took from the peasants in terms of rents was that much less for the peasant and his family. For the first, except for odd cases, administrative action was oriented towards needs of the administered and not that of the state; and in that in a very entrepreneurial conception. Warren Hastings had started the process rolling and others after him continue in the same line. In a minute of 8th of August, 1820, Thomas Munro, in his position as the Governor of the Madras Presidency, wrote: “It is of importance that the higher officers of government should always be able to trace the good or bad state of the country to its true cause, and that with this view they should, in the early part of their service, be employed in the revenue line in the provinces, because it is only there that they can completely see and understand its internal structure and administration.”²⁹² As most experienced Company employees often repeated the understanding of the revenue structure was not only fundamental to understanding the economic situation but also of justice. Cases of injustice arose, in most cases, because there were the leading classes manipulating the livelihood of the Indian peasant.

²⁹¹ Philips H.A.D. (1886) op. Cit., pp. 67-68.

²⁹² Gleig G.R. (1849) op. cit., p. 281.

Axed on the revenue line, once again the Company and the Revenue Board marry the objectives of welfare of the administered, satisfaction of revenue criteria and administrative efficiency. For this reason, it wanted every new recruit to understand the balance to be kept between these three elements. The balance between these three constitutes what the Company and the Revenue Board call 'fairness.' If too much stress is laid on any one criterion, it would create imbalances and lead to the collapse of the system. This said, the Company always saw the welfare of the peasantry as a priority, because without that nothing would hold the edifice together. It was essential for the Company that its young recruits understand these basics of local government since everything happened at that level. In a minute dating 31st December, 1824, Thomas Munro wrote, "If we are to have corruption, it is better that it should be among the natives than among ourselves, because the natives will throw the blame of the evil upon their countrymen- they will still retain their high opinion of our superior integrity; and our character, which is one of the strongest supports of our power, will be maintained."²⁹³ Munro had clearly identified not only the pillars of Company rule but also that of local government as it saw to be the best expressed for local conditions. What is important to understand for the purpose of this study is that the method of local government thus elaborated was not designed in London but in the remote corners of rural India by lonely collectors pitched in their tents. Everyone had his contribution to make and all was carefully compiled in the Revenue Board and returned back to the field to be applied.

2.3.2.3. The District Collector and Institutional Positioning

Warren Hastings, when he came up with the idea of districts was fearful of recreating local 'tyrants' which would lead to equally devastating consequences. He even thought that at later stages it might be necessary to abolish the Districts and take everything to even an upper level by building provincial institutions. But he had made the decisions and pooled the right people to head these not so new constructs. The District prevailed above everything because it proved itself to be the right intermediary between the people and the Revenue Board, which was the real the government of the Company dominions. Before going into the specific system of administration of the District Collector it is worth looking at the nature of the administered. Since it cannot be the same if it is individual citizens or the villages as it was in the early periods of the Company Rule.

²⁹³ Gleig G.R. (1849) op. cit., p. 309.

In terms of revenue collection as well as dispensation of justice there could be a direct involvement of the district administration as well as an indirect one because of the incremental nature of the set-up. In revenue collection for example although sometimes land leases were in the name of individual names the collection was pooled at the village according to the percentage of land occupied and from there transmitted to the District administration. But at the same time, if there was a contention concerning the payment of the rents (taxes) the individual tenant tried to seek redressment through the village head but when this failed, the tenant sought the arbitration of the District Collector. Concerning the next most important branch, justice and law and order, the village had its own structure to deal with minor issues but beyond that everything was referred to the services of the District, where the Collector was the arbitrator except in cases of capital punishment which depended upon the instruction from Provincial courts or even the High Court. Theoretically as well as practically, therefore, the District Collector was responsible for everything and everyone in the District.

2.3.2.4. Active Representation without Dormant Democracy

The key to the level of administrative burden in the district, with a rural population of almost 90% of the population of the country, was the level of institutional development of the village. What becomes evident from the above is that the Collector could decide to do everything or he could lean on a thousand year old institution, which had the advantage of tradition and did not cost anything or very little to the Revenue Board. For a wide range of reasons the young Collector was tied to the Village, one could go as far as saying that the village was his home and the villagers his relatives, for nothing else provided more comfort and human sympathy for a young man from a far away land, lost in the confines of a foreign country like India. This might seem a strange thing to say concerning one of the fundamental instruments of power of the East India Company; but the reality on the ground pushed them into an association of sorts. Both had the sword of Damocles over their heads; the British Crown and the Brahminic Order, given the chance, would make a piece-meal out of them.

While the representatives of the British Crown and the members of the Brahminic Order repeatedly portrayed the villagers as being primitive, backward and barbarous, the young Collectors found an enlightened, open and peaceful villagers and village heads. Let us not forget that part of Warren Hastings' plan to take government to the people, which meant that the Collectors had to spend a big part of their time touring their district, which meant planting their tents close to a village. Given the experience they had under previous native

governments, villagers were understandably cautious when they were approached by an official, letting aside the racial differences which were never the preoccupation of the villagers. But few can imagine the novelty of a situation, a ruler was willing to pitch his tent between their huts and very often taste the food they offered him; there was much to be overwhelmed on both sides. During these long evenings, in spite of the language barriers, the young Collector would patiently listen to the views and opinions of the villagers. He also had the opportunity to double-check the information given to them by the members of the Brahminic Order. Since it was in the interest of the Brahminic Order to isolate the young and newly appointed Collectors, to impress the idea that they were inefficient and not up to their job. In essence the life-ethic of the Collector and the Villagers was the same; both were asked to bare a huge burden with very few resources. Quite often, there was established between the Collector and the Village Head, empathy and mutual interdependence. Robert Carstairs after retiring from the service as District Collector dedicated his book to "his teachers, the Indian villagers." And he was very right in his assertion, since no text book, even the Laws of Manu, could provide what the elderly village heads could provide in terms of wisdom. This provides a truly human dimension to local government, where ruler and people learn from each others wisdom and make the object of government one and the same.

This intimate knowledge of the village life and its workings made the Collectors perfect candidates to intermedate and mitigate between the Village and the Board of Revenue. The entirety of the Collectors, and those among whom some of them became Governors and Governor-Generals, were persuaded that it if there were to be native representatives in government, then it should be the village heads. Everying else would be a masquerade and would only benefit the Brahminic Order which had the tradition of representing its own interests as those of the people. But time was needed, the lack of education meant that the villagers were handicapped. So what this meant was that representation had to be organised inside an administrative framework. The Revenue Board acted as a secret government from which this representation would work. Since the whole territory was represented by a small number of District Collectors, there emerged a total overview of the administered; the Revenue Board could very easily get a picture of the whole territory. The flow of information between the Board and the Collectors was constant. As for the flow of information between the Collector and the village heads, if he had the time he would go out and meet them individually or otherwise consult and confer with them in groups. The Village Heads would then take the message to the people of their respective village. The flow of information was organised in a two-way process.

As a consequence the notion of representation existed without formal democratic institutions. The amazing thing about the set-up was that it, if managed well, provided the ultimate balance between 'direct democracy' and 'democracy through representation.' Since there was only one intermediary through whom the voice of the people was heard. Democracy has often been equated with the right to vote and this is the reason why the gap between the people's expectations and that of political action keeps widening. In the context of the Company rule, there was neither a desire to construct a democratic system nor to run its administration on the lines of democratic participation of the people. What was important was that the voice of the people had to be heard by those who pretend to rule them. This was one of the main problems with native rule as the company had quickly identified. The District Collector was in a way mandated to fulfil this gap at the most important level, the local government level. He fulfilled both the political and administrative functions. What was missing to make him completely independent was his capacity to raise revenue for the sole necessities of the District. This was a big handicap but both the District Collector and the Revenue Board came to an understanding on how to reduce the effects of budgetary disadvantage and fiscal incapacity.

Given the power relation at the level of the Governor-General and the Council, the Revenue Board did not have the power to legislate or attribute budgets to the District collectors to satisfy the needs of the people, its mandate was limited to revenue collection. The political process was too long and practically no results could be expected of the system. The Company administration distinguished its self from the line taken by the Crown, which was always in favour of supporting the leading classes at the expense of the poor peasants. And this position was institutionalised by a strong cooperation in all matters between the Board and the Collector; like a government within the government. All information was zealously guarded between the perimeters of this cooperation. The strength of this cooperation depended upon the attitude adopted by each other towards the complexities on the ground. The Revenue Board knew well that resources were in one way or the other siphoned off by the British Government and that revenues collected only partly benefited the Company and its employees.

Conscious of this factor, the Revenue board uses tolerance as its main policy of action. It could not attribute a budget to the District but it could tolerate not being paid the full dues, which was another way of providing relief. What this meant was that the District Collector who was also responsible for assessing the lands could use this discretionary power to help those he deemed merited it. The lands were periodically assessed and categorised according to

their potential of yield. The Collector could, where needed, under-classify a tenant's land to allow him the temporary breathing space that was needed. And since rents or taxes were customarily paid after the harvest he could always intervene to reduce the burden by declaring that there was partial crop failure. This did not mean that a Collector was systematically undercutting the revenue expectation, neither did the people expect him to turn against the interests of the Company. He did not have budgetary facilities but in extraordinary circumstances he could resort to his discretionary powers. In a sense, the Revenue Board pushed the District Collector to occupy the gap left by the political organisation, and create regulations (laws) for the good functioning of the administration at this level.

The 1909 Memorandum by the Secretary of State complains and goes to great extent to prove how low revenue collection under the Company was and it could never meet its targets. The real explanation for lower than expected revenues is because the District Collectors in concordance with the Board of Revenue did not want the whole burden to fall on the tenants. In the initial plan, Warren Hastings, in his correspondence with the Board of Directors in March 26, 1772, mention the need to reduce the burden on the tenants. And he mentions the need to export Indian goods to continental Europe, since the Crown literally banned all Indian goods entering its markets with very high tariffs. Only when this plan was mooted did the Company resort to the production of opium; to offset the fall in fiscal revenues from the agriculture. In a way the Chinese opium smoking middle-classes were contributing to a reduction of fiscal burden on the Indian tenants.

The Court of Directors, paradoxically, were secretly in favour of the attitude adopted by the Collectors, they always pushed them to be 'fair' in managing the relations with the tenants. In the absence of this the Court of Directors feared that over zealous policy to squeeze as much as possible would backfire and reduce the long-term incentives of the tenant to invest in his lands to increase the much needed productivity. From this perspective the District Collector was in a certain sense acting as a 'floor manager' who had all the liberty to organise his factory to get the best possible efficiency and not to lose sight of the long term stability of the overall enterprise. There were of course a general set of rules that had to be followed, which were common to the entire country, but beyond this obligation the District Collector had the possibility to regulate according to his local needs. In this role of 'floor manager' the Collector had the welfare of several million 'workers,' the flow of work and the movement of goods and services. In this quality he was the key man who decided on every topic that might arise.

In the conduct of his work, he was naturally prone to keeping a certain distance between the workers and himself, but at the same time he had the obligation to show the people under him that he was one of them; they all belonged to the common object of harmonious production. And finally, similar to the position of the floor manager of a factory, the District Collector had a two way responsibility; otherwise his job would be impossible. On the one side he had to be open to the demands made by the Revenue Board and beyond that the wishes of the Board of Directors. And on the other hand he had the compulsion to heed to the cries of help from the oft hungry tenants. His power becomes moribund when either of these, the tenants or the Company, starts to believe that he belongs to the other camp; the trust placed in him would disappear. To retain his power of mitigation, the District Collector, was obliged to keep an equidistance between both. In this sense his independence belonged to good 'functional' government, by being fair to all sides; and as explained above the Revenue Board and the Board of Directors were in favour of this 'extra-constitutional' arrangement. The overall ambition of the Revenue Board and Board of Directors was to give unparalleled and unquestionable authority to the person of the District Collector. It is an extraordinary measure, and as it was earlier explained Warren Hastings was fearful of its consequences, but condition of the country and the divisive tendencies of the Indian society demanded the presence of strong authority. The Indian society and the Indian civilisation had lost all its references which had it bound together; it was on the verge of complete collapse. The District Collector was conceived as some kind of 'Lighthouse of Alexandria' that would signal the safety that State authority could offer.

2.3.2.5. Pouring lead onto the weeds - Giving the Indian Civilisation a sense

To further reduce the costs of administration, as all enterprises are regularly construed to doing, the Company was always trying to identify areas where improvements can be made, which in turn would induce economies. One of the first areas identified by the officials of the Company, from top to bottom, was that of civilisation. Wherever they went the Company officials were confronted with decay, decrepitude and abnegation. Their interpretation of this condition was simple, they thought as a sign that public authority had fallen into disrespect if it existed at all. Public buildings, for example were symbols of the presence and authority of state or a higher order which was at the same time an element of confidence to those who depended upon it and acted as a deterrent to the culprits that had hijacked the Indian civilisation.

The consequences of decay were real and had a devastating effect on the everyday life of the population. The examples of these consequences were disease like malaria and the hopeless fight against famines that were very frequent in those days. Trenches and canals did not get the maintenance which resulted in water not being evacuated properly and formation of dangerous mosquito swamps; as a consequence malaria became widespread. The same apathy led to roads and water canals going into ruin or were unusable. At times of famine, in one area the transportation of grain and relief was made impossible, in such road conditions it would take several months for the grain to be transported from one area to another. The economic consequence of such a situation was that rather than the grain going to the people, the people abandoned their dry lands and moved to areas where there was still a glimmer of hope. In terms of public administration this was equally disastrous, revenue in the abandoned areas would collapse while the areas which received the emigrants suffered all sorts of strains as wage rates would decrease rapidly and make the price of grain shoot up. Warren Hastings had conceived the idea of establishing 'national granaries' to confront such calamities but the plans were abandoned because of pressure from the 'merchant classes' and the Board of Control which loathed the ideas coming Warren Hastings much more than his person. So the only way to put in place an objective administration was to give civilisation a meaning.

This mission of putting civilisation back into service of the people had began earnestly by Warren Hastings as he tried to get Hindu laws codified by the best scholars of the time. This mission really got into vigour in the 1810s when Marquess of Hastings (Lord Moira) became the Governor General. Arthur Wellesley, who preceded him also took very important initiatives in terms of local government but that will be dealt later when information gathering will be considered. Lord Hastings very quickly realised the damage done to the 'civilisational endeavours' of State. He was one of the first persons to make a direct link between apathy towards decaying monuments and the public order. He was one of those governor generals who toured the country as much as the district officers. He had the possibility of ascertaining first hand knowledge of the country and its people, he refused to base his judgements just on what was told to him by his advisors. Lord Hastings strongly believed that government should be present and be there where the people were. He was devastated by the moral condition of the people and he knew that no model of local government could be made effective without a reversal of the tendency. He once wrote in his diaries: "In respect to public tranquillity, therefore, great benefit is gained by disseminating instruction. With regard to the imagined morality attendant on narrow information, everyday's experience here contradicts the notion. Nowhere is the perpetration of horrid acts more frequent than in this country, though the

natives are mild in character, and urbane towards each other in manners.”²⁹⁴ He recounts endless incidents where insidious crimes and injustice was done for lack of public morality. Almost everything was distorted to provoke apathy and injustice. The following account, when he was touring the Gangatic Plains, tells it all: “Almost every man was provided with an umbrella, with which he sheltered himself (from the torrid sun); but I did not see a single instance in which a man offered that protection to a woman, though many of them had infants in their arms. The umbrella is an appendage which women rarely carry in this country.”²⁹⁵ What this example shows is that there was a total lack of civility and consideration for the other. Public administration becomes inefficient and costly under these circumstances, since government resources and initiative had to be everywhere and all times.

According to his observation the most damning proof of this was the neglect of public buildings: “On the approach to this, as well as to every other considerable town I have seen in this country, one is struck with the number of public buildings gone to complete ruin. It has been occasioned by oppressive Governments which took no care of edifices productive of no revenue, and left no means to individuals who might have been disposed to keep up what they probably considered as ornaments in their country.”²⁹⁶ He makes similar remarks when he visits Delhi (Feb 19 1814), the Capital of the Mogul Empire: “Winding through narrow paths, among the heaps of rubbish, we came in front of a noble portal. This entrance to the building is truly magnificent, and is elegant also.”²⁹⁷ This appalling contrast between magnificence and apathy, placid character and insidious brutality was what most certainly disturbed him. And he felt something had to be done. The decline of the Indian civilisation had to be arrested before it leads to the total collapse of the social structures.

Lord Hastings gives a detailed description of an example which illustrates what he wants to demonstrate and what needed to be done. In this occasion he passed through the area where Akbar’s, one of the ablest conquerors of India, mausoleum was built. Lord Hastings walks around overwhelmed and disconcerted and notes down these words: “The sarcophagus is very elegantly carved, and though thus exposed to the weather, has suffered little. The outer sides of the arcade are of that marble network (in great part) of which I have already made mention. Much damage has been done to this; and the pinnacles which crown the arcade have been let to go to ruin. The most extraordinary inattention has been the permitting trees, which

²⁹⁴ Hastings, Marquess of. (1858): *The Private Journal of the Marquess of Hastings-volume 2*, published by Saunders and Outley, p. 150.

²⁹⁵ Marquess of Hastings (1858) op. cit., p. 208.

²⁹⁶ Hastings, Marquess of (1858): *The Private Journal of the Marquess of Hastings-volume 1*, published by Saunders and Outley, p. 238.

²⁹⁷ Ibid. pp. 349-350.

sprung from seeds accidentally blown into cavities between the stones, to grow to a size which must make their roots act like levers for the destruction of the building. I ordered these to be immediately cut away, and I directed that a solution of lead should be frequently poured into the chinks till it should be sure that the roots were destroyed.”²⁹⁸ And after prosing on for a couple of pages he scribbles the following lines in his notebook with immense anger and wrath: “A confederacy of interested and forecasting sensualists, the Brahmins, conspired, when Hindoo society was young, to take care that its growth should strictly in such a fashion as would ensure to them the continuance of those selfish advantages which their impositions on the multitude had obtained. Hence flowed all those inculcations which were to keep the frames and minds of the people in a state of feebleness adapted to the submission sought for them.”²⁹⁹ It surely must have been a debilitating experience to see the obvious. Paradoxically, the most desirable thing that Lord Hastings saw to make his administration a success was a strong people that believed in itself, keeping upright and prostrating to the demands of the Brahmin. He comes to the conclusion that civilisation spirals down because of the Brahminic Order; and the only way to fold this back would be to entrust the civilisational mission back onto the administrative agenda.

It should be no surprise that this mission should be entrusted to the District Collectors, at the lowest level of the administrative ladder. We are back to Ashoka the Great’s maxim as one can interpret from his general concern: “There is no civilisation without administration and no administration without local administration.” After several years of touring and assigning Lord Hastings could breathe a sigh of relief: “The British Collector, as part of his public duty, looks to the state of these buildings, and gives due admonition to the family if any neglect appear. Thence everything is in perfect order.”³⁰⁰ Lord Hastings’ enthusiasm has to be seen in the light of his earlier despair. In reality the District Collectors did not wait for the orders of the British aristocrat, they were busy reconstructing the ‘practical civilisation’ and putting it back on its two feet. Wherever they could they tried to arrest decay and decrepitude by mending roads and canals. They had not ventured to restore places of worship as Lord Hastings wanted them to do because of their impartiality in matters religious. But Lord Hastings thought it part of the common heritage: “I do not believe that the least sentiment of obligation will be felt by the Mussulmans for this preservation of a distinguished place of worship, their indifference in that respect being extreme; but it is befitting the British

²⁹⁸ Hastings, Marquess of. (1858 vol.2) op. cit., p. 4-5

²⁹⁹ Hastings, Marquess of. (1858 vol.1) op. cit., pp. 32-33

³⁰⁰ Ibid. page 349

name that its government should not suffer (where it can easily prevent it) the decay of structures which are decorations to the country it rules.”³⁰¹ There was a qualitative difference between what Lord Hastings had in mind and what the Collectors thought was more pressing. He was concerned with the ‘decorative’ part, meaning that he wanted to give the impression that things were improving. The collectors, the sturdy men from the Revenue Board, on the other hand were more interested in restoring a civilisation that could make a difference at the lower level, where it was most needed. Restoring a mosque or a temple would provide a tremendous joy to the adepts but does not make water flow in the canals or increase peoples’ confidence in the measures or standards prevalent in the market place. What was really needed was the reconstruction of this ‘practical civilisation.’ The first thing the Company officials and officers did when a stretch of land was conquered was to fix measures and standards and have strict control on their application. And this made a qualitative difference in the lives of the peasants and tradesmen.

2.4. Knowledge of the Land and of the people as a foundation to good administration

The revenue structure of the past regimes made it unnecessary for them to record the condition of the Country and its people. As far as the past revenue system was concerned, the village was the main unit, and everything else did not exist. There were no records that would map the condition of the people. In earlier part of this section where the ‘control’ of Collector’s work it was shown how the Revenue Board made him write long reports on every possible aspect of the land and its people. The action of the East India Company, as we saw in the desires of the two Hastings and in large measure Arthur Wellesley, was to see the individual come out of hiding and actively engage in defending a positive community spirit. In today’s words, they wanted to establish ‘civil society’ that would not only have a beneficial effect on the economy but also go to reducing the administrative burden, and the cost of administration to the Company.

Instinctively, they wanted to recreate and give impetus to those structures which were capable of sharing the administrative burden. The long term solution would have been to introduce primary education but as Lord Hastings mentioned earlier, instruction and education was a guarantee against uncivil behaviour and commit horrible crimes, something else was needed. Most of the rulers until then had little concern to know how the people lived, since

³⁰¹ Hastings, Marquess of. (1858- vol.2) op. cit., p. 18.

tax revenue was never associated with the well-being of the people, one had to simply extract the desired amount. The Company wanted to know its people for a wide variety of reasons. Let us not forget that it was still a merchant company that never severed with its past preoccupations. In today's language one can express its desire for information as some kind of market study. It had failed previously because it had so little information. Trying to sell woollen garments in a country where people suffer from regular tropical heat-waves, for example, was not the most appropriate business strategy to adopt. Making India a lucrative market never left the minds of the Company officials. In May 1815 Lord Hastings wrote this in his diaries: "It is befitting the British name and character that advantage should be taken of the opening which we have effected, and that establishments should be introduced or simulated by us which may rear a rising generation in some knowledge of social duties. A time not very remote will arrive when England will, on sound principles of policy, wish to relinquish the domination which she has gradually and intentionally assumed over this country, and from which she cannot at present recede. In that hour it would be the proudest boast and most delightful reflection that she had used her sovereignty towards enlightening her temporary subjects, so as to enable the native communities to walk alone in the paths of justice, and to maintain with probity towards their benefactress that commercial intercourse in which we should then find solid interest."³⁰² The idea was therefore, at least for the aristocratic branch of the Company, to create a rationalised and well governed country in order to guarantee a stable and prosperous market.

Arthur Wellesley had set the motion as early as 1800 when he engaged Francis Buchanan to conduct an in-depth survey on the State of Mysore which the Company acquired a year earlier, when it defeated Tipu Sultan. In the instructions given to Buchanan, the Marquis of Wellesley wrote the following (Fort William, 24th February 1800): "The first Great and essential object of your attention should be, the Agriculture of the Country; under which head, your enquiries should include and tend to ascertain the following points with as much accuracy as local circumstances will admit... The mines and quarries, as object of particular concern... The condition of the inhabitants in general, in regard to their food, clothing, and habitations, will engage your particular attention, you will also enquire how far their situation, in these respects, may have been affected by the different changes in the government...the nature of their markets, their weights and measures, the exchange of money, and the currency among the lower orders of people: and such matters in respect to their police,

³⁰² Hastings, Marquess of (1858 vol.2) op. cit., p. 326.

as may seem to you to have an immediate or particular tendency towards the protection, security, and comfort of the lower orders of the people.”³⁰³ Buchanan did an excellent job, and whose work is still to date one of the most detailed ever conducted. He recorded everything imaginable.

Buchanan’s study became a good and solid foundation from where the Revenue Board could build upon as it received a continuous flow of reports and minutes from the District Collectors, who for the purpose tried to do the same as Buchanan in each of their particular districts. Similar information was updated and enriched. What the District Collectors and their assistants did was to give more depth to an already very detailed stock of information. What they do is to further divide the country into villages and individual holdings and tag a brief revenue history to that. From this, the future collectors could dig into the economic history of each and every individual holding. This treasure of information was a real administrative tool to the Revenue Board and the District Collector.

Although, in the later periods the judicial function was partially separated from the District Collector, the recording of information permitted him to deliver justice in an optimal condition. In a classical case where justice is rendered in a court by a judge, the jury and the judge concentrate on the specific mechanics of the issue without going into the revenue or economic background of the protagonists. The judgement is thus delivered in isolation and could lead to further injustice and perpetration further acts of contestation. In sum injustice was done in the first instance between the protagonists and injustice is repeated once more when they arrive in the courtroom. Justice delivered by the District Collector not only had the advantage of being instantaneous but also informed. If needed, he could call the village head for complementary information.

The same information served as a basis for the District Collector to modulate revenue claims on the peasantry. By a careful recording of weather statistics and a historic of previous harvests the District Collector can decide on the level of taxation to be levied on each of the tenants. The company wanted at all cost to avoid the past excesses and show the administered that it was willing to take a benevolent attitude. From an entrepreneurial perspective what this meant was to establish a stable environment where things could be planned, without the sense that whatever one does, finally someone will take it all away. As a result this attitude gave rise to relations of confidence where the willingness to pay taxes could be improved in a very indirect manner. Since established wisdom would want, if the peasant systematically

³⁰³ Buchanan F. (1988): *A Journey from Madras through the countries of Mysore, Canara, and Malabar*, Vol 1, Asian Educational Services, New Delhi, pages viii-xii of the introduction.

undercuts the District Collector, by the same action he takes away all reasons for the Collector to come to his aid when needed. The collection of vital information on the condition of the administered therefore was a way of avoiding entering into conflict with the peasant or commit administrative misapproximations.

Once again what started as an element of economic strategy by the East India Company was forming a tradition that was to become the bedrock of public administration in India and within it Local Administration taking prominence. Every action of the Company and its employees had a strongly emphasized business and entrepreneurial attitude and their ingenuity lies in their capacity to marry the administrative responsibility and the welfare of the administered with this entrepreneurial attitude. One can cite a thousand different examples where the Company was either the initiator or inventor of an administrative practice that stayed on after centuries. Its origins, where it had to struggle without abandoning its entrepreneurial spirit probably led it to believe that administration was at its reach. And like all entrepreneurial activity the micro level is the most important, a reason why the Company engaged itself whole heartedly and giving a sense of purpose to a country that never really existed; because there never was an administrative structure at the lower end to support it and make it visible.

3.0. PART THREE: LOCAL GOVERNMENT UNDER THE BRITISH CROWN

When planning the overall structure of the study I hesitated to introduce a chapter concerning the position of the British Crown during the early part of the 19th Century, when we should be concentrating on the East India Company's plans for local government and their execution. But as we realised in the earlier chapter on the Dual Mandate, the British Crown, was increasingly setting the agenda and progressively reducing the political options available to the Company. Since the Crown becomes the *de facto* political power of the Subcontinent; in particular we saw how the Parliament was taking into its protection the "independent" princes and kingdoms against a belligerent Company led by Warren Hastings. The British Crown becomes an umbrella organisation; it becomes the arbitrator of the last resort for conflicts in India. Apart from mitigating conflict between the Company and the 'traditional power structures' the British Parliament and Government had their own agenda to move forward in the Indian Subcontinent. Ultimately therefore, the pace of reform and change was

set by the tussle for control and power between the British Crown and the East India Company.

Today's local government system in India has great semblances to a system that existed in far away British Isles, at the beginning of the 19th century. Staying loyal to its preoccupation of keeping the status quo in the British Isles, where the aristocracy dominated both socially and economically; by keeping a strong control over parliament's fiscal capacities. This resulted in what we can call the 'resource restricted model' where the state raises as little direct taxation as possible and consequently spends as little as possible on administration, leading to a situation where the population is constantly under-administered. Unwilling to address the needs of a big part of its destitute population, Britain turns to building a colonial empire to redress the situation; using the colonies as spaces to evacuate its internal constraints. There were signs that the Parliament and the aristocracy in particular, feared a plebeian pressure across the country if nothing was done to relieve this pressure. It could not have escaped their attention that if they reformed the Local Government system to meet peoples' desires, it might easily be used as a Plebeian Tribune with the ultimate aim of twisting Parliament's will towards their agenda.³⁰⁴ As a consequence emigration becomes the desirable solution to its problems both demographic and economic. The desire to manage the process of emigration in an organized and orderly manner led Britain to think of local government under a new perspective. The Crown colonies are conceived as centres of economic activity which would absorb surplus goods and population generated by the mother country.

India being one of the major 'non-white' and chartered colonies of Britain, becomes a case apart. British government and the Parliament, deeply attached to a 'resource restricted' model of administration, were unwilling to introduce proper local government structures to Britain and Ireland, the core territory; problems and people are thus shifted to the 'white colonies.' Without a well 'compacted' economic and trade system there was a possibility that these new centres of British Settlements could fall into the same trap as the mother country. We will see how local government, reform and change in the Crown Colonies became more urgent than in Britain. While on the other hand, India was treated with a different metric. For some special reason the British Crown opposed all modernisation of the Indian political, and in particular the modernisation of local government which would have unleashed an enormous potential for the Indian Subcontinent as was foreseen by Warren Hastings and the

³⁰⁴ To get a general idea of the tendencies prevailant at the period see an interesting work by: W. G. TOWLER, SOCIALISM IN LOCAL GOVERNMENT, second edition, published by MACMILLAN, New York, 1909.

East India Company. Saddled with the burden of traditional society, the Indian elephant, as hoped by the British Authorities remained motionless, unable to bare its own weight. Before coming to that let us turn to Local Government in Britain. For, if it had no workable local government, it will be difficult to imagine how the Crown could craft one for others with conviction.

3.1. Local Government in the United Kingdom, from the turn of the 19th Century

Historically, local Government in the United Kingdom preceded Central Government. In the words of John J. Clark: “Local Government in England existed before the Central Government came into being. In fact, the central administration as we know it to-day dates from the twelfth century, whereas authorities for the administration of Local Government in this country dated from the days of Alfred. The Saxon times have been called “the golden age of Local Government,” the reason being that, in those days, there was little for the Central Government to do except in time of war.”³⁰⁵ This said, the burden of the Local Government did not extend further than that of the Central Government. And soon the pillars of Local Government start to emerge from the bundle of local obligations. The agenda of the Local government was roughly divided into two. The first obligatory mandate was directed at maintaining the highways and bridges. Sydney and Beatrice Webb in their book ‘English Local Government: The Story of the King’s Highway’, try to point out to the obligation of maintaining highways as laying the foundation of Local Government in the United Kingdom.³⁰⁶

The second function was the management of the poor. In the early 16th century this involved supporting the Church who maintained infrastructures to cater for the deprived. As R.Dudley Baxter points out “After the suppression of the religious houses, an Act was passed in 1536 introducing a system of compulsory charity, to be collected by the churchwardens. But as this proved inadequate to cope with the terrible evil of Poor law of mendicancy, the Poor Law Act of Elizabeth was passed in 1601, ordering rates to be made in every parish for

³⁰⁵ Clarke J. J. (1922): *The Local Government of the United Kingdom*, published by Sir Isaac Pitman & Sons, Ltd, London, p. 4-5.

³⁰⁶ Webb, Sidney and Beatrice (1913): *English Local Government – The Story o the King’s Highway*, published by Longmans, Green and Co., London, see introductory chapter.

the support of the poor.”³⁰⁷ These two pillars of Local Government in Britain continue to dominate its business in one form or another for centuries to come.

From this, one could adhere to the opinion that Local Government systems in Britain and those initiated by it were intimately concerned with the human condition and were very socialistic in their construction and approach. And since each ‘Parish’ was obliged to take care of its poor, without mutualisation between parishes and the financial support from the Exchequer, the community took the responsibility of the inhabitants on its own. It was all about local people meeting their various needs by their own means, whenever it was possible. As the Webbs describe the “...the characteristic medieval assumption of local administration, that the common services needed for social life were to be performed, not by any specialised organs of the community, but by being shared among all the citizens, serving compulsorily without pay.”³⁰⁸ But from the perspective of Westminster, this was a method of keeping the fiscal orthodoxy intact by containing local expenditure to the revenues raised at that level; it was a way of keeping a strict separation of Central and Local budgets. From its point of view this separation also meant that it would not get muddled or burdened with social issues.

This might be one of the reasons why the British Parliament never came up with a comprehensive plan for Local Government in the United Kingdom for many decades. Progressive reform was privileged against the continental tradition of radical transformation. This legislative passivity in the field of Local Government is well described by Sidney and Beatrice Webb when they declare: “These hundred thousand miles of miscellaneous streets, roads, and lanes were, in 1830, as in 1730 or in 1630, still administered by the thousands of separate parishes and townships, according to the mediaeval assumption of personal service and parochial obligation...”³⁰⁹ The British parliament at the time never pretended to be revolutionary or visionary. As the Webbs quite rightly point out that it takes a fire-fighters approach to reform, legislating in progressive manner as the need arises, without anticipating what would happen in a decade after. In this manner Westminster is reactive than proactive, and in many cases its intervention has no effect on the reality on the ground. As the Webbs go on to say: “For, in spite of the condemnation of this system by every road reformer, Parliament, amid all its numerous Highway Acts, had effected no substantial alteration, either in law or practice, since the opening of the eighteenth century.”³¹⁰ This mixed feeling about

³⁰⁷ Baxter R.D. (1874): *Local Government and Taxation and Mr. Goschen's Report*, published by R.J. Bush, London, p. 6.

³⁰⁸ Webb, Sidney and Beatrice (1913) *op. cit.*, p. 2.

³⁰⁹ Sidney and Beatrice Webb (1913) *op. cit.*, p. 194.

³¹⁰ *Ibid.* p. 194.

putting into place a comprehensive Local Government system is validated by the actions of Parliament in the proceeding decades.

In the later decades as the complexity of local needs provoked by diverse social and economic changes presents a need for empowering Local Government systems, the Parliament and the consecutive governments side-stepped. Rather than rationalising and further institutionalise Local Government, the preference was in favour of creating independent functional Boards, thus introducing a triangular relationship into the context. “Each special need was met by creating a new authority, having separate officers and rating powers our English habit of legislating piece-meal. Thus we had established, among others, the following authorities (a) Highway Boards ; (b) Conservancy Boards ; (c) Local Boards of Health ; (d) Improvement Act Commissioners ; e) Port Sanitary Authorities ; (f) Burial Boards; (g) School Boards.”³¹¹ Administratively the Board system does is to preserve the status quo in the relation between Centre and the Local Government while at the same time increasing the Centre’s control over the ever-increasing functional needs of the lower level. And it is worth pointing out that the Parliament and the Government of the United Kingdom seriously burdened itself with local issues when the country was confronted with a major crisis like war or equally catastrophic economic competition from powers of Continental Europe and later the American Continent. And as soon as the echoes of the popular out-cry faded the enthusiasm of Westminster subdued. This does not mean that the central organs of power were not sensitive to the sometimes chaotic situation in the Parishes and the suffering that they failed to address constructively.

The hesitancy of Parliament to commit itself to a rational and full-blown Local Government departure meant that whatever adaptations were needed depended upon the people involved on the day-to-day business of running the local administration. So much so that the personal character and the engagement of these individuals became all the more important to the community they administered. Laurence Gomme in his ‘The Literature of Local Institutions’ has gathered much anecdotal evidence to this extent: “Municipal and town records tell of men as well as of institutions; and occasionally these men who took active parts in the government of their native places are of such universal interest as John Shakespeare (the father of our poet), who successively filled the posts of ale-taster, assessor, burgess, constable, chamberlain, alderman, and high sheriff at Stratford upon-Avon.”³¹² In terms of

³¹¹ Clarke J. J. (1922) op. cit., p. 6.

³¹² Gomme L. (1886): *The Literature of Local Institutions*, published by Elliot Stock, London, 1886, p. 10.

concentration of power at best this nature of things leads to a ruling oligarchy and at worst a one man dictatorship at the Parish level.

In terms of the institutional set-up, the 19th century notion of local government was far from today's institutionalised and well wheeled unit of governance. Starting from the middle of the 16th century right up to the enactment of the Great Reform Act of 1832, the prevalent form of local government was a system where the country was divided into counties which were further sub-divided into Parishes, headed by a Lord Lieutenant. "From the sixteenth century to a very recent period the principal unit of Local Government and Taxation was the parish or township."³¹³ This was quite similar to the earlier system where each county was controlled by a feudal, with his feudal army contingent. In the same line and manner the Lord Lieutenant not only controlled the local militia but also acted as the representative of the crown's authority in his locality. In the same manner as the feudal lord the office of the Lord Lieutenant became all imposing and almost dictatorial in its scope. In essence, starting with the functions of 'law and order' and the up-keeping of the local militia the Lord Lieutenant was responsible for almost everything that happened at this level. He had the power to instigate and build roads and bridges and even the organisation of markets. In short, he was responsible for the well functioning of society in the stretch of land that fell under his authority. There was countless examples of Lord Lieutenants petitioning the Parliament at Westminster to give permission to send excess labour to the colonies.

For this, in terms of source of revenue, he had the 'county rate' at his disposal which under no condition should be amalgamated with general taxes levied or collected on the behalf of the Crown, destined for the national treasury in London. The main concern of the Parliament was that the Lord Lieutenant should do his maximum to keep a fine balance between local disbursements and taxes raised in the form of county rate. The cardinal principle in action here was containing local cost to local fiscal capacities, thus by-passing the necessity to mutualise local expenditure with that of the national treasury. Although the political framework gives the office of the Lord Lieutenant dictatorial powers within the laws laid down by the Parliament at Westminster, the fiscal framework pushes the Lord Lieutenant to act more like an entrepreneur to overcome the budgetary limits. He is permanently in quest to find solutions to local problems with a back drop of a local fiscal straight-jacket that does not allow extra tax receipts. Since the continued feudal nature of the British Parliament did not allow for an expansion of tax revenues in line with the increasing needs of the

³¹³ Baxter R.D. (1874) op. cit., p. 6.

impoverished population he was forced to take an enterprising attitude towards the problems of the county and its problems and most probably encouraged to do so.

As for the institutional structure it was kept to a simple minimum. This of course was due to the limited resources available to maintaining a standing bureaucracy. The Lord Lieutenant dispensed the running affairs of justice in sessions organised every three months, in an inn or at the market place. For the collection of taxes he was seconded by a revenue officer who at times acted also as the treasurer of the county. As the demands for justice increased county magistrates were appointed to meet the needs. From the point of view of the central organs this structure was easy to be controlled by its own starved and hallowed structure.

The ills of the system were glaring which made Parliament always apprehensive about Local Government and further entrenchment of it. The dangers and abuses to the system came from both the top and bottom end of the inhabitants. At the top, given the very feudal nature of the country side, the landed aristocracy perceived the local government as an instrument to improve their properties and protect them from the danger of starved paupers. The worth of their property was increased by public works that were paid for from the country rate. From below the mutualised support system increased voluntary pauperization, hitting hard the rate payers as well as the real paupers that were in need. At different ages and at different levels Local Governments always fell prey to the whims of the aristocracy or the local elite, this maintained a perverse and precarious situation at the lower end. As Henry Hobhouse explains: “Local authorities meet by far the greater part of their capital expenditure {e.g., on the construction of public works) out of borrowed moneys, and meet their current expenditure {e.g., costs, of administration, maintenance, repairs, interest on borrowed money', and repayments of borrowed moneys) out of rates and other revenues.”³¹⁴ Every time and new social or economic pressure came to the notice of the British Parliament it enact laws to the creation of new organisation, as the Webbs explained, with providing them with the necessary financing. “At one period, and particularly during the early years of the nineteenth century, a definite attempt was made to multiply organizations and services without any attempt to prevent overlapping or the consequent interference with efficiency.”³¹⁵ West minister always entertained ambiguity as to the responsibility for sharing the burden of local administration. “There is no strict line of demarcation between Central and Local Government. Subject to the

³¹⁴ Wright R. S. and Hobhouse H. (1922): *An Outline of Local Government and Local Taxation in England and Wales (excluding London)*, fifth edition, Sweet and Maxwell, London, p. 189.

³¹⁵ Clarke J. J. (1922) op. cit., p. 3.

will and authority of the Central Government, the limitations of each are usually determined by compromise. For many centuries the State has allowed, and still allows, certain localities within the national area to be governed, in all but State matters, by certain elected representative authorities. These local authorities exist primarily to conduct administrative work.”³¹⁶ The idea was, left to the ingenuity of the people things somehow work out, if not, the Central Government could always step in, as a final resort of action.

This model of administration evolved overtime but the fundamentals remained the same, administration in general but local government in particular were subjected to a ‘restricted resource’ model. This model stood on three main pillars a) an easily identifiable authority, b) limited taxation and finally c) a permanent quest for solutions based on non-fiscal resources. The application of this model to the colonies was asymmetric and changed overtime and as we will see the case of its Indian Empire does not resemble the type of administration experimented in other British colonies or dominions. This was the result of a collusion of two evolutions in local government. Firstly the concern for local government in Britain and its privileged colonies had an independent evolution which had a great influence on the particular quest for local government in India. Secondly, the situation in India and its special position in the British Empire had given rise to a particular form of local government. To understand both these evolutions and how they meet it would be important to investigate the different stages through which the British conception of local government went through. This investigation would be more than important to identify the reason why the British authorities, at the centre of a vast empire, thought it necessary to devise systems of local government for their colonies.

3.1.1. A feudal conception of colonial expansion (Colonies formed by Emigration)

In the initial stage territories acquired were not considered as a separate entity that needed a different and newly crafted administration. As soon as a British community started to settle in a territory, however far it was from the Home Counties, it was considered a natural addition to the core administrative territory. As soon as a ‘civilized’ contingent of British Migrants came to settle in a new territory it was deemed to enjoy the same legal and administrative environment as those back in the British Isles. As soon as the security situation was deemed normal the military administration was swiftly replaced by the appointment of a

³¹⁶ Clarke J. J. (1922) op. cit., p. 10.

representative from the Crown who had the mission to govern the country in the same manner as if it was an English county. A scholar, pamphletist and parliamentarian of the time put it: “Colonies have their state of infancy and pupillage; after a while, they attain maturity, imbibe notions of independence, and become uneasy under those restraints which guarded their infantile state. In this we may distinguish a marked similarity between the natural and the political world. After a certain period, those establishments begin to make attempts at procuring independence; and fatal experience has proved, from what has already taken place in the western hemisphere, that these attempts are at last crowned with success.”³¹⁷ The slight difference between the English county and the newly conquered or acquired territory was due to distances and difficult means of communication, the leading official in the colony enjoyed even more discretionary powers than his counter-part in the county. Sometimes it took three to four months for a message to reach Parliament and certain issues required immediate action so the lead official was permitted to act according to his best wisdom of judgement.³¹⁸ As mentioned before, the situation was similar to that of the Lord Lieutenant of the County; the Governor of the colony decided everything after consultations with the planters.

As for the population it was principally composed of planters and their families who owned and exploited huge stretches of land similar to the landed aristocracy in England. The rest of the population was composed of slave labourers, often brought from Africa. In the dawn of the 19th century this section of the inhabitants did not come under the jurisdiction of the Governor or the Lord Lieutenant. Slaves being the property of the planters-cultivators, their well-being was the sole responsibility of their proprietor. Thus the local administrator had no right to intervene in matters relating the slave population. The job of the governor of the colony was relatively simple since he could gather the entire proprietor class and deal with matters that they deemed important to the colony. This was of course the occasion to decide the amount of tax to be raised to fund local developments like the construction of proper port facilities. The benefits to the Exchequer in London were in the form of duties on the important export of goods. At this stage the colonies were not allowed to trade directly with other sovereign countries or with each other; everything passed through London. Once again their position does not radically diverge from that of the English counties.

In terms of economic planning, trade and protection against competition was assured. As William Smith O’Brien noted: “...and it will be found, that in the instance of colonies

³¹⁷ An Impartial Observer (1813): *Considerations on Colonial Policy, with Relation to the Renewal of the East India Company's Charter*; published by J. Hatchaed, London, p. 5 (the author is believed to be William Smith O’Brien a onetime MP in exile)

³¹⁸ Ibid. p. 51.

formed by emigration from the parent state, confidence has been reposed in them, concessions have been liberally made, and encouragements of every kind have been held out to them; ...”³¹⁹ Because the forming of settlements, and bring the cultivated land to fruition, took time and investment, the Crown made its duty to protect these colonies from economic competition by reserving the home market for their produce; as if the goods were produced in Britain.

3.1.2. Universal Human Rights – Pumping Aristocracy into the Colonies

The 19th century is the culmination of human rights activism of the 18th century set off by the double detonation of the War of Independence in America followed by the French revolution. Both in their respective engagements embrace the notion of universal rights. Both confront, head on, the practicalities of how to give political and consequently the administrative application to the newly found human rights. For Britain this is a double disaster which questions its fundamental existence and it has to reassess its political philosophy and administrative strategy. In terms of political prestige occupied by the Magna Carta, it was successfully contested by the ‘declaration of Human Rights’ in France and the enactment of the ‘Constitution of the United States of America’.

Under the instigation of the reformist societies and the members of the English church the whole country comes under the sway of movements supporting the abolition of slavery in the Colonies. But under the shadow of this noble preoccupation there was concern that the colonies could go up in fire if nothing was done. Mr. Richard Godson, a member of the House Commons had this to say: “It could not be denied that the people of England, who had poured in countless petitions, entertained a strong feeling on the subject of slavery: it had been urged on the attention of the Government, by the large, respectable, and powerful party, called the Anti-Slavery Society, composed principally of persons dissenting from the Church of England. The Government had thought proper to take nearly the same view of this national question as that very influential party. He was one of a body of men personally interested in the settlement of this question which deeply affected the property of persons resident in England, and the lives of the white inhabitants of the colonies.”³²⁰ Beyond the semblance of governance kept by the Governor and his assistants there was nothing beyond.

³¹⁹ An Impartial Observer (1813), op. cit., p 8.

³²⁰ Godson R. (1833): *Ministerial Plan for the Abolition of Slavery*, HC Deb 31 May 1833 vol 18 cc204-36 204 (Available at Hansard)

Law and Order, for instance was kept by militias, which sometimes included teachers and clergymen. The consequences of the absence of a structured Local Government in the Crown colonies was that everyone interpreted the notion of ‘order’ according to his culture or based on a moment of fear and fury. The example quoted by Mr. Benjamin Hawes in Parliament gives a good overview. “Mr. Hawes, seeing the noble Lord the Secretary of the Colonies in his place, wished to ask him whether he had received any accounts from the Island of Dominica? He had been informed that martial law had been proclaimed in consequence of injudicious management on the part of the persons appointed to take the census of the population. One of his correspondents stated that more than 150 labourers had been arrested, tied together, and dragged to gaol, that three were killed, many more wounded, and in one case the head had been severed from the body, and raised on a high pole.”³²¹ Henry Baillie “... found upon his introduction to the Colonial Office that the colony of British Guiana, with 120,000 inhabitants, cost 273,000l. a year for its civil administration, being an amount equal to 2l. 6s. a head for every living soul in the colony, or one-sixth more than the cost per head to the people of the mother country. It should be borne in mind, too, that the people of this country are the most heavily taxed people upon the face of the earth.”³²² And they get practically nothing in return. Most of the taxes went to the up-keeping of the Governorship, which corresponded to the ‘aristocratic’ vision of government, but what people wanted was local government; and that was missing.

The practical application of ‘universal human rights’ could not happen without Local Government institutions on the ground. Put in a different perspective, Local Government becomes a right, and obligation, especially when taxes are paid. Unwilling to reform the apex of the political system, the British elite sees it worthwhile to explore the possibilities offered by local government. But the move is always half-hearted, the method chosen is legislative tinkering. The period from 1810 to right up to the beginnings of the Crimean War, the British Parliament goes through frenetic, if not hysterical, period of legislature on the abolition slave trade to the medical conditions of British emigrants; not to mention the inhumane treatment of cattle and dogs. Although there were some broad universalistic laws passed in the Parliament at Westminster that dealt with the human condition, the main bulk of legislation passed dealt with issues at the local government level, but it was not enough to create a rational local government conception or reform.

³²¹ Hawes B. (1844): *Insurrection in Dominica*, HC debate 16 July 1844 vol 76 cc 919-22 919 (Hansard)

³²² Baillie H. (1849): *Colonial System—Ceylon and British Guiana*, HC Deb 20 February 1849 vol 102 cc938-1039, (Available at Hansard).

In all these well-wishing and good intentions mask something unnerving when we come to terms with its real significance. Parliament, in the 19th Century looked like those formidable management Consulting firms or those equally formidable Software companies. Parliamentary intervention always sought a solution where it could impose a bureaucracy of its choice paid for by the ‘customer’ colony. During a House of Commons debate, Henry Baillie gives a good example to illustrate the ‘entrepreneurial’ activity of a very aristocratic enterprise: “The best household properties in the Fort of Colombo and other large towns have been depreciated 40 or 50 per cent, and rents have fallen in proportion. Whilst these circumstances have caused great loss and suffering to your petitioners, they observe, with deep regret, an increase in the expenditure of the colony, the maintenance of useless sinecure offices, and the institution of new offices, whilst many already in existence have no adequate duties to perform. To bring the expenditure within the income, public works of the first necessity, such as the repair of roads, have been entirely suspended; expenditure being nearly confined to the payment of salaries.”³²³ These high positions which eat-up the lion-share of the budget are always ‘nominated’ by Parliament. The British Parliament, through its ‘legislative manufacturing’ had become a grande enterprise of global proportions.

Parliament itself recognises that the government in the Crown colonies, without the fixed structures of Local Government, was scandalous and a scam. It came to the notice of Parliament because the ‘white’ section of the population was desperate and wanted things to be remedied. The taxes they paid were squandered by incompetent aristocrats who were dumped upon them. Henry Baillie presents this picture of Ceylon to the British Parliament: “He had shown them the state of financial disorder which existed in a colony possessing 450,000l. of revenue, but which had yet been declared by the Governor unable to meet its expenditure, and which had been thrown into a state of rebellion by attempts to impose additional burdens and additional taxes. He had shown them that the English residents complained of a most defective system in the administration of justice. He had shown them that there evidently existed a most wasteful expenditure of public money; and he had shown them a Governor suspending the ordinary tribunals, and establishing martial law without the consent or advice of his Council. He did not know if it was possible to add to this catalogue of complaints; but this he would say, that the noble Lord at the head of the Colonial Department (Earl Grey) had done as great injustice to Lord Torrington as to the colony to which he appointed him. To have appointed an individual without knowledge or experience of colonial

³²³ Baillie B (1849), op. cit., vol 102 cc938-1039,

government—an individual who had never shown any talent or ability in the conduct of public affairs—an individual who had never filled a post more important than that of Lord of the Bedchamber—to have appointed such an individual to the command of a great and important colony—a colony, too, labouring under peculiar circumstances of distress—such an act was, to say the least of it, one of great injustice to the individual so selected, as well as to the colony in which he was destined to receive the rudiments of his administrative education.”³²⁴

The situation in the Crown colonies during the first part of the 19th Century, with the pronounced absence of Local government structures, was no different from that of the Maratha Confederacy dealt with earlier. The whole structure and function of government or a segment of government was geared to the benefit of the few officers appointed by the British Parliament. The economics of the British Parliaments endeavours towards local government in Britain proper and in the Crown colonies becomes evident: Entrepreneurial and Monopolist. As we saw it was an enterprise working day and night, catering for colonies the world over; busy placing the most incompetent members of its ranks as governors. Monopolist, because it has difficulty in sharing the legislative ‘burden’ with local structures, very jealous of its powers and privileges. In the part concerning the monopoly of the East India Company we saw how strict and slender its budgets were and the rough conditions it had to work in; and the competence acquired. In comparison, the British Parliament’s complaint about the East India Company’s monopoly becomes a farce.

3.1.3. The land of the Industrial Revolution fails to feed its entire population

The fruits of Industrialisation were too few to feed everyone. Despite of pushing a maritime Britain a step further to building a global empire, the industrial revolution failed to create enough jobs for those falling out of old industries and an ever increasing population. To this, one has to add the pauperisation of Ireland. The conditions for a popular unrest were there if precautions were not taken in time. It was time to turn to the colonies. The nature and the size of emigration being of proportions unheard of before has to be planned for smooth transition, for nothing would be more unwelcome than an embittered emigrant. It was absolutely crucial to implement a local government that would make the emigrants feel at home. It was also a way of ensuring that the home for emigrants would be safe and secure,

³²⁴ Baillie H. (1849), op. cit., vol 102 cc938-1039,

just like in the Home Counties. Indirectly this would on the long term soundly secure the colony for the Crown, inhabited by subjects who were squarely British and buy British goods.

The picture we get, when one reviews parliamentary debates, during the first half of the 19th Century, it is hard to believe that Britain was home to the industrial revolution and the seat of one of the biggest Empires humanity had known. From the Treasury, to the funds maintained by the Parishes and Counties, everything was on the edge of collapse and bankruptcy. Balanced budgets were not an economic orthodoxy, they were a policy of make or break, and it was close to breaking with the approach of military turmoil in continental Europe in the early part of the 19th Century. Napoleon might have said that Britain was a nation of shopkeepers, and he might have added ‘...and of paupers.’ The economic situation in the British Isles was catastrophic in the proper sense of the word, and caused Britain to become a melting pot, with the spectre of upheaval or even revolution, that had inflamed continental Europe, pitch at the gates of Parliament. As John William Kaye puts it: “There are clamorous social evils crying out for redress almost under the walls of the Palace at Westminster.”³²⁵ There were literally hundreds of thousands, that the slacking industrial production had casted aside, erring the country side in search of employment and food to clench their starvation. These were joined by hordes from a routinely famine-stricken Ireland; causing havoc where ever they went. As Kaye notes: It is not long since it was stated in Parliament by a nobleman, who has made the misery and the crime of the London poor his peculiar study, that ‘there were 30,000 naked, filthy, deserted, roaming, lawless children, who formed the seed-plot of 19-20ths of the crime which desolates the metropolis ;’ and again repeated at a public meeting, ‘that ninety-nine cases of crime out of every hundred were the result of want of honest occupation.’”³²⁶ In spit of the superiority of its institutions and a full-blown industrial revolution, Britain was not a country of opportunity.

In fact it was not only a question of opportunity but a question of survival. As the Earl Stanhope points out: “The appalling fact that 1-10th of the population were in a state of pauperism, there was no answering; and although the noble and learned Lord (whom it was equally agreeable to hear, whether in mood pathetic or pleasant) might easily deal with the subject in a semi-facetious manner, and talk of “delusion,” the distress was not less dreadful, and the mode of tracing it to a cause so palpable as the diminution of the means of employment far too obvious.”³²⁷ In Continental Europe, the distress caused by economic

³²⁵ Kaye J.W. (1853), op. cit., p. 11

³²⁶ Ibid. p. 11

³²⁷ Stanhope, Earl Philip (1843): Public Distress Machinery, HL Deb 17 March 1843 vol 67 cc1075-7 (Hansard)

cycles was not of the same proportion as Britain, since the capacity of the public sector to absorb labour made redundant in the private sector was greater. This employment was mainly provided by the Local Government level. There was not such effort made in the United Kingdom. The approach to the problem was different, expansion of the local institutions was not deemed necessary. The floor of the House of Commons or the House of Lords resembled that of a boardroom meeting of a Multinational Corporation, where the management went after the optimal solution to the corporation's problems. The Debate in the House of Commons on 17th of April 1828 is a perfect example of this way of conducting 'Parliamentary Business'. Confronted with solving the problem of pauperism in Britain, this is how certain options are considered:

*Mr. Wilmot Horton "...estimated that the men, women, and children, taken one with another, were not to be fed, clothed, and lodged, under 3l. per head per annum. One hundred thousand of these persons could be removed, it had been calculated, at an expense of 60,000l. a-year, laying aside any prospect of re-payment. At present these one hundred thousand persons, at 3l. per head, cost the country 300,000l. a-year. If for 60,000l. they could be removed to the colonies, there would clearly be a saving of 240,000l. annually out of the general revenue of the country."*³²⁸ (Landholders who were unwilling to expend their own money in an undertaking of this kind, were willing enough to have the public money expended on its promotion.)

To this radical solution another member shows that things can be taken a step further...

*Mr. Warburton "...bore testimony to the great industry and zeal of the right hon. gentleman, but could not concur in the reasoning upon which his motion was founded. The right hon. gentleman assumed that, if 1,200,000l. were appropriated, in any year, to assist the emigration of one hundred thousand paupers, the interest of that sum for the year would be but 60,000l.; whereas, if such paupers were to remain in this country chargeable upon the poor-rates, the cost of their maintenance would be not less than 300,000l.; and he calculated that the country would be, therefore, a gainer to the extent of 240,000l."*³²⁹

³²⁸ Horton W. (1828): *Emigration*, HC Deb 17 April 1828 vol 18 cc1547-57 (Available at Hansard)

³²⁹ Warburton (1828): *Emigration*, HC Deb 17 April 1828 vol 18 cc1547-57 (Available at Hansard)

The best spirit of Parliament and its enterprising spirit props up when it is confronted with the dire situations like that of the famine which plagued Ireland. As we saw, when it comes to making appointments, the British Parliament was very quick, like the one of the Governor of Ceylon mentioned earlier. But when it comes to taking the decisions concerning the ‘people’, especially when they are destitute, it takes its time and conducts interesting enquiries. “Report of the Commissioners of Poor Law Inquiry in 1835; they had been appointed by the House to investigate the state of destitution in Ireland, and they distinctly stated that 2,300,000 of the agricultural population were in a constant state approaching to starvation. For several weeks in the year they lived on the charity of their neighbours. The last Population Returns of 1841 showed that, out of the whole rural population of Ireland, 46 per cent. lived in a single room; the entire human family and the pigs occupied the same apartment together. The next fact was, that of the civil population—that is, of the inhabitants of towns—36 per cent. lived in a single room, and that two or three families sometimes occupied the same room.”³³⁰ The situation in Britain was only slightly better. This very interesting report points to the urgent need of local institutional structures to organise society and channel it towards improvement.

The British Parliament was no way near accepting this fact; instead it blames the crown colonies for not having proper administrative and governmental structures to welcome the millions from poverty-stricken Ireland, whose lands are divided among some of the noble lords sitting in the British Parliament. Joseph Hume one of the leading lights of the House of Commons points the finger at the main culprit: “The misgovernment of the colonies was the cause of the limitation of emigration. He had that day received a file of papers from Prince Edward's Island, containing the intelligence that on the 6th of March the House of Assembly of that colony had, by a vote of 16 to 3, condemned the conduct of the Governor, and prayed the Colonial Office to grant them a representative government. A system of wholesale emigration would be more injurious to those who were the objects of it, than if they were allowed to remain at home.”³³¹ Confronted with crises induced by the lack of Local Government, what the British Parliament did was to evacuate the problem as quickly as possible and ask: where’s the problem? Sure, there were none to be seen.

To be fair to the efforts made by the British Parliament, it is important to understand the situation of the Parliament. The business of empire at this stage is not really about political authority; empire is about administration. We saw earlier that through its liberal perception

³³⁰ O'Connell: *Famine and Disease in Ireland*, HC Deb 17 February 1846 vol 83 cc1050-89,

³³¹ Hume J: *Colonisation*, HC Deb 01 June 1847 vol 92 cc1369-450 1369 (Available at Hansard)

and stock of moral values the British Parliament puts the condition of the 'people' at the centre of administrative concern of the empire. There is no surprise therefore that the British Empire wants to reach out to the people although the British Cabinet diverged from the stance taken by the Parliament. Given the paucity of means of communication and means of control at its disposal the British Parliament was dependant upon the British Government and its bureaucratic machinery for vital information. This lack of first-hand information on the situation in the colonies made its action a rear-guard action, letting the Government to occupying a greater terrain than was appropriate. Local government in the colonies was in part victim to the unbalanced relation between Parliament and Whitehall, especially the colonial office.

3.1.4. Substitution of fiscal mutualisation by the mutualisation of defence costs of the empire

In the above sections and passages we saw how the 'restricted resource' model adopted by the British Parliament and Government took predominantly legislative approach to Local Government. Its refusal to execute an institutional plan led it to sort after solutions which allowed evacuating the pressure to create local government at home. We also saw that, it sees the necessity to create local government in the colonies as an opportunity to expand its aristocratic base. Absolutely refusing to create a system where by a 'new breed of aristocracy' to take control of the structures in the Crown colonies. And the final stage gives place to a development of a policy to mutualise the costs of maintaining Britain's place in Europe and the world; and in a very special way the question of local government takes a big importance in the outlay of the policy. The British Government increasingly sets the pace of the Indian budget and its allocation, creating a desertification in its resources that should have gone to institutional development and industry.

The Crimean War adds another imperative to the demand made on the colonies. Although the preoccupation with emigration remains the backbone of London's priorities for seeing viable local government systems in the colonies, the question of its army and its capacity to be deployed in distant territories becomes an issue. What the Crimean War demonstrated to the Cabinet, but more promptly to the British Parliament was the desperate conditions of the British Army and its local militias. Although Britannia ruled the waves its armies were not capable of matching the same superiority as a land based force. As in the battle of Waterloo, where it was rescued by the Prussians, in the Crimean if it was not for the French it would have been all doom for the Great Britain.

At the height of the Crimean war the debate in Parliament was not about military strategy or command, the debate centred on the deplorable conditions of the soldiers, the shortage of food supplies and lack of proper uniforms. There was uproar in the public opinion against the inability of the government to act. Mr. John Roebuck member of Sebastopol Committee (HC Debate 17 July 1855 vol 139 cc 954-1018) had this to say on the subject: "... From day to day the public mind was harassed by dreadful disclosures of distress and suffering borne by our gallant countrymen whom we had sent to fight the battle of England. Great was the alarm throughout the country, and great was the disappointment which pervaded the community. Fortified by the public anxiety, and being myself deeply impressed with feeling of my countrymen-strongly commiserating the misery of which we heard from day to day most harrowing descriptions..."³³² In comparison the East India Company had created a formidable army. And going to India was the obvious thing to for those who wanted to make a military career. As General Sir George Balfour told the House of Commons: "With the latter Indian service had always been exceedingly popular... The service, in fact, was popular, because nowhere were private soldiers better cared for than they were in India."³³³

The choice for the British Cabinet and Parliament would have been to use the uproar in the public opinion to raise taxation and lay the foundation for a more viable army. Without the Royal Navy losing its importance the physical structure of the British Empire was becoming more land based. And confronting land based empires like that of Russia would also sooner or later require Britain to have a large and strong army that could be readily deployed around the globe. In principle the Cabinet does heed to this preoccupation but the discussion soon follows the familiar path of evacuating the problem to the colonies and let them bare the burden. Mr. Lyon Playfair had this remark to make in the House of Commons: "The Crimean War arose, to some extent, from our being a great Eastern Power; and from that time until the present we had constantly, both by expeditions and otherwise, incurred expenses which we should not have incurred if we had not possessed our Indian Empire."³³⁴ With this, once again, Britain stays loyal to the 'restricted resource' model of government.

If one is planning to permanently put the defence of the Empire and ultimately the defence of the realm in the hands of a third party, one has to make sure of its viability. Specialisation within the Empire could only take place if it is pacified administratively, since

³³² Roebuck J. (1855): *The Army in the Crimea-Sebastopol Committee*, HC Debate 17 July 1855 vol 139 cc 954-1018 (available at Hansard)

³³³ Balfour G. (1873): *Army—Length of service of regiments in India.—Resolution*, HC Deb 24 February 1873 vol 214 cc838-55

³³⁴ Playfair L. (1878): *Military Expenses*, HC Debate 17 December 1878 vol 243 cc968-1018

political control in the hands of the natives was out of question, for reasons particular to each territory. And administratively, London had to stay at the helm to maintain division of labour cardinal to the organisation of the Empire. It does not take much to see what is left to the colonies in terms of administration: Local government. This became the word of the game in colonies until they reached the status of dominion. In other words, administration in the colonies became synonymous with Local Government. The preference for local government carries another element of significance; it goes directly to the people, thus privileging the human factor, very much in line with the moral preoccupations of the British Parliament. The poor fighting conditions of the British militia were directly attributed the poor circumstances and environment they lived in. Everywhere Local Government was seen as being essential but little was done on the ground. The 1832 Reform act increased the number people eligible to vote but the structures did not radically change.

This attempt at reorganisation falls in the general tendencies of empires to avoid creating intermediary entities that might challenge the position of the empire. The institutional organisation of the British Empire in certain aspects can be viewed as being pyramidal but avoiding the rigidity that goes with a pyramidal structure in the classical sense. Administratively by pyramidal structure what one assumes is that consolidation moves upward, where counties are consolidated at the provincial level and provinces are dominated at country level by yet another entity. In such a structure the Empire sitting on the apex theoretically has direct link to the country level, but in reality its efforts can be suffocated by the country level administration to protect its own in-built interests. In the long run therefore too strong an administrative consolidation at the country level could be to the detriment of the good functioning of the empire. Pushed to its limits this model has the seeds of an eventual disintegration. To avoid an eventual disintegration the empire has to redouble its efforts in terms of controls, checks and balances. This naturally involves massive build-up of bureaucracies with all the inconveniencies that go with it, namely that the swiftness of communication and action is diluted. At times of its history and also in the context of its empire Britain was victim to such developments, which were always against its conceptual existence. Another element of disadvantage of re-enforced lines of control is the consequence of build up of bureaucracies is the loss of individual responsibility where it is most needed.

When we take into consideration human resources deployed the above logic does not change. In the pyramidal control the grip by the empire can be enhanced if the human resource model is based on the principle that at all the levels of the administration the people of the same cultural background and ethical standards are manning the administrative edifice.

In an ever expanding empire like that of the British Empire ‘qualified’ human resources were one of the biggest problem that was facing the empire. There were two factors at play. Firstly there was huge a pressure in Britain because of the well-wishing from the Parliament. The governments of the day were constantly pushed to expand the scope of administration at home and improve whatever structure that already existed. The special context of Ireland, in its immediate backyard was also a drag on its already limited human resources. Like elsewhere the highly tense situation in Ireland was blamed on maladministration. Given the minimal level of administration and the slow means of communication a lot of discretionary power and autonomy of decision was vested in the hands of the officers of the empire. Where a strong culture of responsibility and tight code of conduct was lacking, these discretionary powers would lead to excesses and ultimately to maladministration. It was evident therefore that qualified people should take control of an administrative branch. And this type of personnel was always in shortage, since the British Empire and its evolution was never a pre-planned or pre-destined venture, so it was always caught-up by the problem of proper human resources to man its expanding empire. There was an obligation to optimise human resources. The impression one gets is that, few good resources mobilised, was far better than mobilising deficient resources that could have devastating results. Administrative creativity and prudence were therefore the name of the game.

Concerning Local Government and self-governing structures it has to be pointed out that Parliament was preaching something that it had not applied to itself. Britain had a parliamentary democracy where ‘*demos*’, the people was largely excluded. Parliament was largely a playground for aristocratic manners and desires. Before the Reform Act of 1832, there were not more than half million voters. The Reform Act of 1832 brought this number to one million (out of a population of roughly 20 million. Thirty five years later, the Reform Act of 1867 was passed which increased the number of eligible voters to 2 million adult men (for a population of roughly 31 million).³³⁵ The criteria to vote largely weighed in favour of those who had property. These details might look displaced but as we will later realise in the evolution of local government in India, when the British Aristocracy and wealthy liberals speak in favour local Indians and the necessity for their political administrative integration, they do not mean the general population, they mean the landed and the business interest like the Parsees and the Marwari.³³⁶ The British Parliament’s defence of Indian issues thus comes

³³⁵ House of Commons Online Information Centre: www.parliament.uk/about/evolutionofparliament/houseofcommons/reformacts/overview (16/11/2013)

³³⁶ Malcolm J: Administration of Justice in India, HC Debate 01 September 1831 vol 6 cc956-76 (Hansard)

into a better focus. The tug of war between the people on the ground in India and the British Parliament partly is derived from this structural difference. This of course doubled the time needed for everyone to agree on the subject under discussion, which the delays and leg dragging from all corners when it came to designing and implementing Local Government.

Another reason why the British Empire hesitated to strengthen a country level administration and political consolidation at this level was due to its recognition that there existed in many of its colonies a wide range of communities which did not share the same cultural or social backgrounds in the same line as a nationality. Consolidating at the country level would undoubtedly be injurious to the interests of these scattered communities. It would mean giving the predominance of some communities over others, which at the best would lead to different forms of subjugation and violence. In the classical pyramidal structure this would lead to a cascading intensity of subjugation and sufferance. The idea was that by going directly to the people this could be avoided, at least this is the idea we get while going through the various parliamentary debates on the subject.

This preference for local government over other forms of intermediary levels of government meant that it had a profound effect and a long lasting influence on the development of governing elites in the colonies. As explained earlier what this practically meant was that local government principally meant local administration, the day to day running of a specific area, quite often denoted as a district. It was the general practice of Great Britain that officers from Britain should be appointed to administer the colonies wherever it was deemed necessary. In colonies that were dominated by British settlers this practice was not considered out of place but the native population felt the consequences. The style of administration adopted by the local officials, none-the-less allowed for the identification of and the nurturing of a local elite. But it remained secluded, local and very often feudal. The principal characteristic of this elite was that it was very dependant upon the British rule because by nature of the situation a secondary role was imposed upon it. It therefore became a tradition that administrative authority always remained foreign, at least not derived from the locality where its authority was exercised. The local elite collaborated in exchange for administrative patronage. A situation that could not have been more appreciated in the Westminster circles, since this adage was to become one of the main pillars of local government in the years and decades that followed, especially in the Sub-Continent.

3.1.5. The Special context of India up to 1858

From the Crown's point of view India was a problem as well as an opportunity. Debates in the Parliament at Westminster at that time are a good indicator of how India goes from total disregard to marked importance.³³⁷ Even in the 1830s and 1840s debates on colonial policy dragged on for days without a single mention of the word India or even Indian Empire. The Crown hardly mentioned India in the opening of Parliament.³³⁸ There were quite a number of reasons why Indian issues did not concern either the British Government or the Parliament right up to the Crimean War with an eastwardly expanding Russia. From the beginning its importance was kept to the sole domain of trade, placed for this purpose in the hands of a chartered company – the East India Company. Since regal control was in the hands of the Moguls, the British interests were nothing more than a trading post. It was not a territorial colony in the likes of Canada or Australia. It was not until the Company took up 'administration' as its main trade that the situation changed. And the piece-meal approach and the pace of administrative consolidation of India by the Company did not improve the emigration prospects for the British Isles.

The 'status' as a no go area for British emigration meant that India became a potential threat to the Crown Colonies. India had fertile lands and an enormous population; and Britain progressively realised that India had a huge amount of dormant capital in its shadowy banking system.³³⁹ The combination of this could make it, as Warren Hastings had repeatedly said, the biggest economic power in the world. The only missing ingredient was good government, especially Local Government, which the Company was prepared to provide; of which Hastings started to lay down strong foundations. As the British Government realises the magnitude of the threat, it systematically tries to make this imminent reality into a hypothetical possibility. From hence onwards every possible initiative is taken to keep India in the chaotic situation it was before the Company started making in-roads into the administration of the Subcontinent.³⁴⁰ The main objective being that of keeping India administratively disorganised because everything else at that time was to India's advantage.

The first initiative the British government takes is to impose heavy tariffs on the goods exported from India by the East India Company. Items like textiles (calicos), coffee and sugar, where India has an undeniable advantage, are virtually banned Indian goods given the severity

³³⁷ An Impartial Observer (1813) op. cit., pp. 9-10.

³³⁸ Ellenborough, Lord (1831): Affairs of India, HL Deb 08 December 1831 vol 9 cc127-30

³³⁹ An Impartial Observer (1813), op. cit., p. 10.

³⁴⁰ Ibid. p. 10.

of the tariffs. Then when the company tries to reduce the cost of shipping, to keep its products competitive, by building the ships in India, Parliament bans it from constructing ships in the shipyards of Bombay.³⁴¹ Then later on in the century, when the Company exports opium to China to reduce tax burden on the Indian villages, the British Government and Parliament rise-up in furore but readily expect the Company to transfer part of the gains in one form or the other. The idea being that no surpluses should be acquired to develop the country in such a way to act as a competition to British products or those emanating from the Crown Colonies. The British Authorities in London know that the Company has the knowledge and capability to organise the commerce of India on a global scale and this had to be stopped at all costs.

Devoid of all its trade privileges, the Company, under the leadership of Warren Hastings become patriotic to the Indian cause and sees the rationalisation of the administrative system of the country as the only way forward before moving on to mass industrialisation. The traditional administrative system was not geared to doing this because of its parasitical nature. The option available to generate surpluses for the next stage of development was by removing this expensive obstacle and replaces it with a simple and rationalised administrative set-up at the local-level, there where its application can be immediately felt. The British Government slaps the Company on the hand and tells it that the political function is the prerogative of the British Crown and its associates in India, the 'traditional structures of power'; in other words the Brahminic Order. But Warren Hastings knows that the administrative action cannot be backed up without a concordant political power. He realises that all effort of efficiency is lost. Whether he would have made a move to make the country independent was never proved, but it was widely acknowledged that he strived to modernise the country.

The British Government, British Parliament do whatever possible to get Hastings removed through calumny and wide accusations; everything short of high treason. From their point of view, a determined leader fighting for the interests of the Indian peasants was dynamite. When Hastings gave into pressure, the British Authorities start a new tradition of appointing Governors and Governor-Generals outside the Company and more importantly those who had no previous experience in India. The hope of proper leadership on the top is castrated. Hastings' replacement is Lord Cornwallis, whose system of land tenure, Permanent Settlement, trying to re-give impetus to the traditional structure, throws the whole system into chaos and provokes an agricultural calamity that cost millions of lives in Bengal. It also

³⁴¹ An Impartial Observer (1813), op. cit., p. 81.

destroyed what the Company tried to rehabilitate. “The records of that period and the Fifth Report show that more than half the estates in Bengal were sold for arrears of revenue; many of the large zamindaris were dismembered; and most of the original zamindars reduced to poverty.”³⁴² It might have done a great damage to the Indian soil, Britain got what it wanted. Decades will be spent before the Company’s servants could bring things to normality; but these lost decades were a breath of fresh air for Britain and the Crown colonies.

As we saw under the Company rule in the first half of the 19th Century, pushed to the district level, a class of Company officials, against all odds tried to fulfil their duties in perpetrating a tradition of impartial administration in a country that long had lost it. The means at the disposal of these officers was minimal, assisted by a couple of assistants they had to administer territories the size of some the European countries; while the central regalia of the Governor-General absorbed more and more resources, under the impulsion of the British Government. The District Officers were hardly given the necessary means to improve the physical infrastructures that were needed to put Local Government on a higher footing. Faced with an impossible situation, the District Officer takes the administrative future of the country into his hands and assumes the position of a benevolent dictator.

The country is stabilised administratively but the financial benefits of the reforms are not felt because the country has a perpetual deficit which slowly becomes a sub-item of the British Budget. The adjustments come through the military expenditure that the Indian budget is made responsible for.³⁴³ Every opportunity is taken to shift the budgetary burden of Britain on to that of India. Although one is not a specialist of the Crimean War, it is difficult to understand why the cost incurred there had to be paid for from the Indian Budget.³⁴⁴ All the reforms implemented by the Company had yielded budgetary surpluses but they were in parallel eaten up by the military expenditure imposed by Britain. In this manner Local Government was starved of further development.

With a linear development of British control over the Company’s activities in India, it was only a matter of years before it would have taken full control of the Indian administrative apparatus. But the Indian Mutiny, the true reasons of which we are still not cleared, gave a good pretext to take complete control before the Company officials succeeded in developing the Districts to such a level that they would become platforms for people’s power, evolving from chaos to order. A breath of fresh air was given to the Indian village and its productive

³⁴² Floud F. (1940) op. cit., p. 21.

³⁴³ Argyll, Duke of. (1893): *Indian Revenues (Military Charges)*, HL Debate 03 July 1893 vol 14 cc637-48

³⁴⁴ Norton, Lord (1893): *Indian Revenues (Military Charges)* HL Deb 03 July 1893 vol 14 cc637-48

capacities before the suffocation would start again. The Company had managed to remove all the parasitical elements from the Village, although some argue that the Company was part of the oppressive structure.³⁴⁵ Personal diaries of the District Officers or the members of their family point a different situation, there was a fraternity of the underdogs. In the next section dealing with the Local Government under the Crown, we will see how the functional achievements under the Company are progressively reversed under the guise of improvement. This pattern, interestingly, coincides with the re-assertion of the Brahminic Order, under the sponsorship of the British Crown.

3.2. Local Government under Direct Crown Control (1858-1947)

In the Company Period we saw how the Warrens Hastings Model tried to reduce the apex and the intermediary levels of government in order to give full impetus to the lowest level, the village. To give full protection to this level he saw the necessity to build a strong fence around it in the form of the Indian District. His vision was to use the surpluses saved on the elimination of the intermediated and the upper levels to bring tranquillity to the Subcontinent and then plan for the next stage of development for the benefit of his 'people' and to a lesser extent the benefit of the East India Company; in which he saw a great potential to expand India overseas. In short the Hastings' approach was to strengthen institutions at the lowest level and then when this level is stabilised, progressively move up the nation-building process. From a purely economical and entrepreneurial perspective, the Hastings Model was built on a strong cooperation and mutual assistance between the Indian Village at the lowest level and from above, the East India Company. A coming together of two lean and efficient structures that were capable of creating surpluses.

Local Government under the company therefore becomes a defensive structure and an economic engagement. Hastings was aware, as was the British Crown, that given the strength on the bottom, the Company can be instantly transformed into a State structure on the same lines. And in the ensuing conflict all were aware that he who dominated the 'constituency' at the lowest level would win the day. Hastings would have got what Ashoka the Great had longed for. From the point of the British government, there were all the reasons to abort such an eventuality. Even before the Indian Mutiny of 1857, Parliament and Government were laying plans to refuse the renewal of the Charter and take direct control. It is interesting to

³⁴⁵ Forbes C. (1831): *Administration of Justice in India*, HC Debate 01 September 1831 vol 6 cc956-76

note, whatever the reason for the revolt, the Mutiny was not a popular uprising against the Company or its rule. Whatever the reasons for the Company's down fall were, it was evident who would be the beneficiaries.

This model of administration made no place for either the British Crown or the Brahminic Order and their tributaries. Elsewhere, we saw how both British Crown and the Brahminic Order, for obvious reasons, always envisioned a top-down model; the extractive capacity concentrating on the top and cascading down to the lowest level. The Crown, pulling strings from London, persisted in believing that its ventures had to be supported by 'traditional structures' of government and administration since a 'lean' economic structure like the Company's represented a threat, if institutionalised. We saw how both tried to foil these attempts with all the means at their disposal. Although Hastings the visionary was removed, the 'Districts' he had planted in the India soil, had laid roots and were getting stronger by the day. The period after the Company rule becomes triangular, the British Crown, Brahminic Order and The Indian District. Let us not forget that the removal of the Company rule could not be terminated by the part at the apex, which in reality was from the 1820s onwards controlled by the Crown. The Company rule was at the district level, and there was no uprising there. During the Company the lines were drawn between the Village and the Company on the one side and the Crown and the Brahminic Order on the other side. After 1858 this structural struggle did not change, the fences that Hastings had planted had gained strength.

In the ensuing battle we will see how the District becomes at the same time an arbitrator and a protagonist by the virtue of its structural leanness and functional utility. For the other two the simple creation of Hastings becomes a minefield. Neither could handle nor do away with the District, because neither had thought it to be so potent in itself. Both were condemned to reinvent their top-bottom models. This naturally generates ambiguities and hesitations, pushing the linear development of the District into lapses and disregard. In the section dealing with 'dual mandate' reasons were given unto why the British Government was hesitant to develop Local Government in India, this fundamentally did not change but at the same time it could not lean on an empty structure. In this section, it will be shown how Local Government evolves and is influenced by these dilemmas, hesitations and ambiguities. We will see how it resists by turning weaknesses into advantages, striving to keep its functional independence.

In 1909, on the eve of commemorating Fifty years of Crown rule in India, the Secretary of State for India and the Colonial Office put forward a memorandum of its good

deeds as compared with the ‘maladministration’ by the East India Company. After pouring endless recrimination on the East India Company, the document made the following conclusion: “It may fairly be claimed that, during the years of government under the Crown, progress has been more rapid in India than during any previous period of the same length, and that the intentions and actions of the Government have been as much for the benefit of the Indian people as in the time of the Court of Directors. The polity, the progress, and the requirements of India have been investigated by competent critics of many nations, and the general verdict has been that, despite mistakes and shortcomings such as are inseparable from human effort, the administration of India by the Crown has been an earnest and fairly successful attempt to solve political, social, and material problems of much difficulty and complexity.”³⁴⁶ The facts and figures presented and the wording of the document is extremely revealing. In this document the objectives of the British Rule become evident for those with appetite to see them.

A member of the British Parliament and a specialist in Local Government and Local Taxation, writing in 1885, has this to say about the conditions of local government in Britain: “At present the inhabitant of a borough lives in at least a four-fold area for local administration-in a Borough, in a Parish, in a Union, and in a County. None of these, unless by accident, coincides with any of the others. Different parts of the borough may be in different parishes, or in different unions, or in different counties. The inhabitant of the borough is, or may be, governed by a six-fold authority-by the town council, by the vestry, by the burial board, by the school board, by the board of guardians, and by the county quarter sessions. All these bodies differ in constitution, and citizens in different parts of the same borough may be subject to different bodies of the same description.”³⁴⁷ A Frenchman or German would reel with dizziness at the British way of organising local government. The same authority goes on to say that “...there are about 650 Acts, or fragments of Acts, of general application to local affairs; that these public Acts are supplemented by some thousands of local and special Acts, which apply to particular towns and districts, and accumulate at the rate of about sixty a year.”³⁴⁸ This goes on to show that when it took the affairs of India into its hands it had no notion of rationalised local government, as was initiated by Warren Hastings at the lower level of the Company Rule.

³⁴⁶ Secretary of State for India: *Memorandum on Some of the Results of Indian Administration During the Past Fifty Years*, Her Majesty’s Stationary Office, London, 1909, p. 34.

³⁴⁷ Rathbone WM. et.al.(1885) op. cit., p. 99.

³⁴⁸ Ibid. pp. 34-35.

If the British Crown was unable to bring about a rational local government format to a relatively homogenous country, which had enjoyed uninterrupted parliamentary system since the end of the 15th Century, it had little chance of success in a country like India where the complexities were manifold. It is equally difficult to imagine how a government unable to feed its people, resorting to mass emigration, could bring economic development to another country almost Twenty Five times its own. May be it was this fact that made the authors of the 1909 Memorandum declare: “In order to transact the greatly increasing business of the country larger powers have been conferred upon Local Governments, and much public duty has been delegated to local bodies. Further changes in the same direction have been recommended by the Royal Commission upon Decentralisation in India in the report which has lately been presented to Parliament.”³⁴⁹ For centuries, Local Government for the British Aristocracy was a way of shifting responsibility to others while they enjoyed the ‘fruits of good government’. Nothing would change in the Indian context; here it was alternatively called delegation or decentralisation but fulfilled the one and the same purpose. As WM. Rathbone once said in the relation to the temperament of the British Government, “... *government has been able to endure so long chiefly because it did so little.*”³⁵⁰ But it does do something, it is always presented as serving the benefit of the Indian people but the undercurrent of this is always aimed at improving or safeguarding its own interests, and these were multifaceted.

In official British *parlance* the term ‘Indian Dependencies’ often masks the fact that in reality it was Britain that was dependent upon the Subcontinent, as the importance of Crown decrease and Asia takes ascendance. The East-India Company at regular intervals, when the Charter came to renewal, made sure that the British Parliament was conscious of this fact. The British authorities often poured venom onto the East India Company because of its endeavours to make India as independent as it was legally possible. So when the Crown took direct control the overall objective was to make India a ‘dependency’ in every manner possible.

The Company’s main base of economic power was the ‘Land Revenues’ and there the village and the Company’s objective was to develop this basic economic unit by putting it on a sure industrial path. As Sir George Campbell later pointed out, the whole constitution of the village was that of an industrial unit.³⁵¹ It was obvious that the Crown did not want to develop

³⁴⁹ Secretary of State for India (1909) op. cit., p. 2

³⁵⁰ Rathbone W.M. et. al. (1885) op. cit., p. 32

³⁵¹ Campbell G. (1893): *Memoirs of My Indian Career*, Volume 1, published by Macmillan, London, p. 105

this segment. It was therefore important for it to create a new economic segment upon which it could base its power. Crown works on a logic diametrically opposed to that of the Company and the vision of Warren Hastings. The Crown loathed the idea of 'Indian Production'. While the Company thought in terms of economic production, the Crown projects a vision in favour of consumption, especially a middle class consumption susceptible to British products. Given the importance of Local Government, this had a direct and profound impact on the development and evolution of Local Government under Crown Rule.

The above mentioned Memorandum makes it clear that under the overall objective of making India into a dependency, the policy inside the machinery of government is further divided into distinct objectives: 1) Shift British budgetary burdens onto India, 2) Create a middleclass which would be capable of consuming British goods 3) Keep the durable industrial development frozen for the foreseeable future by a financial orthodoxy of balanced budgets. All these objectives on the surface might not be touched by local government issues, but they are tightly connected to the selectivity and the pace in its development. The above also means that the emphasis of Crown Rule being placed on the wrong end means that the lower end gets not only neglected but is also squeezed of resources, while the burden of government is pushed evermore onto the lower level. Development of institutions takes place to support this downward motion of the administrative burden. All the above objectives were interconnected and all reserved, in one way or the other, a certain of type of development at the Local Government level. And here it is very important to underline the fact that the term 'Local Government' in British *official parlance* meant government for locals as opposed to the Government at Westminster or the Supreme Government in India itself.

3.2.1. Shifting the Budgetary burdens to create desertification of resources

Firstly, then, the shifting of British budgetary burdens onto India and the consequent evacuation of resources on the top end is closely related to the under-development of Local Government. The structure of the flow of financial resources does not distinguish the Crown model of government from that of the 'Traditional Structure' of government that the country had experienced before the Company Rule. It was a purely extractive model, despite all the 'good intentions' of the British Crown towards its Indian 'dependency'. This becomes evident when we realise that a lion share of the fiscal resources are derived from the rural 'tracts',³⁵² as

³⁵² Secretary of State for India (1909), op. cit., p. 15

they are designated in the 1909 Memorandum. Out of a gross revenue of Rs.1,084,000,000 some Rs. 649,000,000 still came from the sweat and toil of the Indian Village.³⁵³ But the Crown refuses to take its 'superior' government effort to this level; the relation is therefore a one-way relation. This is in a sharp contrast to what the Company deemed appropriate. As the 1909 Memorandum puts it: "The gross expenditure similarity shows a very large increase on the pre-mutiny standard. In 1856-57 it was Rs. 318,000,000; in 1906-07 Rs. 1,073,000,000. Excluding from the latter figure charges of a commercial nature, such as the working expenses of railways, canals, forests, posts, and telegraph, which have practically no counterpart in the Budget of fifty years ago, there is still an increased expenditure of about Rs. 480,000,000, or 32,000,000L. This increase is due partly to larger outlay on public works, partly to the increased Army charges, and partly to the silver difficulty described in the next paragraph; but it is mainly due to the growing requirements of a civilized and improving administration."³⁵⁴ Contrary to its statement the Crown was adding the administrative muscle in the wrong place and for obvious reasons.

To create a desertification of resources at the lower level what the Crown does is to increase the demands at the upper level. While the Company tried to keep the Apex lean, what the Crown does is to make un-granted increase of the central administrative structure. It uses the advent of the Mutiny to disproportionately increase the military expenditure and the size of non-native military personnel. While the Company's military effort concentrated to pacify the country and bring internal peace, the Crown's military effort was geared to fighting imperial wars which only marginally concerned India. As the 1909 Memorandum admits the Crown was reaping the benefits of the efforts made by the Company as far as law and order was concerned.³⁵⁵ Britain consciously creates the need for extra military expenditure whenever it is deemed necessary. Contrary, to the Company's policy of keeping local recruits high, the Crown greatly increases recruitment from Britain. In 1856 the composition of the Company's armed forces was 40 thousand British troops to 215 thousand native. By 1909 this had been altered in favour of British troops, now there were 75 thousand well paid and looked after British troops to only 159 thousand badly paid native troops. Added to this the Native States were asked to provide some 18 thousand troops free of costs to the British imperial conquests in Asia and Africa.³⁵⁶ The 1909 Memorandum mentions a total military expenditure

³⁵³ Secretary of State for India (1909) op. cit., p. 17.

³⁵⁴ Ibid. p. 18.

³⁵⁵ Ibid. p. 1.

³⁵⁶ Ibid. p. 33.

of 19,241,000L or an equivalent of Rs. 307,856,000 which roughly comes to 30% of the total expenditure.³⁵⁷

To this, one has to add the annual liability of another 18 million sterling; which had to be transferred to Britain. "...up to 1871, ten rupees of Indian money could on the average be exchanged for one pound sterling of English money. And at that rate Rs. 180,000,000 would suffice to cover India's yearly liability of 18 millions sterling in England."³⁵⁸ What happened after that was that the Rupee was devalued to almost Rs. 16 to 1 British Pound. This meant that over night the liability grew to almost Rs. 300 million. If we add the military expenditure to the annual liability to London then almost 60% of the total budget had been eaten by just two items. And this does not yet include the expenditure of the civil service and the police department. We realise then that the Company was much more successful in the overall management since its patriotism was deeply bound with India. The Company had kept the debt in native currency, which had made its repayment relatively guarded against the risks of currency fluctuations. The immediate consequence of the Crown Rule was that a large chunk of the new debt was in Sterling. This not only increased the debt burden but also the size of interest payments. And as if this was not enough the Crown borrowed at 5-6% rather than the favourable rate of 2-3% the Company used to borrow at. The reason for this doubling of rates was the risk attached to India. It is an interesting statement of defeat from the British Government that its rule of India was considered riskier than that of the Company, and the investors had less confidence in its credit worthiness.

In the above illustration of the extractive model of the British Government in India, we saw that two items had sucked off 60% of the total budget. In a typical structure of a country's finances the lower we get the charge of government gets bigger and the provision of funds has to reflect this trend if one is to have a balanced administrative structure. Once again it is very revealing to see how the Crown appropriates its budget to the various levels: "In round figures, and exclusive of railways, the Supreme Government keeps the control over 49,000,000L. of expenditure, including payments in England, while to the Local Governments is delegated the control of 23,000,000L."³⁵⁹ Here, when the Memorandum speaks of 'Local Government' it is in fact speaking of provincial governments, which is also heavily manned by the bright and up-coming 'Oxbridge' graduates. However, going back to the proportions of appropriation, more than two thirds is kept by the Supreme Government and less than a third

³⁵⁷ Secretary of State for India (1909) op. cit., p. 33.

³⁵⁸ Ibid. p. 18.

³⁵⁹ Ibid. p. 20.

is allowed to pass to the provincial (or Presidency) level, 23 million sterling (or Rs. 368 million) to administer more than 300million people; on average that comes to Rs 1.22 per inhabitant. This should cover the administration, education, security, sanitation, public works and scores of other items small and big. There can hardly be any money left for institutional development. In reality, as we will see later, this barely covered the costs of administration, and see with what means the country was really governed. “Municipal and other local taxes, which are not shown in the public revenue, have, it is true, been imposed since the Mutiny; but the proceeds are expended entirely by local bodies on local objects, such as roads, harbours, schools, hospitals, and town improvements.”³⁶⁰ It is once again necessary to point out that these are outside the annual budget of India.

One would assume that in the eventuality of keeping two thirds, the Supreme Government, even after the deductions of military expenditure and liabilities to Britain, would have enough to pay for public works. It was out of question. All major works of ‘public’ utility had the same objectives and were paid for by the bulging India debt. These works reinforced British presence in three ways. By procuring for British capital grand investments that gave good returns; provided employment for ever larger inflow of British skilled workers and made the internal control of the Supreme Government stronger. These were works like the railways and postal and telegraph systems. There were also irrigation canals and trunk roads built but entirely on debt and operated charges. “In Madras the Cauvery, Godavery, and Kistna irrigation works yield a direct return of irrigation revenue varying from 15 to 22 per cent, on their capital cost.”³⁶¹ The importance of this evidence is that infrastructural development was done through raising debt and with consideration of a strong return on investment. Although public utility of these works was recognised it was not a decisive criterion that induced the investment. The whole thing worked on a simple entrepreneurial logic. Its very nature of being an off budgetary element corroborates with this logic. And Local Government, catering for almost 90% peasants, could hardly compete with these entrepreneurial priorities of the Crown.

3.2.2. Creation of a Middleclass capable of consuming British products

The peasantry was a problem for the Crown. It accepts the fact that a big part of the overall revenue is derived from the rural ‘tracts’ but does not see much scope for British

³⁶⁰ Secretary of State for India (1909) op. cit., p. 18.

³⁶¹ Ibid. p. 22.

Interests. For a traditionally aristocratic view of the world, it is hardly wise to elevate the tillers. Economically, apart from the customary extraction, they were hardly worth the thought. They did not generate enough surpluses to be able to consume British products, produced in Britain. As John Stuart Mill wrote in 1858, when the Crown took over from the Company in which he was employed: “The customs in India, are not a very productive source of revenue, the classes who consume any considerable amount of foreign productions being comparatively limited. There is no branch of taxation in which the burdens of the people have been more conspicuously lightened by the British Government.”³⁶² It was evident for the Crown, from the beginning, that the peasantry cannot be counted for anything else than land revenue. And that was haphazard since a lot depended on the level of precipitation, in a country where droughts and famines were frequent.

If Britain was to make commercial in-roads into India, then it was elementary necessity to increase the size of the ‘urban middleclass’ and give the legal framework to enrich themselves in certain sectors of the regulated economy, without creating the prospect of local competition for British Rule or British products. The 1909 Memorandum has this clue to the solutions and options on the table: “In pursuance of the policy announced in Her Majesty's proclamation of November 1858, in accordance with Acts of Parliament, and in fulfilment of the just aspirations of the educated and leading classes, much effort has been made to associate natives of India with the government of their own country.”³⁶³ The master plan of the Crown Rule was to hit two birds with the same stone. There was a need to involve the Brahminic Order back into the henhouse, to reduce local demand for greater participation that the Company had refused categorically on the grounds of economic efficiency. And there was, as pointed above, a need to create an Indian middleclass to consume British Products. The ‘genius’ of the Supreme Government and the British Government was to ‘make space’ for the emerging middle-classes at the Provincial level. If the Indian Village was the preferred ‘constituency’ of the East India Company, this middle structure that the Company made nuisance of, becomes the preferential ‘domain and constituency’ of the Crown Rule. And as could be expected it was only willing to go down to the level of its constituency. Municipal governments, the urban equivalent of rural districts, therefore become the primary beneficiaries of the Supreme Government’s financial largesse and legislative support.

³⁶² Mill J.S. (1858): *Memorandum of the Improvements in the Administration of India during the last Thirty Years and the Petition of the East –India Company to Parliament*, published by W.M.H. Allen and Company, London, p. 25.

³⁶³ Secretary of State for India (1909) op. cit., p. 3.

To support the creation of both a middleclass and the growth of municipalities the Crown takes a legislative and regulatory approach and combines it with an administrative backbone in the form of public employment. The Indian middle classes, it has to be pointed out, were never against British Rule, their only contention was the spoils of the Indian Empire and its distribution. As Karen Barkey explains in the context of the Turkish Empire: “Where the culture of seeking state office and sharing in state power is very strong, contention can take the form of conservative and state-reinforcing appeals for incorporation, not to be confused with challenges to state rule. Jockeying for positions within the state apparatus takes different forms according to the position and status of the contender. Whereas for those within the system there are a variety of ways of improving their status, those outside the system have to seek confrontation. Therefore, there may be moments in state development when alternative social forces force the state to the bargaining table and the state and society are competing within the same primary domain, that of the use of physical force. These are the forces of those outside, entering through confrontation and later deal making. The state is, however, still a viable actor that only strengthens itself through constructing the right deal.”³⁶⁴ The Secretary of State and the British Government were receptive to the demands of the ‘leading classes.’

As it was always looking to reduce useless bureaucracy, the East India Company had kept public employment low but the British Government as explained earlier increased the availability of public employment to the leading classes. The 1889 Memorandum announces that, by that year there were: “The total number of income tax payers in 1886-87 was 910,000 persons, of whom 102,000 were receiving fixed salaries, and the total yield, of the tax was Rs. 1,305,000.”³⁶⁵ Thanks to the ‘administrative’ efforts, roots were being laid for the birth of a new middle class which was increasingly dependent upon the Crown for public employment. A measure of its success, excise duties on items like imported alcohol had quadrupled: “The excise revenue has risen from Rs. 1,152,000 in 1860 to Rs. 4,439,000 in 1887.”³⁶⁶ The Crown had done everything to encourage the movement. As the 1889 Memorandum explained: “... the trade of India is now, on the whole, more free from customs burdens than the trade of any great country in the world.”³⁶⁷ In the year 1881-1882 the customs were

³⁶⁴ Barkey K. (1997) : *Bandits and bureaucrats: the ottoman route to state centralization*, Cornell University Press, California, 1997, p. 20.

³⁶⁵ India Office (1889): *Memorandum of Some of the Results of Indian Administration During the Past Thirty Years of British Rule in India*, Her Majesty’s Stationary Office, London, p. 14.

³⁶⁶ *Ibid.* P. 14.

³⁶⁷ *Ibid.* P. 14.

abolished on all imports except munitions, liquors and opium.³⁶⁸ While during the end of Company rule the level of imports were around 14 millions sterling a year, by 1888 this had increased to a massive 65 million and the potential was hardly exploited.³⁶⁹ While before 1857 India imported 11.5 millions worth of gold a year, by 1888 this had been reduced to 3.5 millions a year.³⁷⁰

3.2.3. Keeping durable industrialisation at bay

While it was rapidly creating a new middleclass of its own, it was unashamedly destroying what the Company had tried to protect for over a hundred years. “In old times India was a self-contained country, where every tract, more or less, made its own clothes from its own cotton, produced its own iron and made its own tools, grew and consumed its own food. Yarn was spun, cloth was woven, iron was smelted, and tools were made on a small scale by individual workmen after rude methods. But before 1858 the old order was changing, and the change has been still more rapid since, Machine made fabrics and tools are taking the place of the local manufactures; and no doubt many thousands of families have lost the trade and the custom their ancestors had enjoyed for generations. But this change has not been without compensating advantages. There are signs that some of the Indian art industries, such as embroidery and work in silver and gold, are reviving in answer to the new demands of a growing foreign trade.”³⁷¹ As the result of the urban middle-classes increasingly switching to chic British products, hundreds of thousands of local family ‘manufactories’ were going down the drain. ‘The terrible competition of Manchester has crushed out a multitude of minor handicrafts, and cotton manufacture especially has declined and deteriorated. It is melancholy to contemplate the decay of the weaver class, and their struggles to bear up against the inevitable. The abolition of all import duties has doubtless benefited the general consumer, but it has ruined the weavers and a few other castes.’³⁷² In the late 18th and early 9th Century, as explained elsewhere, Britain imposed heavy tariffs on Indian produce and goods. And when the Crown took direct control of India it abolished all customs on British products entering India. As Mr. Philips, a one time Collector in Bengal, explains: “Though India has not reached that modern stage of industrial development, which is based upon the use of coal

³⁶⁸ Philips H.A.D (1886), op. cit., p. 3.

³⁶⁹ India Office (1889) op. cit., p. 24.

³⁷⁰ Ibid. pp. 24-25.

³⁷¹ Ibid. pp. 24-25.

³⁷² Philips H.A.D. (1886), op. cit., p. 210.

and the discoveries of physical science, yet, in all manufactures requiring manual dexterity and artistic taste, she may challenge comparison with England in the eighteenth century.”³⁷³ And he adds: “The abolition of customs duties and the competition of Manchester has ruined the weavers and crushed out some minor handicrafts.”³⁷⁴

The District Officers like Mr. Philips were the first to be affected because of the nature of India’s cottage industry, most of it happened in the village before transiting to town markets. The decline of these cottage industries had a direct impact on the welfare of the rural districts, especially the drier ones which needed these trades to offset the poor agricultural yields on their dry lands. These Officers were compelled to do something but could actually do very little because of the ever-increasing limitations on their executive power and the general reductions of the already menial budgets. This could have been classed as an inevitable evolution in the backdrop of intensive international competition. Traditional economic systems like that of the Japanese had also come under attack, but there a new class had everything in its means to put the country’s economy on new rails.

The difference with the Indian context was that British desires had given birth to a native middleclass in tune with British objectives; its main characteristic, as it was with the Brahminic Order, was that it was parasitical. This Indian middle-class does not create; it feeds upon the productive energies of other segments of the society. It was argued in the above passages that the Crown itself had a parasitical relationship with the Subcontinent and was evacuating resources from the top. The method and the means it deployed to do this meant that it was organised as a parasitical enterprise-‘*association de malfaiteurs*.’ As one expert on the question remarks: “The revenue of this country would be looked on as a vast mass of *droits* of the Admiralty, of treasure to be spent without being accounted for; and the service would be a snug hole into which everything that was too disgusting to be seen at home might be thrust.”³⁷⁵ And now it had the mission to incrust a Native parasitical element into the whole structure. And since it had hegemonically occupied the upper end of the parasitical hierarchy – the Supreme Government, the Native middle-class was attributed a lesser role – the Provincial Government with a scope to creating and controlling the Local Government structures at sub-provincial levels and even further down as opportunity presented itself. The role attributed therefore to the native middle-classes was that of administration and not of industry and economic development. This was not a new venture for the Brahminic Order; it

³⁷³ Philips H.A.D. (1886), op. cit., p. 209.

³⁷⁴ Ibid. p. 210.

³⁷⁵ Kaye J.W. (1867) : Lives of Indian Officers, volume 1, published by A. Strahan and Co., London, 1867, page 255.

had made a life long career of it and had a special conception of it, and unlike the previous forays, where it had the whole structure to itself, now it was presented with a small patch. As awaited, the intensity of its extractive activity was concentrated at the Provincial level and downward. Local Government and Local-Self Government was not about 'good administration' and the need to fill-in the gap that was long missing from the administrative structure. It was supposed to be the grazing ground for the regenerated native parasitical presence – the Brahminic Order.

The Company had kept the provincial level to the bare minimum, but the promise of the Crown was that this could swell in proportion to the appetite and ambitions of the new avatar of the Brahminic Order, the 'leading classes.' It was evident that the lion-share of the revenues was gobbled up at the 'Supreme' level but there was the promise of an Eldorado at the Provincial and Sub-Provincial echelons, the Local Self-Governments. To make this come true, the Crown, which was always uncomfortable with the independence projected by the Indian Village and its guardian, the lone District Collector, always wanted to pull down the protective fences erected by Warren Hastings and his Revenue Board of Collectors. What we assist hence forth is a battle of methods where the alliance between the two parasitical partners is tested. The Brahminic Order is, as we saw in the section dealing with the pre-Company period, accustomed to uncontrolled and unabated pillage. The Crown, on the other hand was accustomed to a managed and well-organised pillage. Both were systemic and systematic. Until 1858, the Crown had played a game of playing the 'traditional structures' against the Company, but now that the Company had made way, it was getting cold feet about the 'traditional structure'; confidence in the Brahminic Order had to be re-thought. The strategy it adopts is that of a sheep farmer; instead of letting the sheep loose and getting all pastures savaged at one time, it decides to attribute well defined patches here and there as it sees appropriate.

While accepting the promises of the Crown, the 'leading classes' were under the impression that Self-Government, at the Provincial level and downward, would involve a system of equitable revenue-sharing. But the Crown was willing to give back only a tiny portion of what was due. Its interpretation of "Self-Government" is "fiscal autonomy," meaning "Self-Financing." But how can a parasitical organ or instrument of power "finance itself?" It had never in its existence had financed itself from its own toil. It was squarely unfair of the British Crown to force it into a position of fiscal mendicant. As we will now discover injury was not limited to this, the resistance from below was strong, another reason for the Brahminic Order to feel betrayed by its ally, the British Crown. The problem for both

was that these patches do not really belong to them. They did not enjoy the luxury of an open argument, lest the true owners wake-up to the reality of their sovereign rights. This was the ambiance and atmosphere under which the prospects of Local Government swayed under Crown Rule, before becoming moribund in the later periods.

The major constitutional reforms initiated in 1915, 1919 and 1935 do not deal directly with Local Government in the proper sense of the term although they have an indirect impact on the lower level instances. All the attempts were victim to political unrest and were not deemed an innovation on earlier constitutional reforms. While the 1919 Government of India Act tried to make more space for Native participation at the Provincial level, at the Supreme Council level, a virtual dictatorship installed during the Great War, and was later prolonged, as political agitation returned. Legislative capacity was still maintained at the central level. As far as the question of local government was concerned, it once again repeats the proposition that the creation of sub-provincial structures of government can be decided at the provincial level, as long as they do not disturb central prerogatives. Minor adjustments to the existing institutional set-up to give functional efficiency. The Montagu-Chelmsford Report that was written before the 1919, expressly mentioned that Local Self-government should be passed onto the provinces for construction and implementation.³⁷⁶ The line of argument from the Crown, that it will take self-government to the provincial level and that the Provincial Government should take it further down was not new and did not change until the end.

While crying high and loud that it was the responsibility of the Provinces to legislate for the lower levels, the Crown was doing everything to squeeze the provincial legislative capacity, thus limiting its appetite for further local government. As Sir George Campbell, a one time active District Officer, puts it: "During part of the time, in fact, I think that department (Supreme Legislative Council) was certainly mischievously active, as when they passed a general Cattle Tress Act for all India, and laid down the fine to be paid by an old woman whose cow strayed in all the country from Cape Comorin to the Himalayas. The consequence is that so much ground is covered by this subsequent legislation as to leave comparatively little that the Provincial Councils can touch, and they now seem to do very little. The object of establishing the power of local regulation is almost defeated. I very much regret that in this session (1891) the India Councils Bill has not been proceeded with, if it

³⁷⁶ Barker E. (1919): *The Future Government of India and the Indian Civil Service*, published by Methuen and Company, London, p. 9.

were only for the clause restoring power to the Provincial Councils.”³⁷⁷ The consequent development of the Local Government infrastructure, namely that of the Municipalities and District Boards, is burdened by this incapacity.

3.3. Municipalities – Giving comfort to British Settlements by local taxes

British settlements were mainly concentrated in the old trading posts of the East India Company that had progressively grown to the size of major cities. As explained in the brief history of the East India Company, these ‘encampments’ had their governmental structures from the beginning and were progressively adapted to new demands made on them. What we can say is that they had their own independent development from the beginning of the 17th Century. In this sense the history of the municipalities of major cities like Bombay, Calcutta and Madras pre-dates any of the British administrative innovations on the soil of the Indian Subcontinent. And it is very important to stress the fact that these cities and their governments were deeply rooted in the entrepreneurial culture of the Company. Although the history of these cities and the way they were governed is intimately connected with the country, it would create a historical distortion to over stress their importance to the development of the Municipal structures under the Crown Rule.

The Supreme Government deemed necessary to introduce municipal self-government to settlements where there were British immigrants. These were generally British servicemen and their families. It would have been out of place not to have created some form of Local Government, similar to the Boroughs back in England. This would also cater for the growing demands of the increasingly noisy urban castes among the Natives. The 1889 Memorandum put out by the India Office gives the following update concerning the Municipalities: “There are now in India 720 municipal towns, containing a population of 14 millions. Out of 7,193 members of municipal bodies 3,481 were elected. The municipal franchise is usually given to any town that cares to exercise it, and, wherever municipal committees are elective, the elected members are never less than half of the whole body. Municipalities during 1886 controlled an expenditure of Rs.3,569,000, out of which Rs.1,968,000 were raised by taxation, Rs. 1,237,000 from sources other than taxation, and Rs.452,000 by loans for specific works of water-supply or drainage. Of the total expenditure 34 per cent, was devoted to hospitals, vaccination, water-supply, and other sanitary improvements, and 23 per cent, to streets, roads,

³⁷⁷ Campbell G. (1893): *Memoirs of My Indian Career*, Volume 2, published by Macmillan, London, p. 209.

and other works for the public convenience or safety.”³⁷⁸ To put this valuable information into perspective, the first thing to know is that 14 million out of a total population of 270 million, meaning that roughly 5% of the population was concerned in 1889 and remained the same in percentage terms in 1909.³⁷⁹

And secondly, Municipal status was not compulsory after meeting a certain criterion. After 20 years the number had increased from 720 to 740, on average a yearly increase of just one municipality! Another thing to be said about the above situation is that it was almost self-financing, in the sense that it did not harm the Central Budget in any measure. Democracy was allowed but the majority was appointed by the authorities which makes nonsense of the notion of self-government. It gave an opportunity and a forum to protest and seek redress. But still the Municipalities can consider themselves fortunate by the amount of controlled funds at their disposal. Both in 1889 and 1909 the amount attained by the municipalities (5% of the population) was identical to the amount attained by the District Boards (95% of the population). The attention given to the Municipalities was 1 to 20 in favour of the urban areas, they were better able to raise the rates and levies. But it is also true that when we take a closer look, in 1909, 40% of the 3,9 million sterling of revenues came from just four major cities of the Indian Empire (Calcutta, Bombay, Madras and Rangoon).³⁸⁰

One reason for slow growth, in the formation of Municipalities, was the predominance of the Provincial capitals and port cities. Britain’s urban dream for India was limited to the leading classes which were at the same time hitting it high in the new wave of bureaucratic expansion and trade opened by the massive import of British goods to India. The above mentioned four cities were all port cities which were at the same time provincial capitals. They had the opportunities, both commercial and administrative, that other regions could only dream of. Speaking of the general conditions of Bombay the 1889 Memorandum says: “With the exception of the Ratnagiri District, it may be said that the people of the Bombay Presidency are in fairly good circumstances.” And a paragraph later, the situation of the Central Provinces was described as follows: “There is no doubt in these provinces a great deal of poverty...”³⁸¹ The Supreme Government did not consider its duty to bring the same administrative development to “...who are but little more provident than the beasts of the forests, and have to undergo similar vicissitudes in daily food.” The Company’s rule successfully resisted British imports, to protect tradesman and cottage industries of the

³⁷⁸ India Office (1889) op. cit., p. 32.

³⁷⁹ Secretary of State for India (1909) op. cit., p. 30.

³⁸⁰ Ibid. p. 30.

³⁸¹ India Office (1889) op. cit., p. 30.

country by imposing high duties on imports of British products. To develop trade and commerce it encouraged trade and commerce between regions; which partly reduced the inequalities by providing more breathing space to land-locked regions and districts.

As mentioned earlier the Crown abolished the 5% customs that the Company used to levy on imports. This meant that nascent urban centres in the inner country were literally wiped out. The 1889 Memorandum smugly announces, “Machine made fabrics and tools are taking the place of the local manufactures; and no doubt many thousands of families have lost the trade and the custom their ancestors had enjoyed for generations.”³⁸² Without surprise this paved the way for more British goods but also the setting-up of manufactories in and around major port cities like Bombay, Karachi and Madras. Once again the old urban centres that had been Company Settlements got economic reinforcement, giving more revenues to these municipalities which were at the same time Provincial capitals. Outside the coastal areas and Punjab, which was developed for special reasons, Municipal Self-Government was seen as unnecessary by the Colonial authorities; not because there was no need for it.

The Supreme Government was not prepared to dispense with funds to finance the creation of more municipal self-governments where people hardly had the money to buy imported goods from Britain. A mere 740 municipalities for a population of 300 million in 1909, by any standard was very low. It was also true that the leading classes curtailed their settlements to Bombay and Calcutta, and to a lesser extent to Madras. And the fact that between 1889 and 1909 only 20 new municipalities were created corroborates with this logic of tying-up the creation of municipal self –governments with British goods and ‘leading’ classes. Karen Barkey in a very insightful work entitled *‘Bandits and bureaucrats: the ottoman route to state centralization’* argues that: “No hard and fast rule dictates how to run an empire; often a structure lent itself to manipulation by individuals who occupied its various administrative levels. All too often, historians have studied these structures with little attention to their flexibility, interpreting each and every instance of deviation as a particular case.”³⁸³ The same was with the Crown’s way of adjusting local municipal structures to its needs and requirements. Although the Provincial Councils were offered the possibility to legislate in this direction, there was caution to develop them further since the strings were still pulled by the Secretary of State for India and the Supreme Government. It is not therefore surprising that Ernest Baker, in his *The Future Government of India and the Indian Civil*

³⁸² India Office (1889) op. cit., pp. 24-25.

³⁸³ Barkey K. (1997): *Bandits and bureaucrats: the ottoman route to state centralization*, Cornell University Press, p. 25.

Service, declared: “It is true that a fuller development of local self-government within the province is a necessary basis for any structure of provincial self-government...”³⁸⁴ Compared to the systematic approach taken by the Company, the efforts of the Crown were patchy, where coherence and rationality were difficult to ascertain.

As for the notion of self-government at the municipal level, it never really was that. Self-government can be called that when the totality of the members is elected and there is no interference from the central government in day-to-day running of the Town, city or Ward. The 1909 Memorandum announced: “Since 1860 a comprehensive system of municipal government has been created. Laws have been passed for every province of India, under which urban affairs are placed in the hands of local bodies, partly elected by and partly nominated from among the townsfolk. In the municipalities as a whole about half the members are elected: the rest are nominated by the Government. The tendency is to extend the elective principle, so far as is consistent with efficient administration and the due representation of the different classes of the community. The municipal bodies, ... are responsible for the sanitary improvement, the hospitals, the streets, the lighting, the schools, and, in fact, for all local affairs in their towns. Except in the larger towns, municipal elections are not keenly contested. But a seat on a municipal board is highly esteemed as an honourable and useful post, though it carries no emoluments and much responsibility.”³⁸⁵ Although the selection of words of the memorandum paints a positive picture the tonality is one of defeat.

The Crown adapted a strategy of ‘gradual’ hand-over of power to these local institutions. But there was no time-scale attached to this gradualism and no concrete intermittent objectives were set. If people knew what the grades of improvement were going to be, perhaps they would have had the inclination to take these institutions seriously. But the Crown always maintained a doubt on the development of sub-provincial institutions. Once again it used their development to shift administrative tasks without really providing the resources. And as usual the objective always seems to be that of loosening the grip of the District Collector in favour of the leading classes.

As was expected, where ever it was adopted, Municipal Government became a farce. There was no coordinated effort to build efficient structures that would bring about concrete results. Ex-District Collector, Robert Cartstairs, gives a very good insight into the workings of the amateur approach to local government at the municipal level. The right to vote for

³⁸⁴ Barker E. (1919) op. Cit., pp. 5-6.

³⁸⁵ Secretary of State for India (1909) op. cit., p. 30.

candidates was given to individuals against a certain amount of taxes paid and this gave the result it merited: “And what an ultra- democratic system that was! It gave a vote to every recorded ratepayer, however small the rate paid. Women had votes; and one little boy of eight claimed the right successfully.”³⁸⁶ There was as expected a lot of electoral fraud and Carstairs explains that in some places almost 40% of the candidates were disqualified. And since municipal government was not compulsory, it was optional, interest was low. Interestingly the urban areas that asked for it were towns and areas that were predominantly under the influence of the merchant or Brahmin castes. These municipal forums soon became places for these castes to further assert their influence. They would come to make long speeches to the attendance but were never there to deal with practical matters; it was not in the habits of the Brahminic Order.³⁸⁷ These forums were also prized by the business classes. As one Collector who acted as its chairman puts it: “We used to begin our Serampore meetings at eight o'clock in the morning, and they lasted till ten, when there was a general stampede, most of the members having to catch the train for Calcutta, where they went to business.”³⁸⁸ From the standpoint of the Supreme Government and the British Crown these developments were very welcome because the ‘leading classes’ dominated these forums. And they produced what was expected of them, further economic handicap and misappropriation of economic resources. “Influential men liked to get the town's money spent near their own houses, and to get the town's servants to do their private work. They also liked patronage. A strong set was made to get rid of the conservancy overseer—a Eurasian— to make room for a Bengali.”³⁸⁹ The administrative reforms were in no way a motor to a new period of urban economic regeneration.

Regeneration could not take place because of the resource model of municipal governments. The Supreme-Government had the habit of pumping of fiscal resources to the top and leaving very little at the lower level. No real guidance or legislative support was given to procure fiscal resources at the lower level. Talking about the situation of municipal government its condition after fifty years of Crown Rule the 1909 memorandum has this to say: “A very considerable start has been made in local self-help and self-government, and considerable local interest has been evoked in local affairs. The law provides that, in case of great neglect or mismanagement, the Government may intervene and take specific local matters out of the hands of the municipal body, but the extreme step of actual intervention is

³⁸⁶ Carstairs R. (1912): *The Little World of an Indian District Office*, published by Macmillan, London, p. 76.

³⁸⁷ Ibid. pp. 76-77.

³⁸⁸ Ibid. p. 84.

³⁸⁹ Ibid. pp. 76-77.

rarely taken. The Government and its officers habitually afford help, advice, control, and even admonition to any municipal bodies that may seek or require such aid.”³⁹⁰ The answer from the Supreme Government was straight forward, it was up to the municipal government to help itself, devise the structure of its new fiscal adventure. And since the parasitical elements were reintroduced into the system of administration, there was no real possibility to make the wealthy, which had the resources to pay for the maintenance of municipal services. Carstairs had this to say about his experience in his district: “Perhaps the prime weakness of the municipality was assessment; and, seeing how the assessment was done, this could hardly fail to be. The town was divided into eighty small circles, in each of which a nominee of the elected Commissioners assessed his neighbours —his friends and his enemies; and behind these came an appeal Bench to earn popularity by reducing the assessments thus made.”³⁹¹ Once again, therefore, the flow of resources was high-jacked by a ‘leading classes’ to which the Crown Rule had preference to.

Apart from diverting rare and valuable resources what these municipalities did was to convert tasks that were based on solidarity into pecuniary ones. Earlier as villages grew into towns, the organisational structure did not change, nor did their efficiency. As far as security of a settlement was concerned, the village had its watchman or a system of rotation among the inhabitants. What happened after, with the administrative reforms was that a new police system was introduced, which had to be paid by local rates but the control of it was not necessarily local. This became a financial burden without bringing additional security. As Carstairs explains: “When I first joined the municipality it was desperately hard up. Its funds were crippled by having to meet a heavy charge for the town Police, a force created by the law to take the place of the old village watch.” Rather than creating security a lot of times they were a cause of insecurity, as influential members of the municipal government tried to use the police for settling differences with other members of the community.

Robert Carstairs, who was a District officer controlling 8000 villages and municipalities, seeing the importance of this problem, dedicates almost a whole chapter on the issue. “Each municipality had its own troubles that needed constant attention. In Uttarpara the chief trouble was the keen rivalry between the branches of the Mookerjea family, which turned every incident into an occasion of quarrel. ...The Mookerjea family-Brahmins-of Uttarpara, were admittedly the leaders of this new school of landlords—the school which, abandoning the old loose, though not always easy-going, methods, pushed their legal rights

³⁹⁰ Secretary of State for India (1909) op. cit., pp. 30-31.

³⁹¹ Carstairs R. (1912), op. cit., p. 76-77..

against the tenant to the utmost legal limit.”³⁹² In short he goes on to explain how the purpose of municipal government was twisted and torn by local feuds. Rather than being a place for cooperation and collective action they became yet another forum to pursue family feuds.

The relative stagnation in the expansion of municipal governments can also be attributed to the ‘leading classes’ which virtually controlled the various Presidencies, the Provinces and most of the Municipal Governments. The incentive and rationality to seek Municipal form of government was lost. The District Collectors were aware of this situation. In their eyes development was leading to further handicap. And since they had the authority to decide the pace of these new administrative encroachments, they quietly dropped the ambition of applying for municipal status of larger villages, which in reality were towns. As Sir George Campbell later wrote in his memoirs: “In a large Indian town there is no general indigenous municipality, though all the different trades have their guilds and committees of management. When a new officer takes charge, the City Guilds come officially to pay their respects to him. ...In the absence of a general municipality, the magistrate of the district managed matters in most cases very beneficially, I believe, though sometimes perhaps with rather a high hand. When I wanted to make a new street or other improvement I made it, and assessed the compensation for injuries in a reasonable way – not in the preposterous way that they do in this country (UK).”³⁹³ There was among the officers like Robert Carstairs a unanimous body of opinion that the Municipal Governments, in their actual format, were not going to improve people’s lives.

For British Officials who had spent many years at the District level and had risen to the Provincial level knew well why it would be imprudent to go any further down. One such official is Sir George Campbell who was able to summarize the sentiment at the lower level: “The Difficulty was, and I fear long will be, this – it is enough to get representatives of the Zemindars and higher classes, but most difficult to get representatives of the lower masses – ryots. I would most gladly have found real representatives of the latter; but there was no machinery for election by them; even for nomination I never could find suitable men. No real ryot understood the language and methods of the council, and I hardly cared to entrust a brief for them to a briefless lawyer. It is a great danger that, on our councils and other bodies, the upper classes may be represented while the lower classes are not – in all class questions that gives a great unfair advantage to the farmer. British officials must always very carefully guard

³⁹² Carstairs R. (1912), op. cit., pp. 85-87.

³⁹³ Campbell G. (1893-vol.1) op. cit., p. 117-118.

the interests of the lower classes.”³⁹⁴ The culture of responsibility that had been nurtured by Clive and later given full strength by Warren Hastings was constantly kept alive by the District Collectors and people of high responsibility like Sir George Campbell.

The alarm and caution that Sir George Campbell mentioned was real since the Crown had unleashed wild appetites of the Indian middle-classes without opening up opportunities for them by strong economic development. The fear of Sir George Campbell was that the Supreme Government will sponsor the encroachment of these native middleclass onto the district, with the objective of pulling down the Indian village to its knees. It was interesting that he should mention the native lawyers as being one of the major threats to the stability of the village institutions. The native lawyers were the edge of the spear that was hurled at the district. Campbell’s plea shows that by the middle of the Crown’s Rule the District was poised to become the target of attacks from all corners. As explained in the above passage, Municipal Government was introduced to towns in the absence of a real urban and industrial economy, which meant that their new administrative burden had to be pushed to the lower level. Now the District not only had the burden of the Supreme Government to bear but it also had to bear the maladministration of the provincial and the municipal segments. For the older or retired District Officers, this was a replay of the Maratha period where the Brahminic Order dominated the flow of resources. While under the Maratha domination the medium of power was a combination of spirituality, social control and brute force; the new medium was “Law.” Since, to justify its rule, the Crown had the habit of legislating on everything. As retired Collector Carstairs points out, “I fancy few of us Government officers realised what a fearful advantage our system of Law Courts gave to the rich man over the poor.”³⁹⁵

3.4. The District Board and the Local Government in the ‘rural tracts’

In the part dealing with Local Government under the Company Rule, it was largely explained how the Village was self-governing and could look after itself quite well without outside help, as long as unnecessary intrusions were kept at bay and there was enough rain fall. Warren Hastings had created the District as an institution that laid a protective ring around the village. It was also thought that wherever the village had short-comings, the District could step in and supplement and make-up for the gaps in the village system. In its intrinsic existence, the village did not need other forms of self-government. The District

³⁹⁴ Campbell G. (1893-vol.2) op. cit., p. 208.

³⁹⁵ Carstairs R.(1912), op. cit., p. 92.

Boards, not to be confused with the District Collectorship, was devised as a forum to where issues relating the District, extra-village, could be discussed. It was a forum where the District Collector could ascertain the opinions of those who were thought to have influence over the well-being of its inhabitants. Some Collectors saw them as being useless and a waste of time, while others saw a possibility to take the general temperature. In such a form, it had no cost and was not seen as an extra burden on the inhabitants.

During the period under Company Rule, the main concern of the Court of Directors, who paid enormous attention to the general welfare of the rural tracts, to bring peace and order to the country. The British Crown took an entirely different attitude towards the rural people. Contrary to the attitude taken by the Court of Directors, the Crown had an outright disregard for the 90% of the population. From a historians perspective it is absolutely unnecessary to make this into an issue but it is important to show the contrast between the Crown's preoccupation with the well-being of the 'leading and influential classes' and lack of enthusiasm for the condition of the rural lot who were the generators of revenue. This also gives us an insight into the priorities concerning the development of local government in the rural areas. The 1889 Memorandum quotes the Marquis of Dufferin's Government which described the Indian masses as follows: "It maybe state briefly that, over the greater part of India, the condition of the lower classes of the agricultural population is not one which need cause any great anxiety at present."³⁹⁶ For a Country whose Parliament went to great extent to legislate for the better treatment of animals, it looks out of place for the India Office to put out this statement: "So long as men and women of the lowest classes marry young and have families, borrow money for expenditure which is unnecessary, and are content with a low standard of living, so long will periodical suffering occur, but the masses in normal seasons get as much to eat as they want."³⁹⁷ The perception of the peasants and there needs shows that the treatment of them was close to slavery and this did not worry the British Crown. The Madras Memorandum however, is more realistic when assessing the condition of the people there in 1893: "...the very lowest classes still live a hand-to-mouth existence, but not being congregated in towns, they have a better physique than one would expect to find in them, considering their resourcelessness and the frequency of crop failures on which occasions they have to pick up a scanty subsistence as best they can..."³⁹⁸ Crop failures were in some

³⁹⁶ India Office (1889) op. cit., p. 29.

³⁹⁷ Ibid. p. 30.

³⁹⁸ Srinivasa Eaghayaiyangae S.(1893): *Memorandum on the Progress of the Madras Presidency During the Last Forty Years of British Administration*, published by the Superintendent, Government Press, Madras, p. 176.

measures responsible for this extreme poverty of the rural population of India, but the maladministration under the Crown acted as incrementer of existing burdens of the peasantry.

The 1909 Memorandum unashamedly continues in the same line of argument: “Further, it must be borne in mind that in rural India, from the nature of the climate and by immemorial custom, the poorer classes have fewer wants, and can satisfy them more cheaply than in Europe. Clothes, warmth, shelter, furniture, cost very little for a rural family in India; and the bulk of the population are fully satisfied with two meals a day of millet cakes or porridge, some pulse or green vegetable, salt, and oil.”³⁹⁹ This did not much vary with what prisoners in the roughest colonial jails ate or survived upon. What is interesting is that the 1909 memorandum borrows much of the wording of the 1889 memorandum. Either nothing had changed since then or the later did not even bother to see what was happening with the majority of the population, although it indicated that “...a careful analysis of the condition of the people in every district of India was undertaken.” In reality these studies could never match the extensive surveys conducted by the Company from the 1780s onwards. The same information was repeated time and time again. The picture given by these memorandums is very pathetic one, and portrays the peasants as stupid and devoid of culture and sophistication. This vision is far from ‘intelligent and industrious’ population described by Buchanan and the District Collectors; a population which had the misfortune of maladministration and rulers who could not differentiate themselves from Bandits. Slant and slandering from the Crown was needed to mask its ulterior motives and bad government. From the beginning of Crown Rule, concerning the masses, there was just posturing while at every turn it was demanding more and more from the peasants.

The Crown Rule inaugurates a new period of ‘dubious entrepreneurialism’ in Local Government at the District level in the urban areas. Increasingly the Crown sees in the District boards a vehicle to offload pressure onto the villages. Under the shadow of municipal development, it makes the Boards, and through it the villages, pay for infrastructures that are destined for the betterment of the urban settlements. Further down, through the use of proxies we will see how the Crown progressively weakens the independence of the District, but now it is enough to see that the introduction of reforms was one way of establishing a colonial tutelage in association with the Brahminic Order.

The history of Local Government, under the Crown Rule, is this battle on the ground for control of the Village economy, between the Brahminic Order and the indomitable District

³⁹⁹ India Office (1889) op. cit., p. 27.

Officer. While the Brahminic Order takes on the role of the assailant, the District Officer tries to fulfil his duty as the Protector; for both knew that whoever gets the control of the District will in no time become the master of the land. Let us not forget that contrary to the impression given, the British Crown was not the master on the ground. From the point of view of the Crown, it did not really matter who won the battle since it had its own agenda of driving a wedge between the two by the introduction of *functional agencies* and *boards* that were directly controlled by the Supreme Government, as it was customary in Britain. The District Officer had two enemies to fight; two parasitical structures whose only intention was to feed upon the economic productivity of the Village and the District Collector.

Staying true to its promise of giving a free hand to the “traditional” and “leading” classes in the local affairs, the British Crown uses these classes in the same manner as the Marathas used the Pindaree proxies against local structures of civilisation and economic production. This war by proxies takes place for different reasons. At the elementary level it is as usual a question of economic control but it is also political and ideological. Fernand Braudel had provided sufficient evidence to show how the East India Company used the local credit facilities to conquer, and consolidate its rule in the Subcontinent. The Crown rule was a demonstration of how the Crown would keep itself in clean waters while it used the local “Pindaree”⁴⁰⁰ style proxy elements to secure its rule on the ground.

Even before taking direct control in 1858, the Crown used its prerogative to name people of its own choice to high positions in the Central Administration and in the Provincial level, but for obvious reasons the East India Company jealously protected its functional privilege of recruiting to the District level; a class of officers and personnel recruited through a strict process of selection and training at Haileybury School, as we saw in the part dealing with Local Government under the Company. While the Crown’s criterion of selection was based on the Aristocratic appetite, the Company opened its arms to everyone who were bright enough to pass the entrance exams prepared by scholars of academic notoriety. This gave free access to lower classes in Britain to access posts of high functional responsibility. This resulted in a strong class division in the Company rule of India. While the British Aristocracy came to control the Central Administration and the Provincial level, the lower middle-classes from Britain were asked to control the District level administration.

In this manner the Company was able to retain a strong control over on the everyday running of the country and neutralise central interference. The strong ethical upbringing of the

⁴⁰⁰ Organised banditry that acted as auxillary force to the Maratha Confederacy.

lower middle-class was strengthened by a sense of “duty” at the Haileybury School. The notion of duty was double edged; it meant a duty towards the employer but also the object of this duty which in this case meant ‘duty towards the administered’. And since the viability of the Company’s business model depended upon the relative happiness of the inhabitants, it openly encouraged its ‘Collectors’ to be responsible administrators. By the time of direct rule by the Crown, the Collectors had taken an air of independence and established, for sense of purpose, a benevolent dictatorship over the districts and taken the ‘people’ under their protection. And in exchange the villagers had developed a strong bond of trust and attachment towards their ‘*Appas*’⁴⁰¹. For many of these District Officers, their attachment was paid off when the villagers did everything to protect them against the Mutineers who had sometimes tried to descend upon the English residents in the Districts. In this respect the values of enterprise were not in contradiction with ‘responsible government.’ As was discussed before, if we look at the relation between the Collector and the Village, it was one of managerial levels, where the Collector is responsible for the overall economic rationality; which included the welfare of people who were ‘manning’ the whole enterprise.

The Crown was faced with a dilemma. Removing the District officers, and replacing them with any other type of British or Native officers, was fraught with risks. As we saw in the part dealing with the Company rule, the rule of the District was more rooted in the person of the Collector than in institutions which can be taken over by a lay man. And since the lion-share of the revenue came from the rural tracts, it would cause disruption on a massive scale, not talking of rebellious sentiment that this would result from the inhabitants. But at the same time it was bent on reducing the independence of the Collectors and their Districts, especially the rural ones. Consciously or unconsciously the patterns of its actions fall into the same pattern as those of the Marathas and their use of proxies like the ‘Pindaree’ or ‘Thuggs’. This had the double advantage of sapping at the independence of the Collectors and giving a free hand to the ‘traditional’ structures of power and the ‘leading’ classes upon which British Power was making its nest. Since, as was demonstrated above the leading classes had little to feed upon at the Provincial level.

The way in which the British Government and the Supreme Government seated in India achieve this is by creating administrative proxies which were partly manned by the Native elements of the ‘leading’ classes. As Rothbone and the Webbs had explained the situation was the same in Britain, where a multitude of authorities, boards and agencies were

⁴⁰¹ In the local vernacular the word ‘Appa’ means father, but it is also applied to any person of authority who has a benevolent disposition.

created, to reduce territorial power of local government through a functional power which makes a nuisance out of the former. The announced aim of these bodies was to rationalise the government to bring about efficiency and transparency, but in reality this was far from the case, it was a way of making space for the hungry Brahminic Order to re-enter the henhouse.

A lot of consideration was given to the appropriateness of the term Pindaree in the context of the Crown Rule. History had shown us how this term is attached to a very violent past of the administrative structure. None-the-less it was considered to be the only term which safely describes the methods used by the Crown and especially the results of these methods. During the Maratha Rule, the Pindaree was auxiliary to the Maratha army, as was explained in the part dealing with the Brahminic Order, but it had no desire to pay for its up-keeping. The villages paid their regular rents. On top of this the Marathas 'licensed' the Pindaree to regularly raid the same villages and take what they could. The relation between the Crown and the new 'leading classes' was the same. The Crown needed the support of these 'leading classes' to keep the semblance of its rule in India but at the same time it was unwilling to satisfy their growing needs and aspirations in any meaningful way. Employment at the lower levels was little and too slow to come by. There are reasons to believe, after reading the reports of various Army Commissions that official employment was increasingly reserved for the children of servicemen. The Crown was aware that it has very few means at its disposal, so like the Marathas, it 'licenses' the 'leading classes' to squeeze whatever they could from the rural tracts.

3.4.1. The District and the intrusion of 'Judicial' Pindaree

The first and foremost the judicial sector becomes the segment of predilection. The judiciary and justice was always a shunned area for the Crown. It brought no revenues and was always a difficult task and a thorny subject. Doing justice in country with so many religions, customs and social patterns was difficult, as it was for Parliament to legislate. The Crown was more than happy to legate the judicial department for local exploitation. As the 1909 Memorandum puts it: "A large quantity of magisterial business has been entrusted to Indian honorary magistrates, whose judgments on the whole give popular satisfaction; while the management of local roads, streets, hospitals, schools, and other improvements has been made over to local bodies, constituted under legislative enactments. There is scope for further progress in the same direction, especially in the development of genuine self-government by local bodies. In this way alone the vastly increased work of the country can be done without

material addition to the strength or cost of the superior Civil Service, and with more satisfaction to the influential classes, who thus find themselves admitted to an increasingly larger share in the government of their own country.”⁴⁰² This fabulously well written document makes it crystal clear in which way it wanted local participation, as a cost, to take shape.

On the national level one would have to take into account the bureaucratic branch of this enterprise. “The Provincial Civil Service in 1908 comprised 2,203 subordinate judges and magistrates; of these 2,007 were natives of India, and of the remaining 190 the greater number were Eurasians or domiciled Europeans.”⁴⁰³ And by 1908 the number of honorary judges had increased to 3000.⁴⁰⁴ These gentlemen of grade and mark exercised their services in the ‘rural tracts’ although residing and paying taxes in the cities and towns. It was a very lucrative business as well, as the 1909 Memorandum states: “It has been stated on good authority that, with possibly the exception of England, in no country in Europe are the salaries of judicial and executive officers equal to those received by members of the Provincial Civil Service.”⁴⁰⁵ And because the courts were self-financing, this meant that the load of cases brought before the civil magistrate courts must have increased exponentially: “Approximately there were in 1858 about 730,000 civil suits instituted in British India, while in 1907 the number was 1,867,995.”⁴⁰⁶ And the beneficial impact to the Brahminic Order does not stop at this; further down, the document proudly announces that among the professional classes “lawyers” enjoy better incomes.⁴⁰⁷ So the fortune of lawyers was not limited to the Province of Madras. To be fair to everyone the Memorandum announces who the worthy benefactor is and there is not much change there either: “Their action, in fact, has been too effective in the frequent case in which the debtor is an ignorant and improvident agriculturist, and the creditor a money-lender striving to enforce usurious claims against the debtor's land.”⁴⁰⁸ In spite of the vigilante eye of the District collector, the Pindaree activity was reintroduced on a massive scale, and there was nothing stopping it. The word of the Secretary of State for India is unequivocal: “All civil suits and important criminal trials are now, save in a few exceptional districts, in the hands of

⁴⁰² Secretary of State for India (1909) op. cit., p. 4

⁴⁰³ Ibid. p. 3

⁴⁰⁴ Ibid. p. 6

⁴⁰⁵ Ibid. p. 4

⁴⁰⁶ Ibid. p. 7

⁴⁰⁷ Ibid. p. 27

⁴⁰⁸ Ibid. p. 7

special judicial officers, who have no direct concern with the executive administration or the police work of the country.”⁴⁰⁹ The judiciary of the collectorship was handed to the natives.

For the Brahminic Order this was a boon, it had interpreted the religious and social laws to its advantage for millennia, an addition of temporal laws asked for little adaptation, if any; although it had never abandoned its ambitions that it could now come back with a new mantra – the imperial code of laws and regulations. The Madras Memorandum of 1893 has this welcome development to communicate of the Madras Presidency: “Among the learned professions, the official classes have also increased in numbers, owing especially to the increased activity of Local Fund administration. Barristers, vakils and other legal practitioners are rising into importance. According to the income-tax returns the income assessed, that is, of legal practitioners who get not less than Rs. 500 per annum is about 26 lakhs⁴¹⁰ of rupees. 1,034 persons get an income of nearly 10 lakhs of rupees and 267 persons an income of 16 lakhs of rupees. Of the latter, 47 persons, with an income of about 6 lakhs, reside in the Presidency town, and 220 persons, with an income of 10 lakhs, reside in the mofussil (administrative) stations.”⁴¹¹ The Crown could boast a spectacular achievement.

A District officer in Bengal argued that laws should be simple and the possibility of repeal should be reduced: “It is a mistake to make the ladder of appeal and revision too long, especially in a country where litigants will mount every available rung before they desist.”⁴¹² It was in the interest of the lawyers to keep the legal battles going on forever so that they could reap full benefits of their profession. He goes on to showing, in a very detailed manner, how the native Landlords colluded with the lawyers to prefabricate all the documentary proofs necessary, over long months before taking a peasant to court: “The Bengali dearly loves a bit of documentary evidence, and people, not accustomed to Oriental cunning and chicanery, would scarcely credit the extent to which resort is had to collusive litigation and the cold-blooded method with which documentary evidence is prepared and collected for some forthcoming case.”⁴¹³ Since courts introduced by the Crown preoccupied only with superficial evidence, the Landlords and their lawyer associates could easily trample on the interests of the peasant and make a reasonable profit out of their enterprise. This enterprise of organised “*malversation*” had the possibility of being repeated over and over again, since each landlord

⁴⁰⁹ Secretary of State for India (1909) op. cit., p. 6.

⁴¹⁰ One lakh in India is equivalent to 100 000. Ten lakhs is equivalent to 1000 000.

⁴¹¹ Srinivasa Eaghayaiyangae S. (1893), op. cit., p. 161.

⁴¹² Philips H.A.D (1886) op. cit., p. 38.

⁴¹³ Ibid. p. 75.

was in business with several thousand tenants. The idea, as the 1908 Memorandum lets it filter, is that the Indian peasant should never be left with more than the strict minimum.

As a comparison to these immensely rich classes of lawyers and educated classes, what the farmer gets to make his living is close to nothing. As one tax assessor describes the situation in a relatively well-off province: “For a family of five 36 maunds grain will be required, costing, say, Rs. 36, to which must be added pulse and costing, costing altogether Rs. 11-4-0. He will vary his diet with vegetables or richer cakes on festivals, for which another rupee or two must be allowed.”⁴¹⁴ By a rough addition we get the sum of Rs. 50 par annum for a family of five. Evidence shows that the Crown used the information thus ascertained to systematically increase the burdens on the Village, directly through taxation or indirectly through the use of native Pindaree, the leading classes.

The District was no longer an unassailable fortress, as it was during the Company Rule, one of main facets of its *raison d'être* was now in the hands of someone who was stranger to its constitution. “Under the present system each province has one High Court, Chief Court, or Judicial Commissioner, with complete jurisdiction over the province, and full control over all Courts, criminal and civil.”⁴¹⁵ But as it was in the case of the Maratha domination, things were not so transparent; ambiguity was maintained to let the parties on the ground fight it out to see who gets what. “Minor criminal cases are still tried in all provinces by officers who exercise executive and revenue functions, and the District Magistrate is everywhere, outside the Presidency towns, responsible for the police, revenue, and executive business of his district, as well as for the control of all subordinate magistrates within his jurisdiction. This union of judicial and executive functions has existed from time immemorial in the East, and in a certain stage of civilisation has advantages. It has also the merit of superior economy. Where unity of control is necessary for the maintenance of order, the existing system will probably continue for many years to come; and elsewhere financial considerations may impede the creation of a stipendiary magistracy apart from the executive staff.”⁴¹⁶ This illustrates well the chaotic situation on the ground, and how it sets the scene for a struggle and contention. A clever move by the Crown, who wanted to see the political independence of the District Collector and the Leading Classes dampened. It can allow them to choke themselves and at the end declare the ‘merits of its superior government.’

⁴¹⁴ Wright F.N. (1877): *Memorandum on Agriculture in the District of Cownpore*, published by North-West Provinces Government Press, Allahabad, p. 91.

⁴¹⁵ Secretary of State for India (1909) op. cit., p. 6.

⁴¹⁶ Ibid. p. 6-7.

To give circumstantial flexibility to the District Collector, the Company period was marked by few and clear laws. This allowed the District Collector, who had both executive and judicial responsibilities, to make a judgment that was best suited to a situation that he had first-hand knowledge of. Because of the level of education and the few financial means at the disposition of the Indian Farmer it was deemed necessary to dispense justice on the spot and immediately. For the Company ‘justice’ was not a business, it was a basic necessity for it to win the trust of the inhabitants. It was thought that without trust the ‘transaction’ costs at every level of the village’s economic activity would be so great that everything would come to a standstill; as it very much did during the Maratha domination.

The Crown saw things in a different way. The native middle class it was creating had to be fed, since they had no resources of their own. One way to do this was by re-introducing the high ‘transaction’ costs that the Company tried to avoid. Stamp duties, for example had increased by six times between 1858 and 1909: “These duties now yield a net revenue of about 4,300,000L, of which seven-tenths are levied from litigants in courts of justice and three-tenths on trading and other documents. The judicial stamp revenue may be regarded in the light of payment for service rendered by the costly judicial establishment rather than a tax in the proper sense of the word.”⁴¹⁷ The crown also legislates in extreme detail to a country in which nothing is straight forward and it is very difficult to make a unique and standard interpretation of the laws. One District officer, who served in Bengal, points to this tendency to over legislate as being the principle reason why the dispensation of justice became inefficient and more and more was leading to the ruin of the peasantry: “They were to a great extent the outcome of the first great land law of the Bengal Government —Act X. of 1859, which, by defining things, made it easier to litigate about them.”⁴¹⁸ Rather than using traditional means of persuasion the landlords turned to litigation as an instrument to dispossess the peasant: “So many were courtiers—personal friends of the heads of the Government, that in their circle violence was not ‘good form.’ They preferred the equally profitable and safer weapon of litigation.”⁴¹⁹ The leading classes had changed their means but the results were the same. This ‘official’ and ‘legalist’ cooperation between the Crown and the Brahminic Order therefore rightly fits the term “*association de malfaiteurs*.”⁴²⁰

What the central government did was to introduce another Act in 1865 to give further protection to the Landlords, giving them a legal basis to recuperate unpaid rents. But this

⁴¹⁷ Secretary of State for India (1909) op. cit., p. 13.

⁴¹⁸ Carstairs R. (1912), op. cit., p. 86-87.

⁴¹⁹ Ibid. p. 87.

⁴²⁰ This French Term means: association of bad-doers

made the situation even worse. As the Madras Memorandum explains: “The Act VIII of 1865, instead of clearing up the ambiguities in the law of land-lord and tenant and placing the rights on the ryots on a well understood basis, has had the effect of involving the relations of Zemindars and ryots in greater confusion than they were in before. By declaring that all contracts ‘express’ or ‘implied’ are to be enforced, it has opened a wide door for doubts and contentions of all kinds.”⁴²¹ To get things sorted in the new system it was compulsory for everyone to get hold of a lawyer and take their case to a court. A District Officer in Bengal mentions an occasion where a Brahmin landlord took a peasant to court by filing sixty different suits. The peasant now had the possibility to engage a Brahmin lawyer and plead his innocence in front of a native Brahmin Judge on sixty different occasions. It was a bonanza for the newly created middle-classes. Like under the Maratha domination each and everyone had become an entrepreneur in his own right. Although the judge was a paid a salary, each of the courts was run on an entrepreneurial basis, they had to be profitable if they did not want to risk closure.

What the Company Officials had done was to use the law in such a way as to reduce the unnecessary control of the peasant by the landlord. Because the rents were an item of contention, they tried to regulate them in such a way as to give stability to the peasant. And this worked very well in the areas where the ‘ryotwari’ system prevailed; the individual farmer paid rents directly to the government. But where a ‘Zemindari’ system existed, rents were collected by a landlord and furthered to Revenue Board. Those landlords who wanted to increase the rents could not do without the consent or prior accord with the farmer. The landlords could not use force or violence as they had done during the Maratha domination, so they had to find a powerful lever to get what they wanted. Many times they fraudulently claimed that the tenant had not paid his dues and started to calculate interests. Then the landlord could increase the rents. If the farmer protested the landlord threatened to take him to court and ruin him completely. “They (landlords) preferred, if tenants were to borrow, to be the creditors themselves. Thus in many cases the landlord had a double hold—as landlord and as creditor.”⁴²² As one District Officer noted: “What was the object of these large arrear demands being kept hanging over a village? Whatever its object, its effect was to nullify the provisions of the rent law giving the tenants occupancy rights and freedom from arbitrary enhancement.”⁴²³ Thus the ‘law abiding’ model subjects of Her Majesty had re-established

⁴²¹ Srinivasa Eaghayaiyangae S. (1893) op. cit., p. 236.

⁴²² Robert Carstairs (1912) op. cit., p. 97.

⁴²³ Ibid. p. 97.

their traditional tutelage over the Indian peasantry. The net result of this was that the District Officer had his hands tied by the legal system introduced by the Crown Rule in the subcontinent. In a very important district, Cownpore, the Settlement Officer speaks of almost 60% of the families deeply indebted, where 90% annual interest was the average demanded.⁴²⁴ Settlement Officer Wright speaks of a family of five having just enough to stay alive, absolutely unable to procure clothes or even cooking oil. All this could be done only with more debt. Wright also speaks how the Landlord makes demands in kind when the prices are high and in cash when the prices are low; since the measures and quantities are set before hand, the farmer is the one who always makes a loss on the operation. Sometimes the farmer loses as much as quarter on such manipulations.⁴²⁵ So when the 1909 Memorandum announced that the Indian peasantry had very few necessities, it was the result of the Crown's policy at the District level than the real or wanted condition of the farmers. The looting of the countryside happened by a gentlemen agreement between the Brahminic Order and the British Crown.

The District Collectorship had simple and transparent structures of justice which applied to common sense of all the participants. "There can be no doubt that the Land Registration work, performed by Collectors and Deputy Collectors, saves the Civil Courts an immense amount of litigation. Owing to the fact that persons acquiring any interest in any property are bound to register it within six months, disputes generally come before the Collector when they are fresh, the matter is thoroughly gone into, documents are examined, and evidence is recorded..."⁴²⁶ Added to this procedural efficiency the District Collector imposed a notion of justice which did not just pertain to laws enacted by the Council or the Parliament, he had a higher notion of justice. For Collectors justice had to be fair to serve its purpose. Anything else was tyranny in another form. For the welfare of the native 'leading classes' the Crown had made justice into a business and as this native middle-class grew and its needs with it, the amount of injustice could have only got bigger. This injustice was partly pushed back by the District Collector who, during the Crown Rule, was forced to stand on one leg.

⁴²⁴ Wright F.N. (1877), op. cit., p. 92-98.

⁴²⁵ Ibid. p. 98.

⁴²⁶ Philips H.A.D (1886), op. Cit., p.154.

3.4.2. The incrustation of the Bureaucratic and Political Pindaree

The bureaucratic and political Pindaree was very much demanded and seen as a reinforcing element to the 'legal and judicial' Pindaree. In the above passages we saw how the Landlord-Banker and his position of force was strengthened at the district level by the native judicial support. This was further continued as the Crown, in its drive to increase the size of the 'bureaucratic middleclass,' introduced new levels of administration at the district level or give extra powers to those levels that sapped-away the omnipresence of the District Collector. During the Company rule these levels of administration had existed in one form or the other but this did not dilute the power of the District Collector.⁴²⁷ The new reforms which were progressively adopted in the whole of the Subcontinent were aimed at reducing both the political, financial and bureaucratic powers of the District Collector; who was considered as a hurdle to a more systematic exploitation of the Indian farmer.

The 1909 Memorandum announces the political structure of the District: "In all the larger provinces, with the exception of Burma, there is a district board in each district, with or without subordinate boards for sub-districts, and to these boards have been transferred the management and expenditure of all public funds available or raised for district roads, schools, hospitals, and sanitary improvement. In the Madras Presidency the chain of local authorities is most complete. The primary authority is a 'union' or parish, consisting of an important village or group of villages, each controlled by a small council of residents. The union has power to levy a light tax on houses, mainly for sanitary purposes. Next come the sub-divisional boards, which roughly correspond with the 'district council' in England. They are the subordinate agents of the district Board, and are entrusted with certain branches of local expenditure. Finally, there is the district board, which may be regarded as the 'county council.'⁴²⁸ According to the 1889 India Office Memorandum, the sub-districts, called *Tahsil* or *Taluq* described as being chosen by the chief civil officer of district chooses how many sub-districts are appropriate. What is important to note is that in these sub-districts, the board members are chosen by the 'propertied' of that area. The thus elected members also choose a member to represent the Sub-District at the District Board. These local boards elect their own chairman. The 1889 Memorandum is proud of the results of the newly introduced reforms: "So far, the district and sub-district boards seem likely to discharge their duties with advantage to the districts they represent, and with credit to themselves. They have the advantage of the co-

⁴²⁷ India Office (1889), op. cit., p. 32.

⁴²⁸ Secretary of State for India (1909) op. cit., pp. 30-31.

operation of European and Native officials. Eventually these boards will have, all over India, the control of local funds amounting to about Rs. 3,000,000.”⁴²⁹ If these institutions worked perfectly the position of the District Collector becomes that of symbolic representation of Central authority, an executive power without any weight.

Given the size of some of the districts, it was a welcome move to introduce new layers of administration; but whether there was a need to introduce new layers of government was more questionable. As both the memorandums show little is done in terms of bureaucracies that are locally controlled; as we will later see this responsibility is shifted off to other functional ‘Boards or Agencies.’ The main problem with the introduction of ‘self-government’ to rural tracts based on property is that the ‘absentee’ landlords have the virtual control of these boards. And at most times they were using the Local Boards and the funds levied to make improvements that touched urban life and the municipalities, where most Brahmins lived. As the 1909 Memorandum explains: “The aggregate income of the boards in British India in 1907-08 was 3,140,000L. It is mainly derived from local rates levied upon agricultural lands over and above the land revenue, supplemented by grants from general revenues. The expenditure is chiefly for roads and bridges, hospitals, vaccination, drainage, water supply, primary education, markets, and rest-houses.”⁴³⁰

All these works in many cases touch urban life but the funds were extracted from the rural areas. It was not customary during the Crown Rule to build schools, hospitals, markets and drainage systems for the villages; most of this happened in the urban or semi-urban areas. As Robert Carstairs explains the villagers knew, “...that every penny the townsman paid in rates was used within the town; and much soreness was felt in the villages at the difference between the treatment meted out to the town-villages and that considered fitting for the village-towns.”⁴³¹ For the standpoint of the rural areas and the villages, this was organised theft and for the first time they started to doubt the benevolence of their District Collector, since theoretically he was the head of the District. As one Collector puts it, “...the provision made was so small as to be worse than useless, provoking jealousy and bad blood, and killing the spirit of self-help, without doing substantial good anywhere.”⁴³² So the political reforms introduced by the Crown turn the relationship between the Town and the Village into a ‘colonial’ one, which up to then was not so pronounced. Now the institutional framework pushed both into this relationship.

⁴²⁹ India Office (1889) op. cit., p. 33.

⁴³⁰ Secretary of State for India (1909) op. cit., p. 31.

⁴³¹ Carstairs R. (1912) ,op. cit., p. 137.

⁴³² Ibid. p. 140.

The bureaucratic control, however, was not considered appropriate to transfer because this would restore independence at the local level to the Brahminic Order. At the same time, the District Collector had to be dispossessed of his bureaucratic predominance. So the strategy devised by the Crown was to introduce functional agencies which were controlled by the Supreme Government and indirectly the Secretary of State for India. These agencies at key levels would be manned by the British recruits and at lower levels by members from the 'leading classes' in other words the Brahminic Order. From the Crown's point of view, this system had the advantage of reducing the powers of peasant-friendly District Collector and capping the ambitions of the Brahminic Order, by denying it the keys to "superior government," namely the administrative competence without which a country cannot be run. This strategy, at the local level, would finally allow the Crown to wedge itself between the irreducible and irreconcilable class of Company officialdom and the new native Grand Masters. The risks to this strategy were considerable, and the possibility that they could backfire was big. Most of the times, the seeds of disaster were sown at the start to these agencies. The establishment of these agencies marks a real beginning of national administration to the Crown. There were now two wolves in the henhouse.

3.4.3. Agency Pindaree sponsored and controlled by the Supreme Government

The best example of the method can be illustrated by examples of the Public Works Agency, the Forest Department and the Police Department. These agencies and departments were created at the Provincial level and levered at the Supreme Government level. Roads and irrigation were the main items of importance to the Local Governments. Both have the particularity, in many cases of not being restricted to any one district, there was always a need for cooperation of several districts and sometimes even several provinces. The Supreme Government was right to think of rationalising and setting up a body dedicated to this job but what happened in reality was that these bodies were introduced at the Provincial level with a grant system which was principally paid by the meagre Provincial budget, with a small fraction of the budget coming from the Central budget. As if this was not complicated enough, sometimes private enterprises were involved or got license to build major irrigation projects, greatly reducing the utility of the Public Works Agency. Under the cover of anonymity, the author of the 'Memorandum of Public Works Calculated to Obviate or Mitigate Famine and

Notes of Some defects in the Administration of Public Works in Madras⁴³³ gives a detailed account of all the numerous examples where the only purpose of the Public Works Agency was to exist for its own purpose. What these organisations did was to give the impression that something is being done, but actually nothing happens and the need to disburse the grants disappears.

In one instance the author of the above mentioned Memorandum explains that a project was slated for three famine-ridden districts in the Madras Presidency (Province) at the expense of 1.5 million pounds but never really took-off. The project was planned years before the horrific famine of 1876-77, but the Central Government refused to give the go ahead, partly because it would infringe upon the concessionary rights of the Madras Irrigation Company. Years of planning and the aspirations of the districts for better life came to nothing. What this did was to make the Public Works Agency a lame duck, none could really believe in its effectiveness. Earlier, pertaining to the 1909 Memorandum, it was explained that most of the works undertaken by the Public Works Agency were undertaken with specific pecuniary goals. And one of these was that the Provincial government could fill the large gaps in its budget from the pitfalls of revenue generated by 'public' works, from charges to the users. Seeing that large projects were difficult to materialise what the Agency engineers did was to concentrate on minor projects which were the reserved domain of the District as explained in the previous part of this study.

This meant bad news for the Districts which tried to build and improve works of truly public utility. Many of the village heads, the Collectors and the District Boards did not want the Agency to come into their territory and make business of what was before free of cost. As District Collector Philips explains the main problem was: "THE CESS ACT, 1880," is an Act which provides for the construction and maintenance of district roads and other means of communication, and of provincial public works, and for the levy of a road cess and a public works cess on immoveable property, and for the constitution of local committees for the management and expenditure of the proceeds of the road cess. The public works cess is paid into Government, and the local committees have nothing to do with its expenditure.⁴³⁴ The only decision the local boards and committees were involved was that of a special fiscal contribution of 3.5 percent and nothing else, so their anger was understandable. As the Madras Memorandum puts it "Strong in the position of *ex-officio* Presidents of Local Fund

⁴³³ Officer of Madras Presidency -under anonymity (1878): Memorandum of public works, calculated to obviate or mitigate famine, and notes of some defects in the administration of public works in Madras (1878), published by W. Lewis, Bath (UK), 1878, URL:<http://archive.org/details/memorandumofpubl00bath>

⁴³⁴ Philips H.A.D (1886) op. cit., p. 134.

Boards, and absolutely controlling the votes of all their nominees, the non-official members, several Collectors distinguished themselves by attempts to harass and bully the Public Works Agents, by whom the proceeds of the road cess and tolls, and of the large contribution from Provincial funds, were expended.”⁴³⁵

Under the Company rule it was customary for the Collectors to supervise the building of small roads or irrigation works, where the work was provided, free of cost, by the peasants of that area. In this way a lot of work of public utility was done with it costing nothing to either the District or Provincial budget. The advent of the PWA (Public Works Agency) meant that, with improvements on paper only, these roads would fall into the hands of the Provincial Government and its fiscal net. A lot of District Collectors saw this encroachment as threat to the welfare of their administered. As one of them explained 15% of the budget for roads, for example, was eaten away by establishment costs.⁴³⁶ Since the Cess act fixed the maximum ceiling of 3.5⁴³⁷, a lot of Collectors chose to introduce a minimum rate and some even went as far as declaring that there was no need for roads in their District. For most of them knew that ultimately the peasant picked up the bill and this was hardly a welcome thing according to them.

Seeing that the District Collectors were using voluntary help from the villagers to build and improve public works, the Supreme Government discouraged the practice to use unpaid labour under the pretext of helping to prevent the exploitation of the peasantry. But the District Collectors used this argument to make the PWA to pay fully all input of labour organised by the Collectors Office. As the Madras Memorandum in question complained: “The only foundation for that statement was discovered to be the disuse of ‘Customary Labour’ that was exacted from the cultivators for tank and channel repairs without payment, so long as the revenue authorities had the executive charge of such works; but which was withheld by their connivance, sometimes by their instigation, from the officers of the new department, who, without personal revenue, experience and magisterial power, and the active co-operation of those who had, were compelled to pay for all labour even when employed in repairing the consequences of the cultivators' own mischief or neglect.”⁴³⁸ And since the Collectors had the people on their side the Central Government decided to reverse its policies.

⁴³⁵ Officer of Madras Presidency (1878) op.cit., p. 24.

⁴³⁶ Philips H.A.D. (1886) op. cit., p. 137.

⁴³⁷ Philips H.A.D. (1886) op. cit., p. 135.

⁴³⁸ Officer of Madras Presidency (1878) op.cit., p. 21.

By 1909, the practise of levying tolls on roads was abolished⁴³⁹ for a simple reason that the Collectors had decided to oppose all efforts. As a disgruntled Provincial official wrote: “It is indeed an anomaly that the longest settled and least dangerous tract of India, and consequently that most fit for being ruled under the ordinary system of civilised Government, should continue to be weighed down by the attempt, on the part of the Revenue and Magisterial officers, to perpetuate a supremacy which they fairly enjoyed when they were almost the sole representatives of the British rule in their respective Districts.”⁴⁴⁰ It is important to retain that the PWA was created as an instrument of the Central Government lent to the Provincial Government for the purpose of feeding upon the District level administration. Although the PWA might have been a defeat for the Provincial and the Supreme Government, the District would suffer a long lasting suffocation at the hands of the Provincial and the Supreme Government because of other agencies.

For the villages the adjacent forests were like a second lung to their activity. It was virtually impossible for them to survive without the access to the forest, although they did not fell trees for commercial purposes. The regenerative capacity of the forest was never put in danger by the villagers who regularly worshiped it and made offerings to it. Under the Company rule things did not alter although special types of timber were used for ship-building. The responsibility for the protection of forests rested with the District Collectors, who knew the way in which the peasant used the forest. Mr. Turner, the Collector of Vizagapatam, described how the villagers use the forest when the going gets difficult: “That standard includes little more than the barest necessities of life, the secondary wants being few; and, when adverse seasons occur, there is a section of the population which has to reduce its rations and live partly on wild fruits and such other inexpensive food as can be picked up on the way side.”⁴⁴¹ The Company did not make a business out of destroying forests and robbing the one support that the one-legged Indian peasant had.

The Supreme Government, as explained elsewhere, was bent on increasing the urban population and introduce Natives into the lower levels of administration. The Indian forests were the price to pay for the realisation of these plans. Indian timber was not only necessary for urban needs in Britain, but was also required by the urban areas in India, for construction and as fuel for domestic usages. The Forest Depart becomes the axe that chops off at the independence of the District and the Collector. As one of the Forest Superintendant explained:

⁴³⁹ Secretary of State for India (1909) op. cit., p. 23.

⁴⁴⁰ Ibid. p. 19.

⁴⁴¹ Srinivasa Eaghayaiyangae S. (1893) op. cit., p. 174.

“The right to control village forests will be based in most cases upon the fact that Government is the proprietor of the land assigned to the village, and in other cases upon the rights which Government has in the lands of the village. The rules required for village forests will be similar to those required for State forests.”⁴⁴² The creation of the Forest Depart, therefore became a colonial instrument for the Crown. The Company had conquered the country in the sense of bringing administrative coherence but it never had the pretence of territorial conquest into the village; it had always left the ambiguity of territorial rights intact. The villages had lived in the proximity of the forests for thousands of years but never damaged them; on the contrary, they worshiped the forest as source of livelihood. In practical terms, what the Crown does is to appropriate the best parts and the remaining was offered to the urban middle-classes.

What the Forest Act did was to categorize the forest areas of India “...into two classes, “reserved” and “protected.” The reserved areas are thoroughly and completely conserved; the protected areas are so in a lesser degree.”⁴⁴³ On the ground, when the application of the law happened, the reserved forests of the Government became a no go area, except for sportive events like ‘tiger hunting by the English Royals and Aristocrats.’ The ‘protected’ areas were in reality the unprotected areas since the Forest Depart in its scientific management of forest resources was clearing them fast. And before the law was enacted these ‘protected’ forests belonged to the villages, so scientific experimentation was taking place in territories over which the villages had the customary rights.⁴⁴⁴ The proclaimed ambition and purpose of the Forest Depart was the “scientific forest management” which would work on “scientific principles”⁴⁴⁵, and as a side show it will allow Native Covenanted Civilians⁴⁴⁶ to man a very scientific enterprise. The cat was out of the cage. The Company’s major achievement in its long history of the Subcontinent was to keep the officials from the ‘leading’ classes away from the Indian Village and the district administration. And the consequences were immediately felt. As one Collector from Bengal, where forests were legendary, reports: “The unrestrained destruction of the forests has not only affected the climate unfavourably, but it has also had a deteriorating effect on the cattle of the country owing to the scarcity of pasturage, and in many places it has compelled the people to use as fuel substances such as

⁴⁴² Brandis D. (1875): Memorandum on the Forest Legislation proposed for British India, Government Central Branch Press, Simla, dated 2nd August, p. 9.

⁴⁴³ Philips H.A.D (1886) op. Cit., p. 49.

⁴⁴⁴ Ibid. p. 49.

⁴⁴⁵ Secretary of State for India (1909) op. cit., p. 14.

⁴⁴⁶ Officer of Madras Presidency (1878), op.cit., p. 23.

cow-dung, which ought to be used for manure.”⁴⁴⁷ In short the Forest Department and its native undertakers were a disaster not only to the independence of the village but also its very existence. As the Collector from Bengal recollects: “Where forests have been cut down, and hill-sides rendered barren of vegetation, the rains descend unseasonably and irregularly: long droughts are followed by excessive rain. Moreover, in the hot weather streams and springs run dry with greater rapidity, and wells are liable to failure.”⁴⁴⁸ Even without entering the village walls the Brahminic Order, through the Forest Department, was having a direct hold over the village economy.

Warren Hastings would surely be turning in his grave, for his Village had now lost its independence and the enemy was deeply encrusted into its economic machinery. The Forest Department was a war on two fronts for the Collector and his people, and they were against very powerful enemies; who had decided to obliterate their long cherished alliance and independence. “The forest officers, of course, are zealous for preserving the forests, and the civil officers naturally protect the rights of the people. The object is to maintain a judicious compromise.”⁴⁴⁹ But this never happened as the rights of the villagers and the prerogatives of the District Collector were continuously eroded in the same manner as the soils adjacent to the destroyed forests.

The same happened in the domain of sanitation. The 1909 Memorandum announces that: “The executive management of hospitals and sanitary matters is for the most part under the direction of local bodies, consisting mainly of Natives; and it may be hoped that gradually local opinion and the popular sense may be in favour of sanitary improvement. As yet the people of India do not appear to appreciate any practical sanitary effort except the provision of a pure water-supply.”⁴⁵⁰ The main problem was that of method. Having few resources at their disposal, the Collectors had taken a ‘preventive’ approach, putting all the emphasis on prevention of disease like Cholera by proper drainage and clearing of waste water in and around residential areas. But this approach had the disadvantage of not creating enough middleclass jobs. The Crown devised a sanitary system where it tried to give quick medical courses to young men from the ‘leading classes’ to become doctors. By the 1909 the Secretary of State was willing to accept that no significant sanitary improvements were brought about, but he saw it appropriate to blame the rural people themselves for the inadequacies: “In rural tracts sanitary reform is necessarily more backward, and progress is impeded by the

⁴⁴⁷ Philips H.A.D (1886) op. Cit., p. 48.

⁴⁴⁸ Ibid. page 48-49.

⁴⁴⁹ Ibid. p. 53.

⁴⁵⁰ Secretary of State for India (1909) op. cit., p. 16.

inadequacy of local, revenues, the insufficiency of the staff at the disposal of the local authorities, and by old-seated habits and prejudices on the part of the rural population.”⁴⁵¹ In short, the administrative action of the Crown was effective only when it had plenty of resources, and the high rents paid by the rural tracts amounted to nothing.

Another Agency of importance was that of the Police Department at the Supreme Government level. At the provincial level, where the real action took place, the police work was sub-divided into the following categories: Government Police (Provincial), Town Police, Railway Police and the Village Watchman. While the provincial Government Police have the right to go where they want within the bounds of the Province, the remaining categories are limited to their territorial limits. The main innovation of the Crown, by the Government of India Act (Police Act) of 1861 was to make the Police Superintendent, more independent of the District Collector, giving him power over all the police work in the District.⁴⁵² Although the lead officers in this police configuration were British, the majority of the personnel came from the native urban population. Putting police power in the hands of novice recruits from Britain and support this by natives who brought their prejudices with them could only exasperate the already difficult situation. It was no surprise then that the Secretary of State for India, after almost fifty years of ‘experimentation’ declares: “The Police Department is still, as heretofore, a weak point in the administration.”⁴⁵³ It was a blatant acceptance that the Crown had failed to provide one of the basic elements of civilised government and administration, namely that of order for a peaceful life of the common Indian subject. It had provided middleclass employment but the Police fulfilled little, if any, of its real objectives.

The main problem was as the Secretary of State declared: “One of the difficulties in the way of reform is that the bulk of the people are as yet in imperfect sympathy with the police...”⁴⁵⁴ There were many reasons why the people did not sympathise with the Police or their work. The first reason was that 90% of the people still living in the rural areas did not feel the Police as working in their interests. “They had to have wide discretion and great power if they were to be of any use; and that enabled them, without going beyond the law, to harass and annoy innocent people.”⁴⁵⁵ Whenever possible the police always used highhandedness against the poorest and the most innocent. As one District Officer put it, speaking of a Police Sub-Inspector: “He was a good officer, if he was a little too much

⁴⁵¹ Secretary of State for India (1909) op. cit., p. 15.

⁴⁵² Ibid. p. 7.

⁴⁵³ Ibid. p. 7.

⁴⁵⁴ Ibid. p. 7.

⁴⁵⁵ Carstairs R. (1912) op. cit., p. 111.

inclined to look on man as made for the Police, rather than the Police for man.”⁴⁵⁶ Escaping the full control by the District Collector, increasingly the police came under the influence of powerful landlords who were politically active. The bad memories of the Maratha domination were everywhere rekindled.

Another big reason why the popularity of the Police was never high was because once again the villagers not only had the luxury of having a disruptive police influence but they were asked to pay the entirety of its cost. Robert Carstairs has this to say about the problem: “Our Government prides itself on being a steward for the villages as well as the towns, and it is bad stewardship to hand over money which belongs to the villages for removing evils in the towns, where they are more apparent to the official eye, leaving to fester on unremedied the no less real evils in the villages.”⁴⁵⁷ This comment came after the Supreme Government’s decision to remove the rates, raised for the upkeep of Town Police, and maintain the rates on the villagers for the up keeping of the village watchman.⁴⁵⁸ The villagers never wanted the village watchman to be a government employee in the first place, and later be obliged to cough-up the rates set by the Government.⁴⁵⁹ They were very happy with their thousand-year old system. As Sir George Campbell, one time District officer and later Governor of Bengal remarked: “A subject very long debated in India is the improvement of the village watchmen – the *chokidars*. There is a strong school which has always striven to turn them into regularly paid and efficient policemen. I have been rather adverse to that; I think it is too enormously expensive, and makes the country too police-ridden.”⁴⁶⁰ The result was the villagers now had a situation where they could neither trust their own watchman because he was a government implant and nor could they trust in the efficiency of a distant Police service. “Often a sufferer prefers to accept a small loss rather than incur the journey and loss of time inseparable from a police prosecution.”⁴⁶¹ The peasantry tried to cut the losses because there was no chance of remedy.

In such conditions of systematic attack of his institutional power what could a District Officer do? Many had their own response; counter-attack, sabotage and false reporting were some of the arsenal at their disposal. As one District Collector put it: “My people and I were very close together during those four years. I knew or cared little what went on in the great world outside, but was constantly occupied with my people and their affairs, and can honestly

⁴⁵⁶ Carstairs R. (1912) op. cit., p. 112.

⁴⁵⁷ Ibid. p. 125.

⁴⁵⁸ Ibid. pp. 124-125.

⁴⁵⁹ Secretary of State for India (1909) op. cit., p. 7.

⁴⁶⁰ Campbell (1893 V-2) op. cit., p. 185.

⁴⁶¹ Secretary of State for India (1909) op. cit., p. 8.

say that I made their welfare my constant thought, and gave them the best that was in me.”⁴⁶² Others when they were forced to build roads for Town convenience, under the pretext that roads should be maintained for events like famines, built the roads and immediately fenced them to show the Central Government, that the District Collectors were not going to cheat “their people.”⁴⁶³ Others stopped reporting any improvements made and denied that they were in need of new roads. And many times the inhabitants played the game in connivance with their Collector. The Collectors continued as before to surpass the hurdles set in front of them.

The Collector’s key colleague and partner in the business of rational administration was the village head. They pegged all their hope on the cooperation of the village head to organise the life of the District; everything transited by word of mouth, nothing was written down. As one of them remarks: “It was refreshing to wander about among the folk, see them in their villages and chat with them free of the restraint of lawyers and clerks, or the caution that is necessary when talking business.”⁴⁶⁴ In each District, the Collector had several thousand village-heads. What they did was to meet them in closed groups to pass-on the message. Although the Government later tried to make the village-head into a government official, the Collectors were still in control of appointing them. And they made sure that he was an appropriate colleague. As Carstairs commented: “He must not be a criminal; nor an oppressor. He must not alienate the village land, or get into the power of, and betray the village to the moneylender.”⁴⁶⁵ Wherever and whenever it was possible, the Crown and the Brahminic Order were curtailed, coaxed, molested and turned against each other, just to keep the village above water, so that it can get some fresh air and avoid the ensuing suffocation. After all, as the Secretary of State for India declared, the Collector and his Village have ... “the merit of superior economy.”⁴⁶⁶ And Sir George Campbell solemnly enounced: “The patriotism of a native of India is rather for his village than for his country.”⁴⁶⁷ It seems the District Collector under Crown Rule had whole heartedly adapted the same patriotism, for reasons of sheer compulsion and the weight of its entrepreneurial rationality.

In conclusion to this part we can say that, the chances of massive emigration from Britain to India were limited. The possibility for it to export British products to India was limited because of the strict ‘nationalist’ policy stance of the East India Company in favour of

⁴⁶² Carstairs (1912) op. cit., p. 73.

⁴⁶³ Ibid. pp. 127-128.

⁴⁶⁴ Ibid. p. 74.

⁴⁶⁵ Ibid. p. 319.

⁴⁶⁶ Secretary of State for India (1909) op. cit., p. 6-7.

⁴⁶⁷ Campbell G. (1893 V-1) op. cit., p. 236.

India and the protection of Indian trades. It was also limited by the structure of Indian society, there was very little in terms of urban middle-class that had the purchasing power to consume British products. Even before the Mutiny the Crown had succeeded in evacuating Indian fiscal resources from the top end by shifting British budgetary burden on to India. There were, therefore, very few resources left in the system to feed the planned new middle-classes, who could then be assigned to British interests like consuming products made in Britain and in general support the Crown domination of India. It could have created and initiated an industrial revolution but this was unthinkable because it would irreparably damage 'home' industries and the white 'Crown Colonies.'

From the part dealing with local government in Britain it became evident that Britain was shipping an average of 50000 people a month to foreign lands at certain periods, because it had no capacity or the faintest idea of how to create surplus employment for its population. But it was ready to create employment for the 'leading classes' in a country at least 20 times bigger in terms of population. And that by reducing India's industrial potential to near to nothing. After its 'coup d'état' over the Company Rule it thought it could woo the Native elite because it had got rid of a 'republican' influence in the Subcontinent. But the locals demanded more power-sharing, translated into simple terms this meant sharing fiscal resources in more equitable way. If it was to hang on to power in India, there was only one solution left.

The Crown makes a strategic move to replace the Company power and influence with that of the native 'Leading Classes' and the dormant 'Traditional Structures of Power.' But not all goes according to plan. The Company bureaucracy is very light and was principally vested in the 600 odd District Officers, who had made India their adopted country. The Crown's fiscal evacuation from the top did not leave the luxury of copious bureaucracy at the lower end. By wanting to create a non-industrial middle-class, the Crown created and nurtured a middle-class that grew by encroachment upon institutions that never functioned upon the same cost model. Good government for institutions like the Village and the District Collectorship was a by-product of their economic pursuits; the economic efficiency had to be equated by an administrative efficiency to fulfil the ever increasing demands on their efficiency and productivity.

In its master role as the creator of employment what the Crown does is to create institutions for which there was little need and jam them indiscriminately with native 'Leading Classes.' What these classes do is to relock the whole local government development into the 'traditional structures,' in other words – the Brahminic Order. As one

close observer puts it: “The caste system prevents the educated classes from becoming in any way the leaders or representatives of the people; there can be no overpowering bond of sympathy between high caste and low caste.”⁴⁶⁸ For equity and structural efficiency were anathemas to the traditional structure. It was conscious of this fact but the Crown hoped that the leading classes would act differently, a reason more educational qualification became the main criteria from a whole range of employment possibilities in the local governmental structures. But as one remarked: “The educated classes no more represent the people of India than Mr. Hyndman's band of socialists or the Birmingham Caucus represents the people of England.”⁴⁶⁹ Whatever the Crown's aristocracy did was not always geared to the welfare of the people. It obviously did not rear its ‘Leading Classes’ to be benevolent bureaucrats, on the contrary it licensed them to re-become malfeasant entrepreneurs, characteristic of the Maratha period. As Mr. Philips remarked: “There are several glaring abuses, which could not exist in any country but India; but they have nothing to say against such abuses, because, in the first place, they would be censuring the educated class of the natives; and, secondly, they would be helping to ameliorate the administration and to lighten the hard task of Indian officials.”⁴⁷⁰

The Crown belatedly realized that, bringing down the District and its Collector would spell the end. The District of the Company was of ‘superior economy’ as far as Local administration was concerned. In wanting to bring justice to this one man institution Mr. Philips announces: “In fact, in matters that affect the welfare of the people the District Officer is kind, sympathetic, and (if indigo planters and other non-officials are to be believed) too considerate and hyper-sensitive. The District Officer does not oppress, grind down, or ride rough-shod over the people, as certain venomous and rabid native prints would have their readers believe.”⁴⁷¹ Once the Crown realized this fact, it drops all question of Sub-Provincial government. From 1915 onwards it is clear that the native ‘Leading Classes’ will pull the plug and its rule will come to an end. All the constitutional arrangements henceforth are a rear-guard action to gain time and protect British interests. The 1935 constitutional reforms speak more, and in great detail of, official pensions than of Local Government. Under the Crown's Rule the development of Local Government is put back one century. At the end of its rule it leaves a bleeding District and a moribund Village, as the heritage of its “Superior Government.”

⁴⁶⁸ Philips H.A.D (1886) op. cit., p. 233.

⁴⁶⁹ Ibid. p. 225.

⁴⁷⁰ Ibid. p. 155.

⁴⁷¹ Philips H.A.D (1886) op. cit., p. 151.

4.0. PART FOUR: LOCAL GOVERNMENT UNDER NATIVE RULE (1947-)

Under the Crown rule we saw the part played by the Local Government structures in a vast web of entrepreneurial activities. Under the auspices of a truly democratic departure one would have imagined that everything would have been done to make the construction of local government systems as the first and pivotal goal in the further entrenchment of democracy, in a country which had not enjoyed such a system before. This should have been even more pronounced in a newly formed nation-state which ambioned in the reversal of a particularly exploitative colonial system, which was deeply enmeshed in the fabric of the Indian society. Rightly or wrongly, those who held power at the time decided upon a top-down model of democracy. This understanding of the democratic process negates the need for a strong local base; the local government segment failed to receive an active democratic attribution within the overall framework. Someone was responsible for this orientation and choices made at the time of the transfer of political power. The choices and priorities of these Indians who were entrusted with power in the early days of this transfer, give us a realistic picture why the development local government institutions, for its best part, was frozen up to the 1980s; reverting to the system inherited from Warren Hastings, where the expression of Central authority was pegged at the District level; just in front of the gates of the village.

4.1. Colonial Heritage and the Evolution of Democratic Institutions

Democracy was introduced to India under the constraints of colonial control in the form of dyarchy. This system meant different things to the various parties involved. For the British dyarchy meant a period of nurturing of the infant democratic aspiration of the Indian people and preparing the 'leading classes' in the provinces for governmental responsibilities; knowing well that these provinces in themselves represented min-empires. The idea of the British Crown was to introduce the system at the provincial level and spread it downwards and upwards until the whole structure becomes democratically controlled. When creating the system, the thinking on the part of the British Crown was that it would satisfy the aspiration of the leading classes by enticing them in a democratic process long before the lower level would be contaminated by a popular aspiration for a say in how the country was run at the local level. At the time, especially in 1935, the dissention within the British establishment was high. The majority of the intellectuals and a big part of the civil servants in India thought that there should be a bottom-up process. Their argument was that local government would be a

much more effective cradle for Indian democracy. A certain Mr. Curtis, advisor to the Colonial Office and one time member of the civil service in India (in his own words), had this to say on the matter: “In any system of popular government municipal institutions form perhaps the most important element. They affect the citizen most closely and continuously in his domestic concerns, and they afford the truest test of political capacity and the best training ground for aspirants to higher political functions. It is not usual to find the government of a country constituted on a more popular basis than that of its own towns or rural communes...”⁴⁷² For many like Mr. Curtis, the District in itself was too big, sometimes stretching several hundred miles with several million inhabitants.

The Crown had tried to take the democratic experiment to the district level, through the District Boards, but it was predominantly controlled by the Crown officials to be called democratic or otherwise. The concerns of the people, village tanks and primary schools, did not match the concerns of the District level which were about building police stations and rest houses for British travellers. For these reasons Curtis thought the village union was a more appropriate level: “For the ordinary cultivator, however, even of the superior class, the affairs of the district, even those of the subdivision, are too remote to possess much interest. He is concerned with the village roads and tanks and primary school. The universal extension of the Village Union system would enable him to look after these which are emphatically his own affairs. It is impossible that a system so centralized as the existing one can deal efficiently with the minutiae of such matters, and the undoubted labour and considerable expense of organizing the change should not be permitted to delay it unduly.”⁴⁷³ The Crown saw local democracy in terms of costs and not effectiveness. For it, there was no need for further democratisation at this level because it already existed in its traditional form, when totalised it produced the same results as the creation of the village union.

And the Crown could always point to all constitutional arrangements from the turn of the century which clearly indicated that if the provinces wanted they could have created lower level institutions. The situation did not evolve from there since the leading classes at the provincial level had other preoccupations than local democracy. One Indian observer, who had an inside view of the happenings, wrote the following: “A large body of influential Indian opinion considered the reforms inadequate, unsatisfactory and unworkable, but there was hardly any controversy as to the rightness of the basic principle of the Reforms. It was about the adequacy of the Measure and not about its principles that Indian criticism was

⁴⁷² Curtis L. Ed. (1920): *Dyarchy*, published at Clarendon Press, Oxford, p. 31.

⁴⁷³ *Ibid.* pp. 32-33

directed.”⁴⁷⁴ The feeling one gets is that the leading classes in India of the time wanted the British power to decamp but did not have any specific political doctrine or workable system to propose. Mahatma Gandhi brought with himself a doctrine and methodology to drive the British out of India but was very scanty on a workable system that catered to the aspirations that his personal engagement had aroused. His idea of recreating self-sufficient village republics was worthy but it failed to give any clues unto the new structure of government to this vast country. Either he was satisfied with what was in place or he thought the self-sufficient village would make the need for comprehensive government moribund. In spite of his efforts a sense of confusion gripped the various elite groups in search of a political orientation.

The result of the debate during the final decade of Crown’s rule in India was that it cut across political strategies for the post-Crown period. The Congress was a political party only in the elitist circles of the leading classes until Gandhi’s arrival on the Indian soil. On the other side of the spectrum, the Communist Party of India, principal concoction of Bengali and Malayali (Kerala) political and bureaucratic ambitions was to see itself as representing the aspirations of the workers and the peasantry. This was partly the reflection of evolutions in labour relations in Britain, what was happening in countries like Soviet Russia and China. But staying true to its Marxist principles, at least before the split, it was more in line with the Communist party of Britain which was more axed on labour relations. There was a violent and revolutionary way to grab power or it could be taken constitutionally by winning elections. For this purpose, the works of Sydney and Beatrice Webb were very important in forming their opinions. The Webbs advocated that labour movements should invest their energies at the local to make inroads before aiming for power at the national level. They argued this not only had the advantage of creating local cadre but also presented to orient political action in line with the day-to-day needs of the common man, and also orient his political education to the aspirations of the labour movement. What the Webbs prescribe is a functional takeover of the state structure.⁴⁷⁵ When a local government, dominated by communists, provides water, sanitation and education, it is taking power away from the central government. In short, they argued that political power will automatically come to those who can master the material life of the voters on the ground.

⁴⁷⁴ Kerala Putra –Pseudonym (1928): *The working of the Dyarchy in India (1919-1928)*, published by D.B. Taraporevala sons and Co, Bombay, p. 12 (After reading the volume one gets the feeling that the author was a high-level civil servant or someone well acquainted with power from the inside of the apparatus.

⁴⁷⁵ Webb S. (1890): *The Progression of Socialism*, Freethought Publishing Company, London, p. 13-18; similar arguments are held in his works on local government.

This was precisely one of the reasons why the Crown was not keen to loosen its control over the administrative and functional domains. It was also one of the reasons why the Crown deflected the cause of local government to other issues. As the demands for freedom became more pressing the Crown naturally identified the communal divisions which later led to the partition of the Subcontinent. But the real strains were felt elsewhere. The eventuality of British withdrawal from India, led to a realignment of traditional power structures which played into the British strategy of creating divisions where they already existed. By classifying the Punjabis as one of the leading races made the rest suspicious of the Sikh intentions. The progressive predominance of the Sikhs in the armed forces and the specific economic development of Punjab had enforced this feeling of fear and antipathy. The predominance of the Bengalis in the supporting bureaucracies was legendary, along with their highhandedness when it came to treating non-Bengali populations. The fact that Calcutta was the seat of government of the British Empire until 1931 led to the thinking that financial and industrial power was accumulated there, at the expense of the rest of the population. While Bombay, the seat of the Bombay Presidency, was increasingly challenging Calcutta's position by grooming a counter balance increasingly in line with British economic interests. Under these circumstances Indian Nationalism had a strange blend; a blend that would put a spanner in the wheels of local government and its development. Only one man was aware what was in the makings and he takes an extraordinary road to institutional building to avoid the calamity, this man was Jawaharlal Nehru, Pundit Nehru.

4.2. Jawaharlal Nehru and his difficult choices concerning Local Government

During these troubled times, Nehru spent almost a decade in jail. It must have been a tragic thing for him personally but it gave him an opportunity to think out loud, confront himself with the realities of his country, its greatness in terms of culture, the causes that had led it fall victim to waves of colonial intrusions. Undoubtedly he was from the Brahminic Order, but he had educated himself in every sense of the word. In his book, the Discovery of India, he tells the reader how he wrestles with himself, to form a realistic picture; of what was in the balance concerning the future of the country. Gandhi preached non-violence but there was enormous violence and self-inflicted pain in the person of the Mahatma. Nehru was different, his vision was not as narrowed as the Great Mahatma, his world was a dynamic world where a leader had to constantly adapt and adjust himself to the events. In such an event having a strict ideology would be a draw back to the exercise of power, by failing to

provide flexibility when it is needed. But there was no escaping, if he pretended to become the future Prime Minister of a free India, he needed to distinguish himself from the new conquering doctrines to avoid falling victim to yet another wave of colonialism in a different guise. Although he was a man of strong convictions, he had to be agile in handling the country's future. In an interview given to the Canadian Broadcasting Corporation, speaking of non-violence, Nehru says: "Theory can go as far as people can acceptably adopt it."⁴⁷⁶ He was not a man of doctrine; he was a man of power at the bottom line.

And as for the institutions, Nehru makes it clear on what institutions he is going to fall back on, and this without any romantic illusions about democracy. He makes it obvious to anyone that wants to hear that raising the standards of the people of India is his ultimate goal, because that is what the people need. The Indian people have all freedoms and a civilisation to fall back for their cultural needs, but what is needed is their material well-being, the freedom from hunger. But this said, he was not willing either to make a radical break with the past or take his people through an adventure that is paved with blood and violence. Defending what existed was for him as important as creating something new.

Nehru's dialectic is that of an entrepreneur who has inherited a 'political estate'. The rationality he adopts is that of business enterprise. For him, he should be uncompromising unto the final objective, but ready to make leeway in the intermediary stages. The fact was that to build a political coalition to push the British out, the Congress had become an umbrella movement that had in its bowels interests that really did not fit with each other. There were a lot of landlords and businessmen along with those who wanted land redistribution, state enterprises and public employment. A few people like him held all these conflicting interests together. It was impossible to ask him to become a bloody dictator over night to achieve the objectives he had set for himself. He was on the verge of retirement when he took over as Prime Minister. In a speech delivered in Calcutta on the 14th of July 1949 the Indian Express News paper reported him saying 'Normally he and Dr. Katju (Chief Minister of West Bengal) should now enjoy a pension. But the question was who should take the responsibility after them. He was anxious to find out and was looking round to see how the youth of the country was fashioning itself and preparing itself for the tasks of tomorrow.'⁴⁷⁷ It was an interesting statement knowing that the Congress was full of the 'leading classes' hungry for power. But

⁴⁷⁶ Canadian Broadcasting Corporation (1960): *Jawaharlal Nehru on Communism, war and peace – India's first prime minister to CBC's Blair Fraser on the Asian Summit*, Digital Archives, April 21, 1960; available online at www.cbc.ca/player/Digital+Archives/CBC+Programs/Television/Close-Up/ID/1694612491/ (retrieved 16/11/2013)

⁴⁷⁷ The Indian Express (1949): *Stand up to Communist Challenge*, says Pandit Nehru vol. XVII.No 294, Madras, Friday July 15,

Nehru was burdened by the same problem that was faced by Warren Hastings and the East India Company, the true section of the population that deserves power and political emancipation was the villagers but under the prevalent conditions power would be grabbed from them to be turned against them.

Nehru saw grave dangers and could point his finger at them, but it was difficult to stigmatize them since at that time there was already too much hatred and enmity. Long before independence, he had misgivings concerning the negative forces within 'native' India. He, more than anyone else, was aware that the freedom movement consisted of two distinct sections, the boisterous and the silent, and that the first of these two was going to create problems for him. He was aware of the imbalances between town and country side. Nehru was deeply apprehended when Gandhi told Congress activists: "Get off the backs of these peasants and workers, he (Mahatma Gandhi) told us, all you who live by their exploitation; get rid of the system that produces this poverty and misery. Political freedom took new shape then and acquired a new content."⁴⁷⁸ But not everybody was on the same line of thinking. Nehru was weary of the Bengalese and the Punjabis. The British colonial power for various reasons had developed two states of India more than others. These two states were Bengal and Punjab. Between the two of them they had dominated the armed forces and the echelons of public administration. The impression that Nehru got was that Local Government and Panchayat Raj in reality would lead to a process of bureaucratisation of the country, and would benefit those sections of the population that had a big stake in the state apparatus. The whole idea of Gandhi and Nehru was to reverse the tendency, and not take it to new heights.

Early in his political career Pundit Nehru was confronted with a Bengali vision for India which always tended towards radicalism, may it be Marxism or militarism; and whatever the outcome the end result would be the same, the Bengalese would have the upper hand. First it was Subhash Chandra Bose who was the president of the Congress Movement until 1939 and at the lower level by the Communist Party of India, equally a vehicle for Bengali power was oeuvring to grab power by consolidating the labour movement in India. Over two centuries of inter-marriages had spread similar culture to the state of Kerala. Whether the Bengali domination would have been more fruitful or not is difficult to say. But the fact remains that the Bengali tendency to totalising power never stopped and Pundit Nehru was fully aware of it: "Sometimes we thought that some swifter and more obvious process, but that was a passing thought, for adventurism leads nowhere, and the quack treatment of

⁴⁷⁸ Nehru J. (1989): *The Discovery of India*, Oxford University Press, Delhi, (Centenary Edition), p. 358.

deep-seated diseases does not yield results.”⁴⁷⁹ Bose as President of the Congress never wanted to condemn acts of aggression by Japan, Germany or Italy. Nehru writing in his book, *The Discovery of India*, writes about the atmosphere on the eve of Japanese invasion of Burma and poised to invade India: “But there was a small group which was indirectly pro-Japanese invasion for Indian freedom. They were influenced by the broadcasts being made by Subhas Chandra Bose who had secretly escaped from India the year before. Most of the people were, of course, just passive, dumbly awaiting developments. If unfortunately circumstances so fashioned themselves that a part of India was under the invader’s control, then there would undoubtedly be many collaborators, especially among the upper income groups, whose ruling passion was to save themselves and their property. That breed and mentality of collaborators had been cherished and encouraged by the British Government in India in the past for its own purposes, and they could adapt themselves to changing circumstances, always keeping their own personal interests in view. ... We had seen how the men of Vichy had (in Pertinax’s words) ‘racked their brains to palm off shame as honour, cowardice as courage, pusillanimity and ignorance as wisdom, humiliation as virtue, and wholehearted acceptance of the German victory as moral regeneration.’”⁴⁸⁰ Without naming, Nehru makes it sure who he is speaking about. It is important to point out that these are not the words of bitterness but those of a worried man, he was certain that the routine would continue.

He is not so expansive about the Punjabis, he recounts with a certain sadness and apprehension, countless occasions where Punjab was not ‘in tune’ with the general aspirations of the rest of India. He cites incidents where young activists enter prisons as teenagers and rotting in jails up into their middle ages. When Nehru and his colleagues ask the provincial government run by Punjabis to liberate these innocent men, they receive a categorical ‘no’ from the provincial government.⁴⁸¹ He also gives the examples where, after call to strike, the whole country comes to a standstill while everything functions as usual in Punjab.⁴⁸² Early in the book, when he treats the pre-colonial period, Pundit Nehru sees the Punjab as trying to become a paramount power in India right up to 1843. Even in the period leading up to Independence, the Punjabi leaders were in intense negotiations to see how they could spin-off Punjab as an independent state. The Punjabi dream of dominating India was never cast aside. In fact Nehru is surprised how quickly the Punjab goes from enmity to all embracing

⁴⁷⁹ Nehru J. (1989) op. cit., p. 358.

⁴⁸⁰ Ibid. p. 469.

⁴⁸¹ Ibid. p. 441.

⁴⁸² Ibid. p. 483.

friendship after 1843. In the same manner he is perplexed why Punjab stood valiantly beside the British Power while, in Nehru's thinking, the rest of the country had been behind the rebellion. He concludes by saying it is up to their conscience. Pundit Nehru was probably too harsh but he lived the reality that he transcribed for the purpose of history; the years that followed him gave him reason to a certain extent.

It has to be mentioned that during the dyarchy period the provinces of Bengal, Punjab and Sind were governed by non-Congress political entities.⁴⁸³ And among some of the leading intellectuals like Dr. Ambedkar, who participated in the pre-independence round table conferences etc., there was an emphatic feeling that both Punjab and Bengal were more in favour of Dominion status than out-right independence. Dr. Ambedkar writes: "In 1925 Mr. C.R. Das again took up the theme. In his address to the Bengal Provincial Conference held in May of that year he, either had the deliberate object of giving a deadly blow to the idea of independence, to particular pains to show the inferiority of the idea of Independence as compared with that of Dominion status..."⁴⁸⁴ For Dr. Ambedkar the reason was obvious for the Punjabis and Bengalese to fear. Both countries had established a minority rule over a Muslim population which constituted a majority. And since the untouchables of Bengal being one of the worst treated, Dr. Ambedkar splits communitarian struggle into a three-way one: Bengali Brahmins, the Muslims and the Untouchables. He says except for Nehru everyone was for Dominion status because it protected Hindu (Brahmin) interests.⁴⁸⁵ Ambedkar gives further proof of this tendency: "In the second place, there was a section in the Congress which was led by Mr. Vithalbai Patel. This section was in touch with the Irish Sinn Fein party and was canvassing its help in the cause of India. The Irish Sinn Fein Party was not willing to render any help unless the Indians declared that their goal was Independence. This section was anxious to change the goal from Dominion status to Independence in order to secure Irish help."⁴⁸⁶ There installed, even after independence, a strange situation that the state-structure was controlled by those who did rarely wanted to belong to the common future of India and Nehru was naturally haunted by this feeling. In reality, however strange it might seem, under these circumstances, the Village was the only thing he could fall back on.

Was he relieved when, interestingly, both of these states were partitioned? He obviously was not. But it did make his job that much easier. India's partition was a terrible

⁴⁸³ Nehru J. (1989) op. cit., p. 392.

⁴⁸⁴ Ambedkar B.R. (1946): *Pakistan or The Partition of India*, published by Thacker and Co. Ltd, Bombay, (1st edition 1940), pp. 273-274.

⁴⁸⁵ *Ibid.* pp. 276-277.

⁴⁸⁶ *Ibid.* p. 278.

tragedy and will be for a long time. But the feeling one gets by reading Nehru and hearing him across his interviews, is that his fears did not dissipate. After Ashoka the Great, who ruled a vast empire but felt an indomitable incapacity to rule as he wanted, Pundit Nehru inherited a country equal in size and magnitude with a nauseatingly similar sensation. The army was practically in the hands of the Punjabis and the administration the hands of the Bengali Brahmins while another Bengali faction, the Communist Party of India, was preaching communism to the masses. He could have made a complete failure of his tenure if he made the slightest mistake; he hardly had the time to get to grips with his new functions. The only man who could have helped him succumbed to gun shots of a fanatic. He was seconded by a power thirsty politician who progressively bleached his actions, denting the stature of Nehru as man of peace. In such circumstances, being suspicious about everything around him, Nehru takes a down to earth attitude in handling the various groups and devises a method of government that would pull everyone in the same direction, although he knew that some interests contradicted with his own long term objectives of raising the standards of the rural lot. But the queue was long and in a democracy, as he understood, not the needy get served first, it is the one who is the loudest, especially when he has a red flag in his hand. Although nation-building was one of his top priorities, laying the foundations for a proper local government system was not one of them.

Nehru was convinced that his people can wait while the boisterous won't: "The peasantry were servile and fear-ridden; the industrial workers were no better. The middle classes, the intelligentsia, who might have been beacon-lights in the enveloping darkness, were themselves submerged in this all-pervading gloom. In some ways their condition was even more pitiful than that of the peasantry. Large numbers of them, déclassé intellectuals, cut off from the land and incapable of any kind of manual or technical work, joined the swelling army of the unemployed, and helpless, hopeless, sank ever deeper into the morass. A few successful lawyers or doctors or engineers or clerks made little difference to the mass. The peasant starved, yet centuries of an unequal struggle against his environment had taught him to endure, and even in poverty and starvation he had a certain calm dignity, a feeling of submission to an all-powerful fate. Not so the middle classes, more especially the new petty bourgeoisie, who had no such background. Incompletely developed and frustrated, they did not know where to look, for neither the old nor the new offered them any hope. There was no adjustment to social purpose, no satisfaction of doing something worthwhile, even though

suffering came in its train.”⁴⁸⁷ In a democracy the middle class, through its capacity to articulate have a larger impact on the political process, according to Pundit Nehru, than the peasantry which possessed an overwhelming numerical majority.

Nehru did not think the local government set-up to be the most urgent because there was already something existing that had survived the test of the time. Along with the caste system and joint-family structure village is the most important part of the trinity of socio-economic cohesion in India according to him: “The autonomous village community and the caste system were thus two of the special features of the old Indian social structure. The third was the joint family where all the members were joint sharers in the common property and inheritance went by survivorship.”⁴⁸⁸ The was a living organisation and a living example, according the Pundit Nehru, of the maturity of the nation that can pull itself from the deep crisis it was going through. Nehru comes to the same conclusions as Warren Hastings, until a process of massive industrialisation, the weight of the whole economic structure will still be borne by the Village: “The cultivator had the right to till his land and the only real question was as to the distribution of the produce of the land. The major share went to the cultivator, the king or the state took a share (usually one-sixth), and every functional group in the village, which served the people in any way, had its share – the Brahmin priest and teacher, the merchant, the blacksmith, the carpenter, the cobbler, the potter, the builder, the barber, the scavenger, etc. Thus, in a sense, every group from the state to the scavenger was a shareholder in the produce.”⁴⁸⁹ Pundit Nehru hints that this would continue for some time to come. He had promised Gandhi and had integrated into his political approach that he will take the middle-classes off the back of the peasant, but it was a distant goal and not a precondition to a new beginning.

In above described conditions what the Prime Minister feared was that the Communists (Bengalese and Malayali tandem) would grab power at that level and would demand land distribution which Nehru was not able to offer because of two reasons. Firstly, devoid of any constructive help from the Bengalese and the Punjabis, Nehru was reduced to depending upon the support of the Landlord classes in the run up to independence and after for very simple reasons. The Congress party was the leading of the struggle and could draw huge crowds thanks to the Charisma of Gandhi and Nehru but on the ground it was very thin in terms of organisation. It was a party fit for mass crowds but not for contesting elections; the

⁴⁸⁷ Nehru J. (1989) op. cit., p. 357.

⁴⁸⁸ Ibid. p. 255.

⁴⁸⁹ Ibid. p. 253.

experience got during dyarchy had to be discounted because of the special electoral rules, which looked more like nominations than elections. The Communist Party of India on the other hand was more experienced in operating at local levels. From the point of view of the Congress Party, the only people who had local influence were primarily the land owning classes. Due to their economic predominance they naturally wielded power and influence over the local population. And the fight against the communists was in the common interest. Nehru could shout loud against communism, at the end of the day it was these local strong men that confront communist activism on a day-to-day basis. There was a common ground on which further political cooperation could be built upon, not to mention the financial resources that these strong men had at their disposal. By wooing these landed aristocrats therefore, the Congress could arrive at a quick political integration as far as party organisation was concerned. One would have thought then, that by giving local empowerment, through the creation of local government systems, India's first Prime Minister could have stimulated the political education to bring the rural masses to the same level as the urban middle-classes and consolidated them into the Congress system. His ultimate aim surely was to do that, but at that stage having the good disposition of the landlords seemed logical.

He was often questioned upon this subject of siding with the landlords rather than giving their land away to the poor and dispossessed, after all that was what he and his mentor, Mahatma Gandhi, promised the fervent crowds during the freedom struggle. James manor recounts an incident where young intellectuals met Nehru to answer on this account in the late 1950s: "Surely, "they said to Nehru, "you see that the country and your Congress Party are controlled by the middle classes and, more to the point, the landowning castes. They dominate the lives of the majority and treat them with contempt. You claim to be a socialist, but you let these rightists have all this influence. You are afraid to challenge them because it would split the party and deprive you of power. So your land reforms are just words on paper – they don't change anything on the ground. And when the Congress Party hands out spoils – which is the main thing it does- richer groups take the lion's share while the low castes and the poor get crumbs." Nehru nodded gravely and answered, "There's a lot in what you say. Land reform is harder to accomplish than we expected. Landed groups do indeed have disproportionate power. But if we confront them, it could shatter the very institutions that we need to achieve change. If we knock these institutions down, then the muscle of richer groups will show itself more nakedly than now, I know it's frustrating, it's slow, but we must trust democracy. Eventually, the poorer groups will emerge and assert themselves. And since they outnumber

the others, democracy will eventually become an instrument of change.”⁴⁹⁰ He always asked his contenders to look at the larger picture and forget about the individual needs of such and such. Reporting on the speech made by Nehru to an angry crowd in Calcutta, the Indian Express wrote the following: “In the ordinary course of solving many problems, the prime Minister said, they might have committed mistakes. But they must judge the results not from the interest of an individual but in broader prospective of the country.”⁴⁹¹ What this shows is that up to the time of independence there was no political consolidation for the biggest political party in India – the Congress Party. The priorities of the day were such that party issues were more important than that of the country; without a strong Congress the Communists (the Bengalese) will become the paramount power. Consolidation at the top was deemed more urgent than ‘local government experimentation’ at the lowest level.

It was also true that the Prime Minister, although he saw the value of the village and endorsed Gandhi’s model of self-sufficiency, on strictly economic grounds, he did not think the village model of agricultural exploitation would solve the problem of food self-sufficiency in India. The vision of Pundit Nehru was not ideologically motivated; he makes a rational assessment of the situation based on historic tendencies that he dates to the British rule, including in it the rule of the East India Company. We discovered earlier, that it was not due to the Company’s actions that India lost its industry; it was due to Britain’s system of tariffs to protect itself and its white colonies and dominions. But this makes no difference to his analysis of the situation; hordes of artisans were put out of trade. His explanation is as follows: “All these hordes of artisans and craftsmen had no job, no work, and all their ancient skill was useless. They drifted to the land, for the land was still there. But the land was fully occupied and could not possibly absorb them profitably. So they became a burden on the land and the burden grew, and with the poverty of the country, and the standard of living fell to incredibly low levels. This compulsory back-to-the-land movement of artisans and craftsmen led to an ever-growing disproportion between agriculture and industry; agriculture became more and more the sole business of the people because of the lack of occupations and wealth-producing activities.”⁴⁹² In short, India after enjoying a balanced economy fell into an imbalance and became ruralised. Nehru mentions that rural and town balance was 50-50 but under the British became 75-25. When he says British he means British rule which naturally

⁴⁹⁰ Manor J. (1996): *Nehru’s Legacy and the Condition of Indian Democracy*, World Policy Journal, Vol. 13. No.4 Winter, 1996/1, p. 89 (of pp 89-95). online: <http://www.jstor.org/stable/40209508> 16/11/2013

⁴⁹¹ The Indian Express (1949 July 15), op. cit.,

⁴⁹² Nehru J. (1989) op. cit., p. 299.

includes the native 'collaborators', and in his writings Nehru distinguishes himself by putting blame on all parties equally.

So the idea was to mobilise the cottage industry but the burgeoning educated middleclass cuts this response short by its attraction to radical ideologies like communism. While Gandhi preached cottage industry, Nehru becomes the champion of small scale industries for a long time. But three major factors make it urgent for him to court large-scale industry. The Soviet experience had shown him that swift modernisation from above was possible. He was fascinated by the progress made by the Soviets which, ideology aside, represented a formidable attraction for Pundit Nehru; according to him the parallels between the two were too great to ignore it. Russia had gone from being a country of serfs to becoming one of the two super powers. This vision of the possibilities makes junction with the evolution of India's industry after British departure. In the international markets Britain had become uncompetitive and to keep one step ahead of its colony it had allowed even less competitive sectors to develop in India. On the 15th July 1949 edition of the Indian Express, the very moment Nehru was delivering his Calcutta speech against the Communists, announces: "30 Ahmedabad Mills to close – 50,000 worker facing unemployment." And paragraphs below it quotes the South Indian Mill-Owners' Association (Coimbatore) addressing a message to the government: "We have already represented to you about the yarn and cloth accumulations in the country, and how it is almost paralysing the industry. In many cases the units are unable to bear such continuous blocking up of finances and they are forced to think of closure." In the same edition there were other stories of trade union activism as well. The names of the trade union leaders were almost all Bengali and this must have created a sense of impending crisis for Pundit Nehru. On the side of the armaments and vital infrastructures, Britain had left India in a state of dependence which Nehru thought should be reversed; very quickly the country was surrounded by countries that were at odds with it. The amalgamation of these three realities meant that everything had to be kept on hold or launched with measured enthusiasm.

4.3. The question of Identities and the pressing needs of Nation-building

Every Indian had a faint idea of what India was; it was anti-British sentiment, thanks to the efforts of the Great Mahatma. But this was not sufficient for people to become citizens of India and get preoccupied with this entity's new destiny and bare the cost of building it. It was time to get every Indian to get tied to this new nation-state, much more than he could to any other available entity. As was earlier mentioned Nehru said that the Indian peasant was

India. He also added, when speaking about the eventual partition of the subcontinent reminded everyone that most of the time each and every village contains, within its walls, several nations: "...in every village in India there were two or more nations."⁴⁹³ The villagers were identifying with their village more than anything else and this was going on for several thousand years, in this process it had acquired a character of a republic. Pundit Nehru recognised this weakness: "At the root of the political structure was the self-governing village system, which endured at the base while kings came and went. Fresh migrations from outside and invaders merely ruffled the surface of this structure without touching those roots. The power of the state, however despotic in appearance, was curbed in a hundred ways by customary and constitutional restraints, and no ruler could easily interfere with the rights and privileges ensured a measure of freedom both for the community and the individual."⁴⁹⁴ It was true that when the villager looked around, he could identify with anything as long as this superficiality mentioned by Nehru was maintained. And given the fact the newly formed states were in themselves mini empires or combinations, there were all the reasons to think that they were temporary, while the national structure was in one way or the other was going to be permanent. When the Madras was broken up to form the state of Andhra Pradesh, it was bunged up with Telangana because same language was spoken in both, at that time few paid attention to this fact, Nehru was one of them. For him one nationalism masked another colonialism and knew that things at states' level were not permanent, although he was inflexible concerning some genuine cases. For Nehru the choice was obvious, drumming up support for the national entity was a sure catalyser for change. So there was no need to give more empowerment on the local end than what already existed. An alliance between the Village and the Central Authority was an ideal combination in a land where identities were still unsettled.

India's first prime minister was also worried of putting India's Federal State System under stress. The borders of the provinces were fixed in a colonial period, based purely on colonial priorities of efficiency and control by the Supreme Government. As mentioned elsewhere, these provinces were themselves empires in their own right. The Madras Presidency had consolidated the whole of South India, where half a dozen languages were spoken, with a quarter of the population of the whole country. Taking this example it was evident that the Tamils controlled the whole presidency and were increasingly pretending to be the masters of the southern peninsula. Introducing local government in the immediate

⁴⁹³ Nehru J. (1989) op. cit., p. 455.

⁴⁹⁴ Ibid. p. 145.

aftermath of Independence would surely have two consequences. The first consequence would be to ferment local political aspirations for nationhood, in the face of a bureaucracy dominated by a mini-empire, may it be Tamil or Bengali. This would inevitably create tensions and even civil wars which would give an even bigger role to an army dominated by the tandem of Punjab and Bengal. Secondly, if none of this happened, the peasant population would be consolidated and affinities reoriented towards the presidencies of the colonial period, weakening the already elusive central authority. In the early period it was almost impossible for Pundit Nehru to entrust the federal states with the implementation policies supporting local government institutions.

Political woes with the Communists were not the only thing that preoccupied Pundit Nehru. The movement for independence and the media coverage was largely focussed on Mahatma Gandhi and Nehru, but on the ground there were others who were surfing on the mobilisation created by Gandhi. One such leader was Dr. Ambedkar, who was from the Dalit (untouchable) community. Although Gandhi spoke about the problem of untouchability from outside, Dr. Ambedkar had the advantage of speaking as a member of this community, from the inside. Being educated in the United States as a lawyer, he was apt to exploit all the inconsistencies of Gandhism, to impose his own structure on the Dalit movement which had legitimate grievances against social and economic prejudices. He was thoroughly opposed with Gandhi's promotion of Hinduism because of its intimate connection with the caste-system. In essence Dr. Ambedkar was pounding home the fact that Gandhi's movement and ideology was nothing else than another reincarnation of the old Brahminical Order. Dr. Ambedkar's opposition to Gandhi was diametrical and systematic; the village for him was not the ideal structure to deal with oppression and inequality because it encapsulated all the prejudices at the micro level. In reality, he argued, no power should be given to the village before these prejudices are evacuated. The genius of Dr. Ambedkar was that he expounded his vision of things at a crucial moment of the independence movement. The Muslim league was looking to the exit door and others could follow, weakening the claim that the Congress represents the whole of India. The problem for the Congress was that Dr. Ambedkar was rapidly gaining ground among the depressed classes and increasingly becoming the representative of the tribal people as well. If the tendency continued, the fervour created by the anti-colonial movement would become ephemeral; giving place to parties and movements that would create further division on geographical and communitarian lines.

Gandhi's relation with Dr. Ambedkar was bitter but he feared that not cooperating with him would weaken the position of the nationalist, in their negotiations with the British.

'In March 1947 Dr. Ambedkar submitted a memorandum to the Constituent Assembly containing his constitutional views regarding the future political system in India and the place of scheduled castes in it. Day and night he remained busy in mobilising public opinion in favour of the political rights of Scheduled Castes.'⁴⁹⁵ Enlightened members of the Congress, like Pundit Nehru supported Ambedkar because of the force of his argument, but he also represented a potential for further bloodbath. The only way to temporarily let off the steam from Ambedkar's movement was to integrate him, and give him responsibility at the highest level, robbing him the argument that Dalits were discriminated. On the recommendation of Gandhi, on the 3rd of August 1947, 12 days before the declaration of Independence, Dr. Ambedkar is appointed the first Law (Justice) Minister in Nehru's Congress. And with a natural progress of his functions, 'On 29th August 1947 the Constituent Assembly appointed a Drafting Committee of the new Constitution under the Chairmanship of Dr. B.R. Ambedkar.'⁴⁹⁶ This was a major event for the future of Local Government in India, because the Indian village becomes a subject of contention at the highest level of the Independence movement.

Gandhi had his romantic or far-sighted view of the village, depending on how one interprets his views. Nehru had recognised the importance of the village as an institution and had the ambition to make it the main local government peg, because he had misgivings concerning the District.⁴⁹⁷ Digging deep into his experience of the Dyarchy period, Nehru, in comparison with the village, has a very bad opinion of the District as the linchpin between central authority and the people. Nehru recounts the following: "British rule thus consolidated itself by creating new classes and vested interests which were tied up with that rule and privileges which depended on its continuance. There were the landowners and the princes, and there was a large number of subordinate members of the services in various departments of government, from the patwari, the village head-man, upwards. The two essential branches of government were the revenue system and the police. At the head of both of these in each district was the collector or district magistrate who was the linchpin of the administration. He functioned as an autocrat in his district, combining in himself executive, judicial, revenue, and police functions."⁴⁹⁸ Nehru even calls the Collectors as being '*gauleiters*,' making reference

⁴⁹⁵ Chitkara M. G. (2002): *Dr. Ambedkar and Social Justice*, APH publishing Corporation, New Delhi, p. 89.

⁴⁹⁶ Ibid. page 89.

⁴⁹⁷ Nehru J. (1989) op. cit., p. 145.

⁴⁹⁸ Ibid. p. 305.

to Hitler's local heavy hands.⁴⁹⁹ Between the District and the Village, Nehru had a strong preference for the village.

For Dr. Ambedkar, prejudices cannot be reduced by leaning on the caste system and its institutional upholder, the village. Dr. Ambedkar has the same opinion of the village as that of Nehru concerning the District under the British rule. For him the village is a structure of perpetual atrocity and tyranny: "Petty reasons for their punishment being not breaking the faggots of a village chief (Patil), not serving grass to a horse of a village officer (Mamledar), not ploughing the land of a village accountant (Kulkarni), not saluting a village agent (Rayat), for giving up begging of food in a village; for giving up eating dead animal's flesh: for wearing a clean dress, etc. These things are hardly related to government service."⁵⁰⁰ Dr. Ambedkar's legitimate fear is that Nehru's project of giving further authority to the village instances, which would inevitably increase the injustices against the Dalit. He even went as far as saying that these officers should be Mohamedan or Parsees to avoid Hindu prejudices. Considering the possible separation of Bombay City from Maharashtra, a resourceful Ambedkar adds to the weight of vision of things: "There is also another reason why Bombay City should be made a separate state. The minorities and Scheduled Castes who are living in the village are constantly subjected to tyranny, oppression and even murders by the members of the majority communities. The minorities need an asylum, a place of refuge where they can be free from the tyranny of the majority. If there was a United Maharashtra with Bombay included in it where they can go to for safety?"⁵⁰¹ Wherever possible he blackmails Nehru and his followers by saying that he will show the world how the Hindus are treating him, exposing the social conservatism which negates the democratic aspirations of the people of India, especially the depressed classes.⁵⁰² By a process of very well calculated application of pressure Ambedkar pulls the Congress into an engrange that has the end result of allowing him to write what he wants into the Constitution. As a consequence, rather than proposing alternatives to the existing institutional pattern at the lowest level of the State, Dr. Ambedkar makes a blank over it.

Article 40 of the 1950 Constitution (the original) has a single line on the subject of the Panchayat (Local Self-Government): The State shall take steps to organise village panchayats and endow them with such powers and authority as may be necessary to enable them to

⁴⁹⁹ Nehru J. (1989) op. cit., p. 433.

⁵⁰⁰ C.D. Naik: Thoughts and Philosophy of Dr. B.R. Ambedkar, published by Sarup, New Delhi, 2003, p. 421.

⁵⁰¹ Ambedkar B.R. (1989): Thoughts on linguistic States, published by Anand Sahitya Sadan, Aligarh-UP, p. 20. (word format). Online, in Word format, at dramedkarbooks.wordpress.com/dr-b-r-ambedkar-books/

⁵⁰² Madan Gopal Chitkara (2002) op. cit., p. 90.

function as units of self-government.⁵⁰³ What is more interesting, concerning the outlay of the Constitution is that, except for a brief mention of 'District Courts' there is no mention of the District and its position in relation to the State; especially so when we know that the District is, for all purposes, a central government implant. When we add the two we realise that 'Local Government' as such is hardly noticeable. The village was the anchor point for Mahatma Gandhi's self-sufficiency and it was equally important for Nehru who saw it as the bedrock of his efforts to modernise the country. But the constitution however reflects the desires of its author, Dr. Ambedkar. This is especially difficult position for the new prime minister to deal with. The States in the new Union were new creations, still in their infancy, and nothing was permanently settled or definitive concerning their borders or language etc. Article 3 of the Constitution makes clear that States can be added, divided, renamed and altered as the need arose.

At the time of Independence, what really existed was the District and the village, everything else was still paper and fresh ink. But this failed to get a sufficient constitutional backing. There was a marked dislocation between administrative authority and territorial coherence, which the provinces had often complained of during the Crown Rule, when they wrangled with the District which was not controlled by them. But for Dr. Ambedkar the constitution was about a social revolution. During the Company rule, the Collector and the Revenue Board had made a silent oath to keep the excesses of the Brahminic Order in check, now Dr. Ambedkar had written that into the Indian Constitution. He wanted to replace the caste-system with a constitution. As it often happens, there was only place for one, and that probably Pundit Nehru had better perception than Dr. Ambedkar who hoped to make a clean start for his beloved nation. Between them they shared the purity of their purpose, but the methods varied. Dr. Ambedkar saw equality and emancipation as a precondition to democracy. And as for the constitution, Dr. Ambedkar was protecting some from prejudices but failed to wipe out injustice at its roots. Nehru knew that it would be difficult to transpose constitutional virtues on to the masses overnight.

Nehru had to compose to govern and keep the country and all the factions together. What Ambedkar was asking for, would need a dictatorship, all might a temporary one. What a beginning it would have been to a democracy had Nehru transformed it into a dictatorship? His upbringing, education and temperament did not prepare him for excesses or any kind of radicalism. This meant that he had to compose with a wide spectrum of tendencies and

⁵⁰³ Aggarawala O.P. (1950) -Presented by: *The Constitution of India*, Metropolitan Book Company Ltd, Delhi, p. 62.

ideologies. Except for violence of any kind, he was sympathetic to all ideologies. He has a lot of praise for even Communism and the achievements made by the Soviet Union. Fundamentally he is with the efforts made by Dr. Ambedkar. If we make a simple reading of where he stands, one can easily fall into the trap of thinking that he wanted to appease with everyone because he wants political power. But at the same time when we make a realistic appreciation of his approach, one has to accept the enormous effort he makes to canalise the divergent and sometimes contradictor interests. By this position, the unity of the country becomes his constituency and political estate. Unity of India, social, political and economic depended on one man and only one – Jawaharlal Nehru; everything depended upon him, it was him or a catastrophe, and there was already enough of that. At the same time he was neither a Mao Tse-Tung nor a Bismark, on the contrary Nehru was a man of weaknesses imposed upon him by the situation. His power was derived by keeping a balance between the various factions who look at 'young' India as a political Eldorado. The economy left behind by the British Rule was equally catastrophic, meaning that his political weakness was reinforced by the economic weakness of the country. As if this was not enough the international situation was a constant danger to the fine balance in the country. He constantly repeats to anyone who wants to hear that international relations and what happens at the global level has an immediate impact on the country; and what happens inside the country also has global repercussions. If similar agrarian rebellion took hold of India as was the case of China, the world would re-plunge into 'hot' war, with a guaranteed civil war in India.

Entrepreneurialism becomes the only governmental method possible in a situation where the Prime Minister is ideologically and constitutionally curtailed. This could be a paradoxical statement given the idea that entrepreneurialism can only be possible in an environment without restrictions or constraints. Nehru takes the mantle of a super entrepreneur who has very little resources but wants to derive a maximum of economic impact; with as little bureaucracy as possible. Nowhere is this entrepreneurialism more evident than in the rural areas and the village. Constitutionally restricted, since it does not make Panchayat Raj compulsory, Nehru uses the economic instrument to give empowerment to the village structure, by relying heavily on the entrepreneurial characteristics inherent in the village. With this method, Pundit Nehru not only wants to put in motion the economic regeneration of the rural economy but delegated governmental responsibility. The end of colonialism did not mean the introduction of a paternal state that would do everything. He uses the economic and entrepreneurial method to rekindle self-government in the village, thus surpassing the constitutional and budgetary draw-backs. The Congress party was dominant in parliament but

there was no stability guaranteed because it was a coalition of contradictions, and for this reason Nehru could not allow Parliament to become the guarantor of this 'entrepreneurialism.' He needed another vehicle and guarantor that keeps everything in motion.

4.4. The Planning Commission and the secret sponsor of the village self-government

Earlier, in the part dealing with the Company, it was shown how the Revenue board became almost a clandestine government and guarantor of the Indian village and the rural economy, against the manipulative whims and wishes of the British Crown. For Nehru, whose admiration for the Indian village was unparalleled, had to think of its development as his private estate that had to be protected from the 'pork-barrel' encroachment of parliament and the central bureaucratic interests. Nehru had a vision of development that might not have corresponded to that of other factions but still, at least in the beginning, he sees the necessity to go ahead with his vision. This method was not the result of an extreme ego or self-confidence; the simple fact was that he was persuaded about his impartiality and that the few resources available would be used wisely. He was the only person to interpret the atmosphere of the time. But to some this was a way of introducing a soft dictatorship through the backdoor: "Nehru relied on planning and therefore on the Planning Commission, but his critics on the right criticised the Commission itself. In 1959 K.M. Munshi lamented that it was not Parliament but a nominated supercabinet, the Planning Commission, that governed India."⁵⁰⁴ This reflected the reality of the constitution which put the executive in a straight-jacket as was mentioned earlier. There was no other way than to circumvent it, and this done through the help of the Five Year Plan (System).

The idea of a Plan and planned economy provokes images of the whole society and resources mobilised, in accordance with a strong political will and consensus; as was the case in the Soviet Union or France. In India this was not the case. Some experts see it this way: "The Second Plan was supposed to be based on the Soviet model. But in fact the Second Plan, and indeed all planning in India, was very different from the operational, imperative, and compulsive Soviet Plans. In India, which had half-feudal, half-capitalistic economy and where there existed even functioning anarchy in certain areas of the economic field, planning was by no means easy."⁵⁰⁵ When looking at the planning process mobilised by Pundit Nehru and the method used one can only make sense of both of them when we look at them in an

⁵⁰⁴ Ghose S. (1993): Jawaharlal Nehru: a biography, Allied Publishers, New Delhi, p. 253.

⁵⁰⁵ Ibid. p. 254.

entrepreneurial perspective. In the 1950s, when the whole process gets into motion, the position of Nehru is that of a vast portfolio manager. In this portfolio he has all the sectors through which he wants to bring economic development to India. All these sectors had to go ahead hand-in hand to get a maximum of impact and avoid impediments related to unequal development. For this, Nehru quite cleverly created the National Development Council (1952) to keep the states tied in. Das Gupta reviewing Nehru's planning task came up with this conclusion: "The Planning Commission and the National Development Council were the two main pieces of planning machinery evolved during Nehru's time and at his instance. Through them, Nehru stressed the role of planning as a means for achieving a larger national synthesis. This aspect was of crucial significance in the early years of planning and nation-building, and appeared then to be its decisive role. Nehru's personal identification with planning and its main instruments gave tremendous strength to them and helped the Centre and the States and public opinion generally to think and work towards a national consensus."⁵⁰⁶ It was true that the National Development Council was a good forum for wielding everyone's support to produce a national consensus. But the main reason he does this is to produce a multiplier effect and resource pooling. And the entrepreneurial skill is in the way he does it. And this process also gives us an insight into why taxation was little compared to the developmental needs of the country. Nehru's method of executing the Plan shows how he breaths life into the village and the Panchayat Raj.

The method of Nehru consists in giving impulses to dormant structures, to reassess their one-time dynamism. And his choices in the priority sectors gives special impetus to local government sector by the build-up of essential community services by a conscious choice of not wanting to develop medium-scale industries in the rural areas, which could have given a push to the agricultural sector. But at the same time something had to be done in the rural areas and because of this obligation he was pushed to constructing a local government sector. Since he believed that economic deceleration was at the root of all ills, reversing this deceleration was the primordial objective of the plan. At regular intervals, in his book, *The Discovery of India*, Nehru gives a detailed analysis of how this deceleration happened. Without naming he comes to the same conclusions as the Company; that the combined extraction by the British and their native collaborators nailed the most active forces of the country to the ground. These forces which included the peasant and a myriad of trades and crafts pertain to the rural economy. And since science and technology had evolved as India's

⁵⁰⁶ Das Gupta N.B., et al (1993) : *Nehru and Planning in India*, Concept Publishing Corporation, N. Delhi, p. 31.

economic forces laid dormant, there had to be a new start, and these sectors should have intensive focus.

Nehru therefore divides the scope of his action into two, one where there would be a concentration of financial effort while the other gave a targeted impulse. The rural economy, where the majority of the people lived, would be given impulses, incentives, to regain its historic vigour. But in exchange the government will drop all direct taxation on agriculture, and only the very high revenues would be taxed. In essence Nehru told the masses that he will give little, because the circumstances impose it, but in exchange he will take little or nothing. There were many who thought he was taking the rural masses on a ride, but everything depends on the historic context and Nehru's governmental action after a British Crown rule that had a very negative impact on the rural economy. On the build-up to independence Nehru was in favour of increasing the productivity in the agrarian sector, to increase vital food supplies but he was hesitant to encourage mass mechanisation of the agricultural sector. State sponsored mechanisation was out of question because it would profit mainly the land holders. Politically, it would reinforce the image of Nehru who was working with semi-feudals. It was also true that Nehru had a very particular reason not to engage in the Soviet-style mechanisation: "I am all for tractors and big machinery, and I am convinced that the rapid industrialisation of India is essential to relieve the pressure on land, to combat poverty and raise standards of living, for defence and a variety of other purposes. But I am equally convinced that the most careful planning and adjustment are necessary if we are to reap the full benefit of industrialisation and avoid many dangers. This planning is necessary to-day in all countries of arrested growth, like China and India, which have strong traditions of their own."⁵⁰⁷ The dangers he has in mind are that of throwing capital on an exhausted sector: "Agriculture has been carried on for thousands of years in India and the soil has been exploited to the utmost. Would the deep churning up of the soil by tractors lead to impoverishment of this soil as well as to soil erosion?"⁵⁰⁸ Here we have to give him credit since he initiates the mass production of chemical fertilizers and pesticides rather than mechanisation, whether this was good or bad in the long run it is difficult to say; but it fits into his perception of things, in a logical ensemble.

The same goes with the medium size industries, like agricultural transformation and processing, Nehru could have initiated these industries to increase the productivity in the rural areas but he did not. Das Gupta explains that: "Even during Nehru's lifetime, certain

⁵⁰⁷ Nehru J. (1989) op. cit., p. 406.

⁵⁰⁸ Ibid. p. 405.

contradictions and imbalances had emerged in the pattern of development that was taking shape. The food problems remained acute and food aid was an essential element in securing relative price stability. Much of the industrialisation was accomplished through inflows of external resources. While technological self-reliance gradually advanced, economic self-reliance was still a long way of.”⁵⁰⁹ But the reason which he gives for not developing these industries, which would have provided badly needed employment in the rural areas, has a similar logic. He says: “The kind of medium-scale industries that were being started in India, under the prevailing economic system, resulted not in absorbing labour, but in creating more unemployment. While capital accumulated at one end, poverty and unemployment increased at the other. Under a different system, with a stress on big scale industries absorbing labour, and with planned development this might well have been avoided.”⁵¹⁰ In fact what he was frightened of was precipitous introduction of industry into the rural areas would increase the risk of people leaving the land but entering a period of precariousness with no guarantee of permanent employment.

Nehru’s intention was to help the poor, but he wanted to give them neither mechanisation nor medium scale industries. So what this meant was that developmental priorities in the rural areas would be narrowed down to primary agriculture and community services like education, health services and housing. Speaking of the progress made in the Soviet Union and how it could be a model for development to India, Nehru says the following: “Some were attracted to communism, others were not, but all were fascinated by the advance of the Soviet Union in education and in culture and medical care and physical fitness and in the solution of the problem of nationalities – by the amazing and prodigious effort to create a new world out of the dregs of the old.”⁵¹¹ His experience during Dyarchy had given a vision of what had to be done. His admiration for Soviet success shows that he wanted to strengthen the community. Once again what this means was that he wanted to strengthen his vision of Panchayat Raj; that of providing the village with a helping hand to pick itself up from its rotten and beaten-down condition. This concordat with the rural masses does not mean that the Prime Minister had gone back on his promise to improve living standards of the rural population or give them empowerment. There were rural infrastructures that had to be built; schools to educate the future democratic citizen of India and hospitals were needed to improve the physical condition of the rural population.

⁵⁰⁹ Das Gupta N.B., et al (1993), op. cit., p. 34.

⁵¹⁰ Nehru J. (1989) op. cit., p. 404.

⁵¹¹ Nehru J. (1989) op. cit., p. 372.

What Nehru does was that he proposes a partnership, which he thinks existed in memoriam between the state and the Panchayat Raj. The situation on the ground was that the State had few financial resources and on the other hand the village had surpluses or unemployed labour. What Nehru proposes is that they meet in the middle, the State will provide the capital, the material cost and the village provides the labour, including the management for each and every project. In a very interesting and straight forward interview by Blair Fraser, Canadian Broadcasting Corporation, on the eve of the 1960 Asian Summit with Zhou Enlai, the Prime Minister of China, Nehru makes it quite clear. When Blair asks: ‘China has been able to mobilise its labour force and India not...what is your comment on that?’ Nehru does not save his disdain for the Chinese methods: “the methods used by them are coercion and propaganda ...we do not use those methods...The question is how to use our unused manpower...In a village ...we give them authority ... We give them 50% of the cost. If they build a school ...a road etc, it’s for their own good, it’s theirs.”⁵¹² He goes on to saying that he is against forcing the villagers to work from morning to late at night. Blair Fraser looked a little perplexed with Nehru’s answer because he did not understand what India’s Prime Minister was saying or it was difficult for him to see how. In Canada when a school is needed either the Local Government or the Central Government gets it constructed, the citizens are not asked to fold-up their sleeves and lay bricks; they simply have to pay their taxes. But Nehru was dead serious and was speaking from his own experience, more than twelve years of it, in making things work with modest means.

At the beginning these financial incentives were big because things had to be started but progressively the 50% Nehru talked about was reduced to 10% or even less. It is here that the National Development Council becomes handy. Pundit Nehru uses this council to consult and keep informed the states and also make them contribute and share in the burden of these economic impulses. The end result is that by ten percent he is getting hundred percent of the job done. With this method Nehru was able to achieve what the combination of the East India Company and the British Crown could not achieve for almost two centuries. Hundreds of thousands of schools were built, followed by the construction of hospitals and large network of local roads. This is of course the result of the efforts made by a Prime Minister dedicated to his people and their material well being. But it was most definitely the achievement of the Village Raj, because it was, as Nehru explained to the Canadian television, the villagers who made it possible by their labour, financial resources and ingenuity in bringing a project to

⁵¹² Canadian Broadcasting Corporation (April 21, 1960) op. cit.,

fruition. In retrospective to the remarks made by Nehru on the Canadian television, in the model of development proposed by the system of Five Year Plans, there was a strong incentive given to the notion of 'Self-Government' or Panchayat Raj as it is called in India. When Nehru offered the villagers the possibility of schools, he was just repeating the fundamental wishes of the people. He was not setting their developmental goals. As pointed out earlier, he knew that the villagers would do something only when they feel the necessity to do it. Apart from setting the agenda, the realisation of the objective is done by them collectively, in the efficiency and tempo dictated by them; they are their own masters. And in terms of resources, the design of the Plan is to make the local Community spend their own resources. Whether it is done out of taxation or voluntary contribution, the money and resources ultimately come from the community.

Although the Constitution does not make too much space for the village government or local government, the system and design of Five Year Plan makes room for self-determination of the local community. What is lost constitutionally Nehru gives back through an economic system, a method he adopts throughout his political engagement. He strongly believed that the constitution in itself cannot solve much, if it is not closely followed up by an economic structure. In terms of ideology he was a socialist and was deeply rooted in a tradition of statecraft which believes stepping in to help the weaker sections of the population. But at the same time, constrained as he was with resources, he does not believe in a passive relation between the state and the individual. In the particular context of the peasantry, time and again Nehru brings up the fact that the peasant gave life to a whole structure, from the barber to the Brahmin priest, and it was therefore impossible to think that, given the opportunity, the peasant can feed himself and does not need hand-outs from anyone, including from the state.

This design would reduce the risks of inefficiency and corruption related to a bureaucratic model of execution of the Plan. By keeping the plan to that of a portfolio management, the Plan avoided over-implication of the bureaucracy. Bureaucracy was Nehru's nightmare, so the design of the Plan had to have a system by which all bureaucratic intervention was avoided, wherever possible. Nehru had to think like an entrepreneur and this made him adopt all reflexes that come naturally to an entrepreneur; and it was no time to be overburdened by unnecessary luxuries, so bureaucracy had to be limited.

At the time, when bureaucratic employment was the safest that could be sought after, there must have been enormous political pressure for him to provide state-induced employment to the growing number of middle-classes; but Jawaharlal Nehru resisted, one of

the reasons why the handling of the Plan was criticised. The Prime Minister was aware of the ‘complicity between the erstwhile landed oligarchy and the local bureaucracy, some of whom actually came from the landed upper classes ...’⁵¹³ The idea of Panchayat Raj, partly shelters him from such criticism, since through the Plan he transfers bureaucratic authority to the village. The village, due to its size and its intrinsic nature was capable of permeating bureaucratic authority without the need for a formal bureaucracy. It is very important to underline the fact that the reduction of bureaucratic encroachment is done through the empowerment to the village and the Panchayat Raj as Jawaharlal Nehru conceived it. What is more important to underline, is the fact that through the system of Five-Year Plans he increases the presence and scope of the State without a parallel increase in the bureaucratic outlay. With the design of the financial structure of the Plan, Nehru put forward a vision of the world where state presence and a socially oriented economic development was possible without the expansion of expensive bureaucracies.

What is important to underline, was that the Constitution of India did not make the Panchayat Raj or Local Government compulsory throughout the country, as it was the case in other countries who had decided to adopt such a level-government; nor did it fix a deadline by which the process of adoption of Panchayat Raj should be done. Through the combination of the Five Year Plan system and the National Development Council, Nehru stimulates Panchayat Raj everywhere on the national territory. Constitutionally, there was the Upper House (Rajyasabha) which gives equal representation to all states, and whose function is to link the priorities of the federal states with that of the central government. But Nehru, who did not have much trust in the capacities and motivations of the parliamentarians, creates the National Development Council in 1952 to circumvent Parliament and invests it with the purpose of coordinating developmental policies. And in this quality, it inevitably led to the question of rural economy and village economy. If he wanted, Nehru could have encouraged his colleagues on the state level to rush to implement the political outlay of the Panchayat Raj system. ‘Between November 1952 and November 1963, during Nehru’s tenure, the National Development Council met 20 times.’⁵¹⁴ This goes to showing that there was plenty of opportunity to coordinate the political process outside the walls of Parliament. But the consensus took the economic path. In short the idea was that at the lower level, economic empowerment should precede political empowerment. Since without economic development,

⁵¹³ Varshney A. (1998): *Democracy, development, and the countryside: urban-rural struggles in India*, Cambridge University Press, Cambridge, p. 32.

⁵¹⁴ Das Gupta N.B. et. al. (1993) op. cit., p. 31.

and thus inability to raise taxes, local governments would be forced to look for grants from either the states or the central government. It would be a sorry state for 'local self-government' and soon everyone would be disillusioned. So the national plan for the Panchayat Raj was condensed and distilled into the Five Year Plans in constant consultations with the National Development Council.

Finally, the Plan, as above demonstrated, was fundamentally axed on entrepreneurial activism. In terms of entrepreneurialism, by the multiplier effect and the dimension of the results achieved, the deeds of Nehru are beyond the dreams any entrepreneur. Professor Howard Stevenson, Harvard University, is quoted as defining 'entrepreneurship as "the pursuit of opportunity beyond the resources you currently control."' And a key entrepreneurial skill is the ability to persuade people you don't control to give your venture the resources it needs to seize that opportunity.'⁵¹⁵ Thomas R. Eisenmann explains this further in the Harvard Business Review (online version) that an entrepreneur is eclipsed by a sense of urgency after having identified a door of opportunity, pursues his objectives relentlessly. And the key according to this specialist in the matter "With most high-potential ventures, however, founders must mobilize more resources than they control personally..."⁵¹⁶ In Nehru's case, it was not his own money but that of the nation, but the way he used these resources to leverage a development far greater than what was possible. Had he adopted a bureaucratic solution to India's needs to develop the results might have been different. What is more important is the attitude he takes in designing the Plan, for nothing depends more on the attitude to win the qualification of 'entrepreneur.' As it was earlier mentioned, the action of the Plan was oriented towards giving impulses to the economy and structural investment, there where a maximum of results would be obtained. It is naturally one of the fundamental attitudes of any entrepreneur who plans the development of an economic entity through stages where he or she can control the costs and evaluate the results.

The particular design was required because of the very particular conditions of the country demanded an entrepreneurial approach or it was a personal choice of a down to earth Prime Minister, whichever way it remains that it was suited to a nascent democracy. Since he did not want the functioning of India's new democracy to turn dictatorship of the majority party, he saw it as his responsibility to cater to all sections of the population. The country was

⁵¹⁵ Cohan P. (2011): *Harvard's Lion of Entrepreneurship Packs Up His Office*, Forbes news magazine, 15/06/2011. www.forbes.com/sites/petercohan/2011/06/15/harvards-lion-of-entrepreneurship-packs-up-his-office/ (date extraction: 16/11/2013)

⁵¹⁶ Eisenmann T. R. (2013): *Entrepreneurship: A Working Definition*, Harvard Business Review (online version), January 10th 2013; <http://blogs.hbr.org/2013/01/what-is-entrepreneurship/> (17/08/2013)

backward with few proper administrative and financial resources, although the country had wealthy princes and trading houses. Everything weighed on a thin sleet of ice, Nehru had to walk with soft steps to keep the balance and remain atop of the hungry political factions. The challenge was disproportional. He could have resorted to dictatorship or collided with the Communists but he realised that this was not the way to do it, at least until he can try something else. Although he had a lot of disdain for the elite and the Brahminic Order that he came from, he had an enormous trust in the capacity of his people; a people that had survived wave after wave of colonialism, one more brutal than the other; there was no reason to feel defeated. An entrepreneur is one that achieves his objectives against all odds, one that never gives up. Nehru knew that poverty of the peasantry was entrepreneurial and he wanted to put this tradition to best use and give it a national dimension.

Although, through his writings, Pundit Nehru, who set new traditions in motion, had thought out his economic and social prospects for the country he had left the delivery of his policies to a later stage. He knew well all the channels through which he would avoid delivering his policies to provoke the development of Panchayat Raj. In his agenda setting work *'The Discovery of India'* Nehru leaves the question open: "In addition to this territorial representation, there should also be direct representation of the collectives and cooperatives on the land and in industry. Thus the democratic organisation of the state will consist of both functional and territorial representatives, and will be based on local autonomy. Some such arrangement will be completely in harmony with India's past as well as with her present requirements. There will be no sense of break (except with the conditions created by British rule) and the mass mind will accept it as a continuation of the past which it still remembers and cherishes."⁵¹⁷ His plan was loaded with entrepreneurial ambitions and he always felt that it would be impossible to deliver through the traditional services of the state. It is true that his plan required very little use of state bureaucracies but at the same time he needed an instrument to mitigate his ambitions on the ground. His Five Year Plans had a chequebook based approach, but he physically needed a structure on the ground to deliver the above described economic impulses. What is interesting in the future choice of the delivery vehicle, is that the District, which was the birth child of the East India Company, was as described in the part dealing with the Company rule, conceived as an entrepreneurial unit of the Revenue Board, which, deprived of resources, had to resort to clandestine impulses to give economic relief to the village. It is interesting to see how, in his mission to rehabilitate the Panchayat

⁵¹⁷ Nehru J. (1989), op. cit., p. 523.

Raj, Pundit Nehru is forced to breath a new breathe of life into the District. And in a strange way the whole of local government panoply of the Company rule is resuscitated from the ruins of the Crown Rule.

4.5. District becomes the Key Instrument of Delivery of State and Central policy objectives

During the struggle for independence, for the Congress activists, the District and its Collector were the worst reincarnation of tyranny and torture: “This attitude permeated all departments of the administration, but it was especially in evidence away from headquarters, in the districts, and in matters relating to, what is called, Law and Order, which was the special preserve of the district magistrate and the police. The emphasis of the Congress governments on civil liberty gave the local officials and the police an excuse for allowing things to happen which, ordinarily, no government could have permitted.”⁵¹⁸ Although Nehru’s grievances were founded there were several things at play. As was explained in the part dealing with the Company, it was explained that Warren Hastings, when he created the Districts, had misgivings about them turning into mini-autocracies if left alone or if they got into the hands of central authorities whose intentions were inconspicuous. But he had put in a strong Revenue Board to counter-balance and redress the situation. Another point concerning Pundit Nehru’s complaints was that the British Collectors trained under the Company tradition saw the landlords as trouble makers, now that most of them had entered the ranks of the Congress Movement made no difference to the District administration; they were part of the Brahminic Order. So the picture was more mixed than what the Pundit portrays it to be. He was evaluating the District as an instrument of colonial power, at the time of world war. At the time he was still unable to recognise the utility of the District as the lowest level, the Tasildar (sub-district-level) that stood between the district and the village was dominated by native officials and recognisably corrupt and inefficient.

Nehru’s thinking on the District was not uniquely influenced by the travails of freedom struggle. He disliked the civil service, including the district level, for its guild like characteristics. “Among the higher members of the civil service, long accustomed to authoritarian methods and unchecked rule, there was a feeling that these ministers and legislators were intruders in a domain reserved for them...They felt as an orthodox Hindu might feel if untouchables pushed their way into the sacred precincts of his own particular

⁵¹⁸ Nehru J. (1989), op. cit., p. 377.

temple.”⁵¹⁹ If we look at the Crown administration, we could give reason to Nehru’s argument since it presented itself as providing administration, at a huge cost to the country, but all its actions were geared to perpetrating its own rule. And it was not unreasonable to think that the administrative services functioned in the same manner. He argues that: “The services formed a close corporation and hung together, and if one man was transferred, his successor was likely to act in the same way. It was impossible to change suddenly the old autocratic mentality of the services as a whole.”⁵²⁰ What was more daunting from his perspective was that, “Apart from certain individuals, this applied to both British and Indian members of the higher services. It was extraordinary how unfitted they were for the new tasks that faced them.”⁵²¹ He was trying to demonstrate that British or native made no difference, since the intrinsic ethos of both was self-sufficiency before anything else.

During the Company rule, officers from the Revenue Board to the District Collectors were people who had a sense of mission and duty. Under the Crown the services came under a process of bureaucratization. A strictly bureaucratic attitude would bring the whole economic impulse to suffocation as it was the case under the Marathas and later the British Crown. A lot of resources were wasted in these periods and Pundit Nehru, who was working under a resource-restricted model of development could not risk this. The threat from the Communists was hanging over his future as a Damocles’ Sword. And since the rural development was one of the top priorities of the local administrative structure it had to be extremely responsive. If Dr. Ambedkar had been more lenient on the village, Nehru would have pushed to give institutional recognition to the village and gone directly to the village or village union level. This would have allowed him to marry the intrinsic efficiency of the village to that of the modernisation of the economy and empowerment of the rural masses; since that of the urban categories continued in the same line as before, built around industry and trade. But Nehru failed to ascertain a first rank institutional position to the village.

When the design of the Five Year plans get under way, under the direct chairmanship of the Prime Minister, the question of delivery inevitably arises. In a federal structure of government the Centre can negotiate with the States and let them implement the policy formulated at the Central level. In a pyramidal structure of administration this would have been the obvious thing to do but Pundit Nehru had hesitations given the semi-colonial state structure of India. As explained earlier, the states that were in place did not correspond to the

⁵¹⁹ Nehru J. (1989), op. cit., p. 376.

⁵²⁰ Ibid. p. 376.

⁵²¹ Ibid. p. 377.

ultimate wishes of an emancipated people. The states in their actual forms were mini-empires which were dominated elites that were raised by the British Empire. It was not only the administration that was corrupted by the British Crown, it was also the leading classes, or 'collaborators' as Nehru preferred to call them. Using the states would only entrench the position of the collaborators, so it could not be an option.

So the option was to create a new administrative network to implement the Plan, which was roughly equivalent to a third of the Central Budget, or use an already existing network. The 'rationale' for creating a new entity, manned by ethically upright servants of New India was there, given the low opinion of the District and the Central bureaucracies. But this would take time and require a human resources management effort that did not exist, there was no time to wait; the Communists were at the gates. Any new identity would need time to get established, and there was a high probability that there would be mistakes made. This would be fatal to the enterprise of Nehru to develop the young democracy.

Firstly, the expectations at the time of independence were sky-high, partly due to the ideological inflation generated by the Congress Movement. In such a context any mishandling of the Plan would be such a deception that people would rush to the Communists who had a certain success at the local level in Bengal and Kerala; not to speak of the bureaucracy that Nehru had repeatedly condemned, his downfall would legitimate its legitimacy. Secondly, there were very few resources at the disposition of the State; partition and a negotiated withdrawal of the Brits had left the revenue situation in a chaotic position. The Indian State, and in particular its first prime minister, could not afford the wastage of resources, keeping in mind the multiplier model that he wanted to initiate. It very quickly becomes obvious why creating a new administrative structure to manage the Plan was not on the cards. Let us not forget that the District, before being the instrument of colonial rule, was initiated by Warren Hastings as a focal point of state authority and as a system of local knowledge; the District Collectors not only collected taxes but also enormous amount of information. The Crown had battled against the District to transform it into a system of colonial control and indiscriminate extraction but it could not change the fundamental nature of the district, the objectives set by Warren Hastings prevailed.

Nehru not knowing where to go with his Plan turns to the only place viable, the District. The District, and its local administrative scope, was no longer considered as a renegade system. Rather than shunning the District apparatus, Nehru, by necessity, makes it the centre piece of not only his developmental ambitions but also makes it the primordial authority of state for the people, who for the first time was free and sovereign to elect its

leaders and make its opinion felt; and there was a constitution to guarantee these rights. The contrast was therefore very stark: on the one side we have an institution of hundred and fifty years old and on the other side we have a citizen who is empowered by one of the most exhaustive constitutions in the world. What is more telling is that this age old institution, often stigmatised by democrats and despots alike, holds the key to India's future, prosperity and welfare of its citizens when it was entrusted with the execution of the Plan, consisting on average a little more than a third of the Central Budget, outside the contribution of states and the villages. In short, in creating the District Warren Hastings had laid a protective fence to defend the productive capacity of the village and the peasantry. Pundit Nehru takes this ambition a step further to bestow the District with power to mitigate the tectonic leap in the development of the village economy; giving full possibility to the dynamism inherent in its economic structure.

4.6. The District, the Village and the Five Year Plans: (Re-) embracing entrepreneurialism

During the Company Rule and to a certain extent that of the British, the functions of the District and its Collector involved all functions of state, from revenue collection to famine relief. The First Plan becomes a sort of Constitutional document for the District which got no scope in the official constitution and the Plan also gives extended space to the Village and Panchayat Raj, which had only received a sentence in the Constitution of India. It was evident that the reputation and authority of both the District and the Village as institutions were now assigned with nominally a new role, that of development, but in reality, development was always in the genes of both institutions. And as the Plans embrace both the structure and content of the Local Self-Government institutions, they become a good indicator and measure of how things evolve; the evolution in the entrepreneurial spirit can best be monitored in the consequent Plans.

4.6.1. The First Five Year Plan (March 1951-March 1956): Foundation

As was explained earlier the Constitution was made under extreme constraints; by wanting to give confidence to certain groups it lost its Universalist essence; giving it a temporary character. Equality cannot always be arrived at by catering to particular interests in a republic, and action had to be taken to redress this situation. Nehru could have taken a parliamentary route to this redressment but he decided to transport this mission to the Plan;

without pretention it tries to bring a minimum of economic equality. It speaks of ‘right to adequate means of livelihood, faire distribution of material resources and stop wealth accumulation in the hands of few.’ The first plan has considerable objectives social and economic that it would like to see but being the first plan it was obliged to set out the institutional framework. But this study will concentrate on the particular changes and evolutions concerning local government institutions and their embedded entrepreneurialism. In this manner the First Plan, acts as a guide to the new principles of functioning and institutional positioning. In general the overall picture and message that the Plan gives is that the undertaking of a very ambitious plan induces a corporate structure for the purpose of its management. At the very top of this structure we have the Prime Minister, who acts as the Chairman of the Plan, acting as the President of a corporation, who fixes the objectives to be attained. Below him, in each and every District there will be a Collector who increasingly looks like a Chief Executive Officer of a corporation, who manages a segment of the enterprise on a day-to-day basis by co-ordinating a large network of autonomous ‘productive’ units, the villages and functional bodies. Further down it will be obvious how, at least in principle, Nehru puts together, adopting both old and new structures, a gigantic ‘developmental’ enterprise; and the progressive strengthening of the ‘self’ in local self-government. The Plan, assuming that the population was still 83 percent rural, has a rural focus.

As far as Local institutions are concerned, the new government, after a long and exhaustive list of recriminations, the Plan recognises the fundamental importance of the District and its Officer. As was demonstrated during the Company and Crown periods, the developmental ‘constituency’ of the Collector was a clandestine activity. Recognising the true importance of this part of the Collectors activity, and his proximity to the people, brings him and his clandestine sphere out into the public and makes it into a full occupation, by giving it an institutional character. Chapter Seven of the Plan announces: “...from now on, the primary emphasis in district administration has to be on the implementation of development programmes in close co-operation and with the active support of the people. Apart from the problem of finding personnel for the higher positions in the district and the problem of adapting the administrative system to the temper of democratic government...”⁵²² Before, the district administration was dominated by fiscal and law-and-order tasks, in the new set-up these were largely reduced in favour of economic development: “The district officer is

⁵²² Planning Commission (1951): *The First Five Year Plan*, New Delhi, ch.7 point.7

relieved of much routine work. For a great many transactions, the people are spared the trouble of travelling to district head-quarters.”⁵²³ Before he was the only one who represented the people of that area but now, in a democratic framework, these preoccupations were no longer necessary; so the political or ideological content of the function of the District collector was removed. This freed time and effort for him to concentrate solely on entrepreneurial aspect of his functions.

The semantic of the tonality used is very precise unto the nature of this gigantic enterprise: “At the stage of development which local self-governing institutions have reached, programmes for local development may be best conceived of as joint enterprises to be carried out in close co-operation by the agencies of the State Government and the representatives of the people elected to local self-governing institutions.”⁵²⁴ The term used is not ‘collective’ enterprise, which would have had a connotation referring to communism. The choice of the Plan is ‘joint-enterprise’ which leads to an interpretation of ‘bilateral-cooperation’ which is completely different. The aim was therefore to bring about a revitalised community without the collectivisation of the society: “While a general appreciation of national aims and programmes is essential, the average citizen is able to see more vividly and to contribute far more to work that lies near him or touches his life and well being more closely. It is, therefore, of the highest importance that the process of breaking up the National and State Plans into local units based on district, town and village, which has already been begun, should be completed speedily. It is only in terms of local programmes that local leadership and enthusiasm can play their part.”⁵²⁵ The country would be divided into rational units of production and thus aggregated through a process of partnerships (joint-ventures) and pattern of cooperation to bring about a national coherence.

There is also a technical reason for such a choice since Nerhu wanted a new breed of citizens that would feel responsible in a society which was already divided into castes and communities. Point 30 of chapter seven announces: “Local self-governing bodies have thus a vital part to play in the field of development. We consider that the general direction of policy should be to encourage them and assist them in assuming responsibility for as large a portion of the administrative and social services within their areas as may be possible. It may also be necessary to work out suitable arrangements for linking local self-governing bodies at different levels with one another, for instance, village panchayats with district or sub-

⁵²³ Planning Commission (1951): *The First Five Year Plan*, New Delhi, ch.7 point.11

⁵²⁴ Ibid. ch.7 point.29

⁵²⁵ Ibid. ch.8 point.4

divisional local boards.”⁵²⁶ Optimal economic and organisational efficiency, it was thought, would go hand in hand with responsibility. And of course it is in the logic of optimal utilisation of preciously few resources: a responsible individual or unit, be it economic or social. The notion of joint enterprise would also fit well with the idea of partnership which plays an important part in the official Nehruvian parlance. And as it is envisaged by the Plan, partnership is a very dynamic relationship, which has to be constantly adapted.

This constant adaptation was needed because the Plan refused to define the precise nature of the relation between the various bodies: “The precise manner in which the co-operation and association of local bodies in development work are to be secured must, therefore, be left to the judgment and discretion of the authorities concerned...”⁵²⁷ The writers of the Plan were surely aware that a precise definition would not give enough flexibility; the efficiency of the District depended, in the previous periods, on the flexibility of action bestowed in the collector. The nature of the function of the Collector had changed but the plan insisted in saving this entrepreneurial flexibility. The flexibility was needed since the task was phenomenal. In ‘The Discovery of India,’ Pundit Nehru noted the priorities: “(i) Increase in agricultural production, (ii) Increase in industrial production, (iii) Diminution of unemployment, (iv) Increase in *par capita* income (v) Liquidation of illiteracy, (vi) Increase in public utility services, (vii) Provision of medical aid on the basis of one unit for 1000 population, (viii) Increase in the average expectation of life.”⁵²⁸ All these tasks were placed in the hands of the Collector, who, all of a sudden became the man of the situation. A big part of the industrial development was taken out of his hands because it was partly entrusted with trading houses like Tata and Birla, but everything else was his domain. To coordinate all these sectors he needed all the flexibility that he could gather to keep abreast of the tasks laid in front of him.

Not only does the Plan change the nature of the local institutions to suit the new developmental objectives and their organisational functioning, it also gives financial guidelines concerning the financial resources. It is important to note that it is the Plan which pretends to frame the financial needs of these institutions and not the Constitution, and what’s more it takes an entrepreneurial attitude when dealing with the subject. In chapter seven, the Plan announces: “In view of the large and expanding role that has to be envisaged for local bodies in framing and implementing State development programmes, the question of

⁵²⁶ Planning Commission: *The First Five Year Plan*, New Delhi, 1951, ch.7 point.30

⁵²⁷ Ibid. ch.7 point.30

⁵²⁸ Nehru J. (1989) op. cit., p. 398.

resources becomes extremely important, for, invariably local bodies are poor.⁵²⁹ There was a recognition that the local institutions were unable to raise sufficient financial resources, for lack of a healthy revenue base in the rural areas. But this providential recognition finishes by concluding that funding was not necessarily a good thing: “Such transfers do not relieve the local bodies of their financial burdens, for, frequently, they are required to continue their normal contributions to the cost of maintaining the institutions. They do, however, impose additional burdens on the State Government's budget and, to that extent, come in the way of expansion in other fields. At the same time, they deprive the local bodies of the opportunity of gaining experience and restrict the field of local community effort.”⁵³⁰ The Plan therefore promotes a vision of local government where it tells the States to not to help them if they cannot pay for their up-keeping. And it clearly indicates a preference away from the political construction of these institutions.

Although development relegates everything to a lesser level, the urban areas get special accommodation and privileges. One of the reasons for asking the states to look elsewhere to spending their money was an alarming development which was orienting the country's resources towards the urban areas. The urban population for people like Nehru was synonymous with left-wing radicalism, worker population and intense political activism. Given the fragility of the political system, the urban areas got attention and funds while the peasantry was praised for taking care of itself. In a certain way the institutional development in the rural areas is a straight-jacket for *controlled abandonment*, although the reason for this might be substantiated by arguments, one more imposing than the other.

Nothing is more evident in this town and village divide than the housing policy in the Plan. It is a good demonstration of a pattern in rural – town biases, which ultimately had an impact in the evolution of local government in the rural areas. After a brief overlay of statistics on the inadequacies of housing in the urban areas formulated this policy: “Early in 1952 a new policy was announced whereby the Central Government were prepared to pay a subsidy upto 20% of the cost of construction, including the cost of land, provided the balance was met by the employers who would also let out the houses to genuine workers at rates suggested under the earlier scheme. The houses thus constructed would remain the property of the employers.”⁵³¹ There could be many interpretations to this policy comment, but without going deeper into the ideological reasons that provoked it, one can say that it was in favour of

⁵²⁹ Planning Commission (1951): *The First Five Year Plan*, New Delhi, ch.7 point.32

⁵³⁰ Ibid. ch.7 point.32

⁵³¹ Ibid. ch.35 point.8

an urban and industrial economy. Concerning the worker population, there was plenty of it in the rural areas, especially day workers in the Dalit and the tribal communities. It is difficult to understand what differentiated the 'workers' in the urban areas and the rural areas; it is true that the British had a preference for Punjabi and Bengali skilled workers, where primary education was initiated much earlier than anywhere else. To be fair to the writers of the Plan, they did not forget the issue of housing in the rural hamlets: "The problem of housing in rural areas is a vast one as even now 83% of the entire population of India live in villages. Having regard to the limitations of financial resources, a satisfactory programme of rural housing during the period of the Plan cannot be envisaged. It should, however, be appreciated that the pressure of population shifts towards cities and the slum problems resulting therefrom cannot be solved without ameliorating rural living conditions. Some opportunities for planning in the villages have arisen of late due to reforms in the land tenure system and establishment of community development projects. The problems which confront the rural areas are, however, somewhat different in character and do not call for expenditure of large sums for individual housing units."⁵³² Once again the response to the pressing problem of housing and conditions of habitation in the rural areas is not treated as subject in itself; it becomes an annexe to the problems the rural population can cause to the tranquillity of the urban population.

Praise and patience, are the two modest words to describe the attitude adopted by Prime Minister Nehru and his First Five Year Plan that put in motion a tradition of government action at the local governmental level that did not differ much from that of the British Crown on the level of execution of policies supporting the rural aspirations for political and economic recognition. It was shown, in the part dealing with the Crown Rule, that it had, in memorandums presented by the Secretary of State for India, a lot of recrimination for the Company Rule and gave a large list of problems confronting the rural population; and it always finished in the same manner: the rural masses are used to living with so little that there is not much to be concerned. The main entrepreneurial preoccupation of Crown Rule was to develop an urban economy to absorb British goods and the rural districts and their populations were treated as a kind grazing ground for native urban aspirants. Pundit Nehru makes an excellent diagnosis of the condition of 83% of the population that still lived in the rural areas. He improves on the Crown Rule by proposing a very dynamic alternative to political Panchayat Raj, recognising the entrepreneurial potential of the rural areas. But he rounds off his enthusiasm, as the chairman of the Planning Commission, by saying that

⁵³² Planning Commission (1951): *The First Five Year Plan*, New Delhi, ch.35 point.33

financial support is unnecessary to support Panchayat Raj institutions. And all the things like housing, health and education, he says, have to wait because the needs of the urban economy are more pressing. The funds spent on the urban areas are not considered as hand-outs, although any funds going to the rural areas are considered as hand-outs, and the Plan actively recommends the States to stop policies that grant funds for development of these institutions.

After making an excellent diagnosis of the situation and producing an equally dynamic plan for rural empowerment, one is at loss for words to describe what Nehru really wanted in the rural community. It is difficult to accuse such a patriot and one of the most cultivated persons of his times of harbouring mal-intent towards whom he only has praise and pride. But one cannot be surprised or perplexed, since the structure of Nehru's thinking would not permit devious political action. A plausible explanation for the hesitations could be to do with his very pronounced preoccupation of the Communists in the early 1950s. Given the student radicalism and intellectual radicalism in the urban areas he had to silence his critics with concrete measures to improve the urban situation. And all construction of institutions in the rural areas had to be stopped, at least temporarily, lest this provided a legitimate platform for contestation and infiltration to the rural areas by the Communists, as he saw it.

Apart from this dislocation between vision and verity, there are managerial and entrepreneurial reasons which might have led to hesitations in constructing policy. As explained earlier, Nehru's method consisted in provoking a result far greater than the means employed. This meant that expenditure would be controlled according to the estimation of future results. The flow of funds to a sector or project would be put on hold if the expected benefits were below estimation. Education along with health and housing was one of the key elements of public service that Nehru thought would give a backbone to Panchayat Raj; upon which it could be built, to provide welfare to the people. It becomes very clear that the first plan has reservations unto the how-about of the education, especially rural education. The Constitution makes provisions for free education to all children under 14years, and the Plan takes a scholarly and scientific approach to the problem: "The literacy percentage of our population is 17.2 which is only a very rough measure of the huge task lying ahead in the field of social education. Similarly facilities for technical education need to be considerably expanded to meet the needs of the country adequately."⁵³³ According to this logic the objective was to develop primary education to cope with needs of a developing democratic society and economy and at the top end technical education was needed to bring about a

⁵³³ Planning Commission (1951): *The First Five Year Plan, New Delhi*, ch.33 point.3

modernisation that was needed. What a lot of countries did was to make primary education compulsory, since left to the prejudices and whims of the parents in a backward society the locomotive of primary education would be slow to move ahead.

In the same chapter, a couple of points later, the Plan summons the citizen to see things more in a down to earth manner. And once again, we notice the entrepreneurial spirit come to the surface, and brings forth an argument that convinces the citizen to be patient: “Insufficient attendance seriously affects the productivity of most basic schools. The remedy does not lie merely in compulsion. The positive approach to the question is to improve the economic condition of the villager. The burden on him of supporting the child, should be lightened by providing in schools free lunch, wherever possible, and by organising, voluntary work outside school hours to enable pupils to produce essential consumable or marketable articles. Holidays should be so timed that labour of children is available to their parents in the busy season. The practical aspect of basic education and its capacity to serve the community should be fully developed to convince the villagers of its utility and win for it their loyalty. The teachers should also be taught in training colleges to handle more than one class at a time. Perhaps the most important aspect of the question is the improvement of the quality of teachers.”⁵³⁴ And as we saw in the case of housing, the structure of the explanation for delays, which looks legitimate, masks another reality which cannot be communicated. If the state had made primary education compulsory there would have been enormous budgetary, organisational, and human resources problems. Since, by making primary education compulsory, the state would be obliged to deliver the means, which there were very few and of poor quality.

Another aspect of the statement made by the Plan (Ch. 33 point 23) is the entrepreneurial approach to child labour in the rural areas; which at the same time does not concern the urban children who would have the advantage of playing cricket and learning the ways of the world. In effect the Plan realises that without the labour of the children many families could not make ends meet. And motivation to extra-curricular activities (marketable) is an acceptance that child labour was used in many exportable handicrafts like carpet making. The government could have decided to make the landlords increase wages in the rural areas, adapt price guarantees for their produce or even directly supplement the incomes at the lowest level. Instead what it says is that children should continue to supplement the incomes of their parents. The rural children should be groomed to serve the community while the city dwellers

⁵³⁴ Planning Commission (1951): *The First Five Year Plan*, New Delhi, ch.33 point.23

had the luxury of choosing what they wanted to do. The rural child had to study in a school where teacher capacity is low, compliment the incomes of his parents, and from a very tender age place the burden of Panchayat Raj on his shoulders. Entrepreneurialism to the rural child came very early; and with a rare meal that the government promised; to fulfil all that is required of him he has to be an entrepreneur if not a hero. And he could consider himself lucky because the secrets of Panchayat Raj were brought to him on a clear day. Every rural child could proudly claim to have experienced the benefits of Panchayat Raj in its muscles and bones; the urban children could be extremely jealous of their rural brethren. It has to be recognised that by its 'resource restricted' approach the plan not only used entrepreneurialism but also imposed it, wherever possible.⁵³⁵

The financial short-comings, policy ambiguities and political hesitation gave a new meaning to the entrepreneurialism designated to the District Collector, but at the same time sent it back to the time of the Company Rule. The position of the District Collector, according to the design and ambitions of the plan, was to make him into a Chief Executive Officer of a vast District Enterprise, to coordinate and over-see a multilevel partnership for development and national-self sufficiency; and in general prepare the economic circumstances upon which Panchayat Raj could be further developed. But as it was demonstrated above, he had to coordinate a '*non-engagement*' by the Central Government and a majority of States controlled by Congress led governments. The Plan expressed the idea of sending 'social workers' to preach community development to the villagers who had not done anything else except that for several thousand years. These social workers were urban youth who were more keen to express their pedantry than anything else. These social workers were supposedly impressed on the District to reduce the burden of the lonely Collector. The Collectors were constrained to coordinate such individuals while they would have keenly participated in real development issues to alleviate poverty. There was contradiction, disruption and loss of authority of the District Collector. Devoid of realistic power, economic and administrative, the Collector is reduced to telling the people to organise themselves and tell them to wait for the day when everything will be better. His load of work, as was expected, increased exponentially, because the people, by the tradition established by Warren Hastings, did not want any one else except the Collector in whom they had a trust. The result was that the Collector, rather than having

⁵³⁵ This demonstrates a vital point also for historians engaged in Indian historiography; whenever one comes across a document one has to read it at several levels to make it meaningful. Firstly, one has to make a primary reading where things are highly charged with principles. The second reading will have to be done in the context of a larger background which already reduces the scope by internal and external contradictions by way of a simple arithmetic. The final reading will show that the structure and content of a document are linked to a formally disconnected issue.

time to develop the district was obliged to manage the disappointment of the rural people. In short the District Collector became the representative of the Central Government who keeps a lid on the discontent of the rural people, the urban districts being few.

To conclude on the First Plan, which acts as base for the future developments, and its impact on the Panchayat Raj, the policy design was ambitious. With an outlay of Rs. 20 690 000 000, the First Plan ambioned to lay a strong foundation for the transformation of the country, with the development of rural economy at its core. But when one looks closer, it is an *abandonment* of the rural areas in favour of direct and an indirect impetus to the urban settlements and urban economy. Nehru often, wrote and spoke of laying the economic foundation of the Panchayat Raj, strongly axed on the entrepreneurial spirit of the villagers, often portrayed of his most fervent allies. He had difficulties in translating his promises into pastures of development. In the introduction to the Second Five Year Plan the appreciation of the First Five Year Plan was described as: “It has laid the foundations for achieving the socialist pattern of society – a social and economic order based upon the values of freedom and democracy, without caste, class and privilege, in which there will be a substantial rise in employment and production and the largest measure of social justice attainable.”⁵³⁶ It is characteristic that speaking of the results of the five years passed it speaks in future tense. It acknowledges that the First Plan failed to achieve concrete results. Panchayat Raj was thus put in fallow for the foreseeable future.

4.6.2. Second Five Year Plan (2nd May 1956-1966): Political encroachment on the District

Things start to become more precise in the Second Plan. Realising that the developmental approach to Panchayat Raj might not work as was prescribed; a more political approach is initiated. But interestingly, parallel to this process, the process of development is progressively appropriated by political interests who give development a particularistic nature; appropriation of the process is as good as appropriating the developmental budgets at the national, state, District and its conclave, the Panchayat. And as could be expected, these entrepreneur-turned-politicians take-over ‘Development’ by a system of new breed of entrepreneurialism. In short, political Panchayat (self-government) was initiated after decision-making process was removed from its reach. The Panchayat is not alone in being isolated from the developmental process; the District and its Collector are also squeezed out

⁵³⁶ Planning Commission (1956): *The Second Five Year Plan*, New Delhi, 2nd May, Introduction, point.2

by the encroachment of political elements at the State and the District level. Two fundamental elements that constituted, together, local government are isolated, and deprived of resources to put in place a system of local control to the use of developmental funds that are principally destined for the rural areas and in majority raised at that level. It is interesting to remind that Nehru took 'development' out of the reach of Parliament and parliamentary control, and in the Second Plan, under his chairmanship he was repeating the same action at the local level; this leaves both Parliament and the Panchayat Raj in a state of figuration, bystanders. The deepening of democracy, by taking it to the local levels, increasingly looked like an action of restricting democratic empowerment there where it mattered most. The notion of '*association de malfaiteurs*,' which gets an entrepreneurial role, is brought back into the epicentre of 'Development' by Pundit Nehru who earlier called them 'collaborators' and insensitive to the cause of the nation. While the peasantry, the pride of Nehru's India, was pushed to the sidelines less than ten years after independence.

Pundit Nehru, whose position had weakened, must have given into the demands of the landlords and the particularistic interests to have made such a radical change of heart, although the tendencies were already visible in the First Plan. He had initiated the National Development Council to consult the States, avoiding the intrusion of the Parliament, but now the Council had reversed the positions; the Council now dictated to him. The Second Plan clearly mentions who was the master: "The 'plan-frame' and the other documents mentioned above were considered by the National Development Council early in May 1955. ...The Council also agreed that the Second Five Year Plan should be drawn up so as to be capable of leading to an increase in national income of about 25 per cent over a period of five years and of providing employment opportunities to 10 to 12 million persons. Further, the Council directed that the Second Five Year Plan should be drawn up so as to give concrete expression to policy discussions relating to the socialist pattern of society."⁵³⁷ The introductory chapter reaffirms this by announcing that the Second Plan 'seeks to rebuild rural India' making a reference to the fact the vision of the First Plan for rural India will be reversed in favour of the local barons. This transplantation of policy is done in two steps, first through the insertion of the political barons into the local decision-making process and in a second time through a reorientation of resource allocation.

The Second Plan rightfully identifies a the problem of 'control' in the First Plan, and one would hope that it would turn to the question of establishing a strong political Panchayat

⁵³⁷ Planning Commission (1956): *The Second Five Year Plan*, New Delhi, 2nd May, Chap.1, point.6

to control the administrative and financial power of the District Collector who had the charge of overall control. The Plan deals with the Panchayat Raj question in another context but not in the context of 'control' of the executive power in the District. For this purpose the Plan envisages a system by which elected members of the national and state parliaments can intervene in the decision making organs of the District: "Amongst others, Members of State Legislatures and of Parliament participate in district development committees and project advisory committees and some of them also serve on State Planning Boards."⁵³⁸ In essence what the Second Plan announces is an attack on the power of the Collector and the district organs from two directions, from above and from below, in the same manner as it was done during the days of the Crown Rule when it attempted to insert the Brahminic Order at the local level. From above the Plan proposes: "The strengthening and improvement of the machinery of general administration has to be undertaken at State headquarters as well as at other levels. At State headquarters coordination is achieved through an inter-departmental committee of Secretaries in charge of various development departments. The chairman of the committee is the Chief Secretary or the Secretary in charge of planning. Generally, the functions of coordination for planning and for the implementation of district programmes are combined in a single officer commonly described as the Development Commissioner. As a rule, a committee of the State Cabinet under the Chief Minister provides overall guidance and direction. State Planning Boards which include leading non-officials have also been constituted in most of the States."⁵³⁹ What the plan therefore proposes is to shift the policy formulation, concerning development in the district, to the State-level where a myriad of structures are created. This multiplication of bodies dilutes the authority, responsibility and transparency; contrary to the announced objective of improving the machinery of administration. One thing is said, the opposite is done.

On the lower level the Plan proposes nominally to help the work of the Collector, but in reality it hacks away at the power of the Collector, in a similar fashion as was done under the British Crown where a wide range of bodies were initiated at the district level and below it. The plan enounces: "In many States, to enable the Collector and the team of officers at the district level to meet the new demands, additional Collectors and District Development or Planning Officers have been appointed and there has been greater delegation of authority. The Collector, the Sub-Divisional Officer and the Block Development Officer are functioning as leaders of teams of specialists whose work they guide and knit together. In several States

⁵³⁸ Planning Commission (1956): *The Second Five Year Plan*, New Delhi, 2nd May, Chap.6, point.23

⁵³⁹ Ibid. Chap.7, point.3

more sub-divisions have been created, and phased programmes for establishing new sub-divisions are being followed. Action along these lines should be pursued systematically in all States as it has been decided to extend the national extension service programme over the entire country in the next five years.”⁵⁴⁰ The force and strength of the District was its coherence which avoided ‘bureaucratic-merry-go-rounds.’ And in terms of cost of administration it had a strong rationality to concentrate power in the hands of the District Collector as Warren Hastings had quite rightly conceived. What the new reform does is to obliterate this cost rationality and organisational coherence. Before a prejudiced farmer could go to the collector and get a redress on the spot without going round and round in circles. But in a two sentence point the Plan reiterates the centrality of the district: “District administration is an agency of change towards a new social order. It has to respond to the needs and aspirations of the people. It will be judged both by the practical results it produces and by the methods and institutions of popular association and cooperation which it integrates into its basic structure.”⁵⁴¹ Someone else would be taking all the decisions but if something goes wrong the collector will get all the blame. The purpose of the District was clearly laid out.

The Second Plan diminishes the entrepreneurial capacity of the village and the district in favour of the ‘*association de malfaiteurs*’⁵⁴² of sort that Nehru had correctly identified, and that had existed when the Company took administrative control of the country. This reinsertion of this ‘deconstructive entrepreneurialism’ happens through a re-feudalisation of the political and economic life at the lower end of the State. In the above paragraph we saw how in the key position, where the flow of economic resources happens, local barons take-over or dominate the decision-making process, re-giving them a political power close to that enjoyed by the feudal lords of times before. Secondly, economic power is redistributed to the local barons through the plan. In the 1950s Nehru introduced a progressive land reform which partly rationalised the chaos that he had inherited. Part of the tenants became the owners while the landlords were financially compensated.⁵⁴³ A lot of the old landlords retained a large part of their holdings because the reform only concerned those who had tenants and not those who used day labourers to cultivate their large holdings. By the nature of these financial compensations and increased value of the produce (due to high price inflation during the 1950s) the only people with any capital were the local landlords or big landholders. The structure of economic development being that of subsidy, only those with the capacity to

⁵⁴⁰ Planning Commission (1956): *The Second Five Year Plan*, New Delhi, 2nd May, Chap.7, point.3

⁵⁴¹ Ibid. Chap.7, point.31

⁵⁴² French term used to describing a group of people organised on the intent to do bad or harm or damage.

⁵⁴³ Planning Commission (1956): *The Second Five Year Plan*, New Delhi, 2nd May, Chap.9, point.6-15

invest could take advantage of state-handouts. In the Second Plan, when the industry is introduced to the rural economy the landlord classes are able to fully take advantage of it.

The best example of the indirect re-feudalisation of rural India by the Plan can be felt when it embraces the pressing needs of the rural masses by giving industrial impetuses. Once again we can notice a structure in the way the Plan and the government deals with problems concerning the rural areas. It was no secret that the peasantry had no capital, on the contrary it was embedded in debt, so option to introduce industry would have been to organise cooperatives with capital advanced by the state but the Plan was to ask the peasantry to organise themselves into cooperatives without giving a direction. Looking back onto the development of the cooperative movement, the Press Information Bureau of the Government of India says the following: “The failure of cooperatives in the country is mainly attributable to: dormant membership and lack of active participation of members in the management of cooperatives. Mounting overdues in cooperative credit institution, lack of mobilisation of internal resources and over-dependence on Government assistance, lack of professional management, bureaucratic control and interference in the management, political interference and over-politisation have proved harmful to their growth. Predominance of vested interests resulting in non-percolation of benefits to a common member, particularly to the class of persons for whom such cooperatives were basically formed, has also retarded the development of cooperatives.”⁵⁴⁴ This statement presents the failures to third parties but the real blame should go to the atmosphere of ambiguity entertained at the time.

The impression one gets is that neither the Plan nor the state governments wanted the system of cooperatives to take hold. Since the option of the cooperatives was sidelined the only way possible was the newly capitalised landlord. In a concrete example of ‘hand-pounded rice’ the Plan presents itself as the guardian of this activity and in the same paragraph mentions the licensing of electrically powered rice mills. The shortage of milled rice in the urban areas meant that technology had to be introduced. Instead of saying that it will give direct grants to the landlords, the government attributes funds under the heading of ‘village industry,’⁵⁴⁵ and from this attributes grants to the landlords. It speaks about the difficulties of the rice-pounders but formulates the problem in such a way as to give the resources to the landlords; with this system the Prime Minister can always stand up in the

⁵⁴⁴ Press Information Bureau of the Government of India: *Evolution of Cooperatives in India*, <http://pib.nic.in/feature/fe0299/f1202992.html> (retrieved 16/11/2013)0

⁵⁴⁵ Planning Commission (1956): *The Second Five Year Plan*, New Delhi, 2nd May, Chap.9, point.34

parliament and announce that the village industries were funded. The landlord sitting in the national or state assemblies could clap their hands in enthusiasm.

The District Collector was silenced and could do very little to help the people but the Village Panchayat could have grasped the initiative and make disagreement and discontent felt; the Prime Minister regularly encouraged people to speak against corruption. Panchayat Raj could have been an ideal platform for doing it in a constructive and democratic manner. The Plan reiterates the ideal: "...rural progress depends entirely on the existence of an active organisation in the village which can bring all the people—including the weaker sections mentioned above—into common programmes to be carried out with the assistance of the administration."⁵⁴⁶ But the Plan accepts the government had technical problems in organising Village Panchayat. In point 10 of chapter seven of the Second Five Year Plan clearly indicates the dilemma between efficiency and viability. On the one hand Pundit Nehru always considered that the village had to be small to be effective, a level where direct democracy could function and where the 'transaction costs' were nil, meaning that there need not be a paid official to supervise it.

But the dilemma was that in these small units hardly anyone had the time to liaison with the District or Sub-District. And it was also true that they could hardly raise the funds to undertake anything that the government offered in terms of subsidies. And at the same time, especially in the North, one Zamindar or landlord owning land which sometimes encompassed several hundred villages, there were no village boundaries. This issue would need time to settle.⁵⁴⁷ The plan indicates that there are 380 200 villages where are less than 500 inhabitants with a total population of 78 million and there are 104 268 villages where there are between 500 and 1000 with a total population of 73 million, between the two composing 52 percent of the rural population.⁵⁴⁸ Since the initial objective was to start with villages where there were more than 1000 inhabitants, the system would leave at least half of the rural areas outside the system. In 1954 there were suggestions that small entities should be grouped to get at least 1500 inhabitants but there difficulties due to cultural and social differences. The decision was open to the governments, local and national, to bare the costs to establish a uniform system. The hesitation continued, explaining why the Panchayat Raj was

⁵⁴⁶ Planning Commission (1956): *The Second Five Year Plan*, New Delhi, 2nd May, Chap.7, point.7

⁵⁴⁷ Ibid. Chap.7, point.10

⁵⁴⁸ Ibid. Chap.7, point.10

not made Statutory; because making it statutory would oblige the Central Government or the State to pay for the cost of the outlay.

Credit has to be given to the writers of the Plan who set down guidelines for those who would like to frame Panchayat Raj by legislation. The Plan agrees that elections might throw up the right people to lead the village community and indicates that sufficient room has to be made for backward communities and various officials that are involved in the development of the village, especially officials working in the 'National Extension.' There was a fear from the Planning Commission that democracy in the Panchayat would be nominal.⁵⁴⁹ But at the same time, with so many reservation and inclusive efforts democracy would hardly be the word fit to describe the situation. The most important and revealing are the guidelines concerning local finances. The first remark to make is that the plan clearly indicates that it's the domain of the State and it should decide on the nature of the finance. But it takes the liberty to set some guidelines in which it indicates that states should share land revenues with the Village Panchayat, ranging from 15-20 percent. In an ideal situation these should be complemented by grants from the state and revenues from wasteland and tanks etc.⁵⁵⁰

The problem concerning this very valuable advice was that land revenues came down very rapidly after Independence, partly because the majority of the tenants were excluded and the big landlord paid above Rs. 200 000 of annual income. Kedernath Prasad, expert on taxation in India describes the situation as following: "Combined with land revenue and a few other agricultural income tax used to be a major component of tax revenue. In the opening years of the 1950s it yielded about Rs. 175 crore to all-India,... In all-India the yield from it was Rs. 9.5 crore⁵⁵¹ in 1960-61, 10.5 crore in 1970-71, 46.4 crore in 1980-81 and Rs. 0.46 crore in 1990-91. As percentage of total tax revenue it came to 1.52 per cent, 0.46 per cent, 0.44 per cent and 0.38 per cent respectively in these years. In 1994-95 the amount was Rs. 165 crore and 0.21.⁵⁵² At the very moment the Planning Commission was putting out these guidelines the land taxes were dropping below 2 percent and 15% of this shared among all the 500000 or more Panchayats would be less than little. In a rounded off sum this would have been around Rs. 15 000 000 meaning that Rs. 30 par Panchayat (this is a rough estimation and should not be taken as factual, it is only an indication).

Agricultural revenue was 50.1 % of GDP in 1950-1951 period and slightly below this in 1961. But the taxes revenues derived from agricultural sector (primary) were far from

⁵⁴⁹ Planning Commission (1956): *The Second Five Year Plan*, New Delhi, 2nd May, Chap.7, point.15

⁵⁵⁰ Ibid. Chap.7, point.16

⁵⁵¹ One Crore is equivalent to 10 000 000

⁵⁵² Prasad K (2001): *The development of India's Financial System*, Sarup and Sons, New Delhi, p. 55

representing the same proportion. This meant that either the state transferred taxes revenues from other sectors (urban economy) or the financial situation of local government systems in the rural areas remained as it had been in the previous millennia or even worse since the official interferences were on the increase. For their part the states controlled only a quarter to a third of the taxes deriving from the urban economy which was growing much faster than that of the rural but so were their needs, especially urban where there was a rapid increase of the population. Due to this fact the economy of rural India has its own path of development, disconnected with that of the urban India and the development of the Local Government continues the same pattern. As long as the financial resources of the Panchayat were tied to land taxes no other outcome was possible.

As a consequence two standards were promoted, similar to that of China where rural and urban populations were treated differently. The housing, education, and health policies continued to reinforce these tendencies. Rural housing constituted only 15 percent of the total housing budget of Rs. 1 200 000 000 in the Plan. In education, the budget for primary education was reduced by 4.5 percent while the budget for University education is multiplied by four times that of the First Plan, pushed by the needs of an urban middle-class. Similar to the choice made by the British Crown, the Second Five Year Plan abandons the rural areas to the landlords in favour of the urban areas where it thinks the fiscal returns are more promising. The logic of the Plan's action is extremely entrepreneurial.

4.6.3. Third Five Year Plan (1961-1966): The Organic Link and electoral reserve

Before going into the details of the Third Plan and changes adopted concerning Local Government, a brief description of the political situation in the country needs to be described to put local government into context. Historically, as mentioned elsewhere, the communist parties, especially the Communist Party of India had a difficulty in penetrating the rural areas but their manifesto of 1951, gearing up to the national elections to be held in 1952, was mainly catering to the betterment of the lives of the rural masses. It namely expressed the opinion that the debts of tenants would be cancelled and no compensation would be paid to the feudal lords.⁵⁵³ Although the communist rebellion in Telengana was violently put down sympathy for Communism continued to rise in Hyderabad, Madras (Tamil Nadu) and

⁵⁵³ Singh C. (1987): *Communist and socialist movement in India: a critical account*, Mittal Publications, Delhi, p.109

Travancore-Cochin (Kerala). This marks a change of strategy for the CPI which was mainly trade union based until then.

By the general election of 1957, in which Communist Parties in Kerala and West Bengal had succeeded in taking control, threat of Communism in rural areas was more than a theoretical hypothesis.⁵⁵⁴ The Land Reforms introduced by the Communist Government in 1959 clearly aimed to destroy the land lord class. The ensuing war with China in 1961-2 gives Nehru an occasion to put an end to the Communist momentum; the war with China was an external defeat for Nehru but a sure and certain internal victory for him. This goes to demonstrate that Nehru took the threat of Communism very seriously and the shadow of this fear continued to pervade over the development of Local Government in India. Since structural modernisation could benefit parties like the Communist Party of India. But at the same time, what this demonstrated was that it was urgent to achieve a far greater degree of political integration. At State level there was a wave of enthusiasm for Panchayat Raj, by the end of the 1960s there were half a dozen states that had adopted some rudimentary form of legislation; which can be interpreted as a positive thing by the central government but legislation does not mean that everything is up and going. All of this was done under warlike conditions due to war with China (1961-1962) and Pakistan (1965-1966) and a major drought of 1965, a period of shame and hunger for a proud people. And the period also marked the death of Pundit Nehru who left behind a political elite which could rarely reach the standards he had set, except for a woman of a very soft voice but who had a determination moulded in steel.

Another point to be remarked is that the Plan, the womb of modern Panchayat Raj, increasingly becomes state biased, where small states like Punjab and Gujarat are privileged to the detriment of more populous states like Uttar Pradesh and Orissa etc. According to the 1961 population census the population of Punjab was 11 million while that of Orissa was 17.5 million but the Plan attributes Rs. 970 million to Punjab while only Rs. 280 million to Orissa.⁵⁵⁵ By consequence, the per capita grants in the two states were not the same. And it has to be underlined that this does not include all the infrastructures developments, in direct central government spending. What the Plan does is to exaggerate inequalities rather than close the extreme differences in economic development. What is interesting to note is that

⁵⁵⁴ Electoral Commission of India (1957): Statistical Report on General Elections, 1957 to The Second Lok Sabha vol1-2, New Delhi, 1957. The commission has a complete follow-up in Pdf format from 1951 to date, this information is also available online.

⁵⁵⁵ Planning Commission (1961): *The Third Five Year Plan*, New Delhi, Chap.6, Annexure 3 (It has to be noted that more two thirds of this attribution comes from central contribution)

those regions which had the favour under the British Crown Rule, once again start to take advantage of the Independent India, as if nothing had changed in between. As before what happens is that the aridification of Plan resources to States where there was a concentration of rural population, leads to an unequal development of Local Government, this tendency has a spiralling effect where things go from bad to worse. The Panchayat Raj becomes trapped in the Plan and its intrinsic constraints.

Specifically concerning the struggle at the lower level, it increasingly becomes evident that the ambition of the Plan, which was perceptible, was to further dilute the authority of the District and the village by transferring it to the 'Blocks' which were a creation of Nehru's tenure. In the history of the Subcontinent, the District (called *Circar* in Akbar's administrative system) and the village in particular were indomitable administrative units which became a sort of '*vivier*' where true power really resided. What was more important was that they complemented each other almost perfectly in terms of costs and cooperation, may it be administration or economic development. To take forward this optimal combination autonomy of action was the basic thing. Nominal, during the Company and the Crown rule, the District was controlled by the Centre with the province getting its action circumvented. All knew that who ever controls the District would control the country. The environment at the time was non-democratic but independent India chose democracy. Having a huge developmental programme meant a concentration of administrative power at the district level. Increasingly, without a proper control of this concentration of executive power meant that political power was marginalised. The Centre and the State could not really control what happened there; all attempts went astray since it either created confusion or increased the power of the Collector. But at the same time, to give meaning to the notion of state, it was absolutely necessary to keep it.

Given the soft approach of the Prime Minister the Centre and the State agreed in the sharing of the functional possibilities provided by the District unit, and both were able to channel their wishes successful. This could have been partly due to the fact that except for a hand full of states most of the state governments were in the hands of the Congress Party. But there were signs that the Congress stronghold was loosening. The dilemma for both the States and the Centre was that in the event of vesting democratic framework for the District they both could lose it. Given the institutional concentration they could very quickly fall into the hands of radical forces like the Communists, allowing them to create strong bases to take their struggle further to higher levels. In the Third Plan this dilemma becomes very obvious as the whole Plan is axed upon the 'Block' which was geared to suck the substance away from both

the village, from below, and the District from above. It was thought that this would de-concentrate power from the District and would sap the independence of village; let us not forget that the village was extremely communistic in its functional organisation. The geographical splintering of the district would give a better control to the landlord classes. The district was beyond their feudal reach but a 'block' would come closer within their reach. This over-lapping of political, economic and administrative power was thought to reinforce the position of the Congress system, to stop its decline. It is not clear on how much Nehru gave into the pressure of the Congress and National development Council, which was dominated by regional Congress chiefs.

The First and Second Plan were still shy to show the full extent of the hidden agenda but the Third Plan showed a sense of urgency because of the constancy of growth in Communist power. The Congress was principally an outgrowth of Bombay Presidency that had axed its growth on the landlords and leading merchant classes. The impression one gets is that these sections of the population did not provide, in their existing format, a stable democratic base to the Congress System. The idea was to encapsulate the local democratic process upon which the feudal lord has predominance. The Plan progressively creates the conditions for a reassertion of feudal power implanted in a very democratic system. The approach of the Third Plan is systematic and methodical in the way it tries to get things under way. The second Plan had already initiated the construction of 'Blocks' and the momentum had to be speeded up. The Plan announces in Chapter 20: "The community development programme now serves over 3,100 development blocks comprising about 370,000 villages. Of these, about 880 blocks have completed more than five years and entered the second stage of the community development programme. By October, 1963, the programme will extend over the entire rural area of the country. The total outlay on community development in the first two Plans has been about Rs. 240 crores. The Third Plan provides for a total outlay of Rs. 294 crores, in addition to about Rs. 28 crores for Panchayats."⁵⁵⁶ For the first time then, the Plan attributes budgets directly to the Block to give it a financial backing. In the previous Plans, money was attributed to specific programmes and projects but in the Third it is attributed to Blocks, marking a change in policy. It was the strongest indication that the Prime Minister and the National Development Council, which pools the opinion of the states, wanted to the 'Block' to become the centre of all action and not the District.

⁵⁵⁶ Planning Commission (1961): *The Third Five Year Plan*, New Delhi, Chap. 20, point 2

The Plan gives exact details of the pace of development and the financial backing: “The first stage envisages a block budget of Rs. 12 lakhs, and the second of Rs. 5 lakhs. With these changes it was also decided to extend the period for covering the entire rural area by three years, from October, 1960 to October, 1963.”⁵⁵⁷ What has to be underlined is that the government was prepared to lay funds on the table for the development of this artificial institution that did not correspond to any particular need. In the same manner, the government was not willing to finance the village panchayat saying that this had to be done by the villagers by themselves, saying that it was for their own good and it had been like this for ages. But now it was willing to finance the development of a level of administration that both the Mogul Administration and the Company administration had disregarded as being ineffective and an unnecessary cost. This was not because of a colonial rationality from their part, under-administrating the local population; it was in line with their belief that it corresponded to a feudal level where responsibility could become personal and autocratic. The taluks, which were the intermediary bodies between the district and the village, were resuscitated during crown rule. The Crown’s purpose for this segment of local administration was to introduce the ‘leading classes’ from the native population, quite often a Bengali, a Rajput, a landlord or a leading Brahmin. This had a catastrophic effect on the local population. In the battle that ensued between the Collectors, who wanted to protect their villagers from tyranny, and the native Talukdars, the Collectors had the upper hand. This left a bitter taste for the native leading classes. The Third Plan ambitioned to reverse the situation and give full stature to this neglected and often disdained level of local power.

In the hierarchy of who is responsible for the execution of developmental programmes the Third Plan says that we have to take it as a whole: “Representing, as it does, a distinct level of responsibility and functions within the general scheme of administration, Panchayati Raj comprehends both the democratic institutions and the extension services through which development programmes are executed.”⁵⁵⁸ Local Government (Panchayat Raj) therefore is a federated system of responsibility that is shared between elected and non elected bodies. But in a managerial system of development there has to be a structure which coordinates everything, to pull everything in one direction. Up to this point the fulcrum of state power and that of local executive power was the District. In a loosened up system of things, the Third Plan gives a different balance: “The establishment of democratic institutions at the district and block levels and the role assigned to the Gram Sabha and the Village Panchayat constitute

⁵⁵⁷ Planning Commission (1961): *The Third Five Year Plan*, New Delhi, Chap. 20, point 3

⁵⁵⁸ *Ibid.* Chap. 20, point 11

fundamental and far-reaching changes in the structure of district administration and in the pattern of rural development. Their significance lies in the fact that, subject to guidance and supervision by the State Government, the responsibility for the implementation of rural development programmes will now belong to the Block Panchayat Samiti working with Panchayats in the villages and the Zila Parishad at the district level.”⁵⁵⁹ If we are to understand the above statement, the new fulcrum is shifted to the Block level. One way to see this is to think of it as power coming closer to where people live, as something very positive in the development of the Panchayat Raj System. But it is also a reminder that the state had finally broken the boundaries by bring state-control lower and dangerously closer to the people, removing the self-government that existed for millennia. But some reservation was made for those who thought otherwise; since there was no intention of creating a revolutionary atmosphere in the local set up.

The Plan and its writers were conscience the fact these innovations might not be as easy as one might think, so what it does is to package it as democratic decentralisation, what ever that might mean: “The recommendations of the Study Team set up by the Committee on Plan Projects in favour of a system of 'democratic decentralisation' were considered by the National Development Council in January, 1958. The Council emphasised that the foundation of any democratic structure had to be democracy in the village. The two institutions which made effective village democracy possible were the village panchayat and the village cooperative. The first step in any area should, therefore, be to establish the network of institutions needed at the village level. Democratic institutions at the district, block and village levels should be viewed as parts of one connected structure of development administration within the district. The Council, therefore, affirmed the objective of introducing democratic institutions at the district and block levels and suggested that each State should work out the structure which suited its conditions best. During the past three years, legislation for the introduction of Panchayati Raj has been enacted in Andhra Pradesh, Assam, Madras, Mysore, Orissa, Punjab and Rajasthan.”⁵⁶⁰ The Plan wanted the Block to become the focal point but for the sake of progressive and smooth adoption states could choose when and how they could switch to the new system.

The Plan was however was adamant about one thing, as was mention in the initial part of the quote: “The Council emphasised that the foundation of any democratic structure had to be democracy in the village. The two institutions which made effective village democracy

⁵⁵⁹ Planning Commission (1961): *The Third Five Year Plan*, New Delhi, Chap. 20, point 11

⁵⁶⁰ Ibid. Chap. 20, point4

possible were the village panchayat and the village cooperative.”⁵⁶¹ The Village was no longer its formal self anymore; it did not have its independent self any more, without its cooperative appendage it no longer existed. Without a cooperative it no longer could have a democratic existence. The new definition of the village is ascertained only in terms of its productive capacities. In the Brahminic Order, there were the priests, the rulers and the worker (sudra) and the Indian Village was the new sudra in an ever-increasing burden of hierarchy and interference. The Collectors, under the Company and in certain respects the Crown rule, had done their best to keep the Brahminic Order away from the walls of the village but Pundit Nehru, with his soft manners and words of wisdom had lead the villagers out of their darkness of freedom and self-sufficiency into the realities of cooperative dependence. What was more, in the prescribed system, the village was a democratically functioning productive unit, controlled immediately by the Block and watched from afar by the district.

As for the nature of village democracy that was on offer, it was that of a worker in a factory and not that of a citizen of his community, at least that’s what the design of the Third Plan indicated. The cooperative becomes the name of the game. The choice of ‘cooperative’ is very a clever formula because it projects many things, cooperation, socialist economy and equality in the ownership of an economic instrument. But its main importance comes with the fact that it masks as usual a stark reality. The rural economy was composed of a wide variety of actors from day labourers to landlords who owned land of several villages; and there were subsistence farmers, who unable to feed themselves by their trade also did farming to feed their families. Even Pundit Nehru, in his *Discovery of India*, comes to the conclusion that a majority of the villagers are subsistence farmers. This big disparity in ownership of land and agricultural means of production meant that all could not participate or profit equally from a cooperative system. And as it could be expected the landlords would dominate it and control the system of ‘development grants’ for their advantage. And since the Plan ties the development of village democracy with that of the cooperative it is condemned to all the biases intrinsic in the economic system.

In the traditional system, a say in the affairs of the village was not tied to the level of economic stakes; although the affairs of the village were mixed with social and economic issues. To pin down its priorities, the Plan asks the villagers to tacitly approve their new condition: “Both on the part of the Gram Sabha and the Village Panchayat the approach of

⁵⁶¹ Planning Commission (1961): *The Third Five Year Plan*, New Delhi, Chap. 20, point4

unanimity or near unanimity should be encouraged, so that various activities are undertaken with the general consent and goodwill of the community.”⁵⁶² There was no space for ideological differences between the poorer sections and the richer sections in the distribution of public goods. This consensus imposed from above was not part of the village as it went about its business; it was an organic consensus from within. But from the point of view of the Plan what this meant was that the power of the landlord was deeply inserted into the village and all complaints were squashed at the base. On the long run this would allow the local Congress strongman to transform the village under his control into a ‘*vote-bank*.’ And with a process of state and national aggregation the system would allow, it was hoped, Congress to a strong national grassroots base. The Plan sums it quite neatly when it says that it is looking for ‘cohesion and mutual self-help within the community.’⁵⁶³

But other structures make rapid progression. The build up of bureaucracy happens at the Block level downwards, because it was time to make the Block into a predominant structure. It had the financial backing, there was the political will and now it was time to give it administrative and functional clout. The Plan makes it clear: “For carrying out extension activities, each development block has a body of village level workers and a team of technical specialists in agriculture, animal husbandry, cooperation, rural industries and other fields functioning together under the leadership of the Block Development Officer. Supported and guided by senior specialists at the district level, these extension cadres serve the Panchayat Samitis in the Block and Panchayats and Gram Sabhas (village unions) in the villages. They have to assist the elected representatives in preparing and implementing technically sound block and village plans on the basis of the widest possible participation on the part of local communities and the maximum use of local manpower and other resources.”⁵⁶⁴ The new master on board was the Block Development Officer who had under his command a plethora of technical functionaries. All this bureaucracy would of course surf upon a bed of consensus-built village, a hybrid democracy between cooperatives and traditional panchayats.

Of course the Plan had an overall objective of increasing the bureaucratic pressure, to increase delivery efficiency: “The administrative machinery has been strained and, at many points in the structure, the available personnel are not adequate in quality and numbers.”⁵⁶⁵ But strikes a note of caution when in speaking of the overall efficiency: “As large burdens are thrown on the administrative structure, it grows in size; as its size increases, it becomes

⁵⁶² Planning Commission (1961): *The Third Five Year Plan*, New Delhi, Chap. 20, point 12

⁵⁶³ Ibid. Chap. 20, point 11

⁵⁶⁴ Ibid. Chap. 20, point 7

⁵⁶⁵ Ibid. Chap. 17, point 3

slower in its functioning. Delays occur and affect operations at every stage and the expected outputs are further deferred. New tasks become difficult to accomplish if the management of those in hand is open to just criticism.”⁵⁶⁶ It was also true that the urban middle classes, leading classes in the semi-urban areas, reservation of public jobs for the Dalit castes were all the reasons that were pushing the governments, both central and state, to simply create jobs in public sector employment. The private and public sector continued to churn-out jobs in Industry but these were qualified jobs which could not tolerate a ‘quota system.’ But on the other hand, the administration could tolerate job creation at the lower end, at the Block level, where the concern for quality of work was not the highest. So Panchayat, from the Third Plan onwards, also played the role of host for young recruits that the state had to accept and place them somewhere, without too much concern for quality and moral preparedness.

If the true ambition of Nehru and the Plan was to strengthen the entrepreneurialism initially dreamt of, it would have produced the effect. If Nehru and his team at the Planning Commission and the National Council Development Council wanted to give the village environment its full potential, the villagers would have done all that could be done, as they had shown over the centuries. As the Company and the Crown had experienced, the last thing one could do was to take the villagers for idiots. Nehru above everyone else should have known this since he provided one of the best analyses of the village mentality and its way of doing things. The final Plan during his tenure and life time was going to be a failure from the beginning. The rural economy of India, in spite of its desperate condition, had fed not only the extravagances of the ‘leading’ classes in India but also those of Britain; and to a large measure contributed to the glory of the British Empire. All of this was achieved because the entrepreneurial independence of the village was left intact.

The lesson that Warren Hastings had learnt, after more than thirty years of observation, was that political and administrative power should never make an intrusion into the village. He recognised that everything had to be done to protect the productive capacities of the village. And around the village, he threw a protective ring called the District. What Nehru and his men did was to destabilise both and as this was not enough, they made an ever increasing place to the Brahminic Order, the antithesis of the village. There could only be ruin and collapse. For a planned GDP growth of 5.6 percent there was only 2.4 percent on average for the five year period.⁵⁶⁷ Often the political crisis and famine are cited as events that

⁵⁶⁶ Planning Commission (1961): *The Third Five Year Plan*, New Delhi, Chap. 17, point 3

⁵⁶⁷ Dash L.N. (2000): *World Bank and Economic Development of India*, APH Publishing Corporation, New Delhi, p. 114

negatively influenced the Plan. But in reality the price inflations were already visible in the late 1950s indicating that there was a shortage of food items. In this, the Second and Third Plans were not only an economic mismanagement but also a waste of time in the development of Local Government institutions and their entrenchment.

4.6.4. The Fourth to Fifth Five Year Plans (1969-1974, 1974-1979): Breaking the barriers

For two years the Planning process was suspended, the decade had already consumed two Prime Ministers (Nehru and Shastri). Indira Gandhi, daughter of Jawaharlal Nehru becomes the one who chairs the Fourth and Fifth Plan where a certain change of direction happens. Although most of the Planning Commission under Nehru was North Indian, Mrs. Gandhi's team is overwhelmingly Southern. She clearly wants to signal a change of mood of the state machinery, at the very top. One expert on her term as Prime Minister has this to say of this very contrasting personality: "The whole infrastructure that was built up in the country, from agricultural to defense development strategies, owed substantially to her tenure in power. However, it was over the issue of the ends and means of shaping, sharing and retention of power, that her personality showed its flawed character."⁵⁶⁸ This desire to keep political power led her to declare the Emergency (26 June 1975-21 March 1977) which consumed much of the Fifth Plan, leading to the suspension of the democratic process in all its forms. The Indian Express online version gives a long list of events that led to the imposition of Emergency.⁵⁶⁹

This had a devastating effect on local institutions like the District, as she tried to use the administrative power vested in this institution for political purposes. It reminded the people of the darkest days of the Crown Rule, where the District unwillingly became the instrument of central tyranny. There has to be a note of caution in the appreciation of Mrs. Gandhi's policies since the very poor approved of her policies, because they were more oriented towards protecting the poorest.⁵⁷⁰ The general approach of Mrs. Gandhi was more realistic and rational; it reverted back to the idea of supplementing the state wherever it was needed, especially when it concerned the rural population. She saw the rural population not as socially retarded, rather as being the victim of injustices.

⁵⁶⁸ Malik Y.K. (1988): *India: the years of Indira Gandhi*, Leiden, New York, E.J. Brill, page 24

⁵⁶⁹ Indianexpress.com: *Emergency Special*, June 25, 2000, Online at <http://expressindia.indianexpress.com/le/daily/20000802/events.htm> (16/11/2013)

⁵⁷⁰ Planning Commission (1969): *The Fourth Five Year Plan*, New Delhi, Chap.1, point 1.64

The District can never become an instrument of Central control or the control of the federal states. It had a pivotal function to mitigate people power and the authority of the state. In the Company period, the growth and consolidation of this pivotal function was explained in detail. The District is useful to the general administration of the country as long its independence is maintained and respected; when this rule is not respected then it becomes counter-productive. Of course during the Company rule and that of the Crown, there was the Revenue Board to see that this iron rule was never broken. It protected the Collector from interference from other branches of government, both Central and Provincial. After independence, the Collector cadre did not have a backer of importance like the Revenue Board, and as a consequence it became extremely difficult for the Collector to maintain his apolitical stature. The Office of the Collector and District were temporarily scarred by the imposition of the Emergency by Mrs. Gandhi.

The tenure of Indira Gandhi is marked by the abandonment of 'experimentation with Panchayat Raj,' the constant tampering with institutional outlay was not yielding any results. There was a feeling that neither economic performance nor the well-being of the majority of the people was catered for by the Plans, although there were some bright spots. Nehruvian Socialism looked increasing like an ill prepared concoction of 20th century priorities and a well dusted feudal means to achieve these priorities; where the Panchayat Raj had taken the place of a Trojan horse. Indira Gandhi decided to pull the plug before the feudal tendencies made the situation even worse than it was. Nehru started by putting Panchayat Raj and poverty alleviation on the same footing and tying them together. But increasingly his objective to turn the rural India into a large cooperative, controlled by newly empowered landlords at the block-level, was a recipe for high gear corruption and wastage of public funds. The rural people had followed him in good faith but were treated as secondary to other priorities. In one stroke Mrs. Gandhi changes the priorities, the block was not even mentioned in the Fourth Plan and in the Fifth Plan, the whole Panchayat question was not treated.

Another Trojan horse effect of Nehru's policies was to consider 'unemployed' only those living in the urban areas. For him the unemployed in the rural areas was surplus labour, as he eloquently described to the Canadian Television on the 21st April 1960. Mrs. Gandhi, although naturally had a strong attachment to her father, finds it obnoxious, irrelevant and undemocratic not to treat the rural unemployed in the same manner. She sanctions a commission, through the Plan, to estimate the proportion of rural population that was unemployed. The magnitude of unemployment was enormous, to the extent the plan does not share the data, it just reiterates the fact that it is very considerable. Mr. Nehru had made some

concessions to Dr. Ambedkar during the discussions on the constitutional provisions for the Dalit, which in its entirety constituted rural day-labourers, but in the plan no mention was made to support the desires expressed by the constitution.

The real beneficiaries of the hordes of unemployed or partially employed in the rural areas were the Landlords who could employ them at depressed rates of wages. Mrs. Gandhi felt the obligation to remedy this situation. Even in terms of the party affiliation the rural poor always supported the Congress; which in itself was a contradiction because it was a party of the feudal land owners. Mrs. Gandhi knew that when this section of the electorate abandons the Congress, it can never govern the country again. The sentiment expressed in the Fourth Plan was similar to the opinions expressed by the District Collectors under Crown Rule. It was evident that the Panchayat Raj as conceived by Nehru will not produce tangible and durable development for the rural areas. There was an urgent need to go back to the District where state action was most productive; it was time to revisit the entrepreneurial traits of the administrative pillar of the local economy.

The Fourth and Fifth Plans under Mrs. Gandhi are strongly pegged at the District level, as it was during the times of Warren Hastings and the East India Company. The first chapter clearly indicates that there is a “shift” towards the district.⁵⁷¹ The division of the district into blocks weakened state authority by unnecessarily diluting it. The control of state resources took similar pattern as the task of control was multiplied by the number of blocks. Just by putting the clock back Mrs. Gandhi would save on the state budget and a lot of embarrassment. Political supervision of the district activities by the local political barons was also seen as an unnecessary intrusion into the authority of state. The state cannot and could not be associated with the remnants of feudal power, however much they served a temporary purpose for the Congress Party. If she could permanently de-link the rural masses from the clutches of the semi-feudal structures then Mrs. Gandhi could increase the potency of local democracy. The only way to do this was to re-give the District its dignity. This is exactly what Warren Hastings did when he created the District; by one stroke he was able to annul feudal authority and increase the scope of state power which had the compulsion to mitigate state power and the needs and aspirations of the people. The Plan makes this crystal clear: “It is expected that as planning at the State level becomes more elaborate, the planning apparatus at the State and the district level will be strengthened.”⁵⁷² In whatever manner it could, the Plan

⁵⁷¹ Planning Commission (1969): *Fourth Five Year Plan*, Chap.1, point 1.49

⁵⁷² *Ibid.* Chap.1, point 1.50

wanted to re-give the District an undisputable power to scale-back the feudal power. Since the Panchayat Raj cannot lay root as long as feudal power occupies the rural terrain.

The first action was to disassociate the Panchayat Raj with that of the Cooperative. Mrs. Gandhi could not be too abrupt in waving good bye to her father's heritage, because it was a mixed bundle: "The cooperatives are, in the main business organizations. Therefore, their operations are more directly connected with development planning. Growth and strengthening of cooperatives has been consistently pursued in successive Plans and encouraging results have been obtained in many States."⁵⁷³ The decision was taken to separate the cooperatives from political and administrative institutions at the local level. The Fourth Plan accepts the fact that in the previous Plan that the cards were mixed: "The establishment of socio-economic democracy through institutional changes, has been associated chiefly with, the setting up of Panchayati Raj institutions and cooperatives."⁵⁷⁴ What Nehru had done was to marry feudalism with local democracy in the hope of barring the route to the Communist in the countryside, but that did not change the fact that it was a glaring reaffirmation of feudalism, making the rural masses economically subordinate to the landed. But now it was going to be different: "The Panchayati Raj institutions are agencies of Government and administration at the local level."⁵⁷⁵ Mrs. Gandhi reaffirms the political rights of the rural masses; these rights cannot be appropriated by the landlords or any other lobby in the name pseudo-economic ideologies.

In this mood there is also a will to construct a state structure that is integrated from the very top to the very bottom. The message of reform, set in motion at the top, was not reaching the lower level because there was lack of integration, similar to the problem faced by Ashoka the Great, the message was filtering down with difficulty. In the case of post-independence period, not only the message and mobilisation was filtered but also the financial resources which were high-jacked by the urban needs but also by a dubious local construction. The people cannot play a counter-weight to embedded interests if there is no political empowerment. But the time was not propitious to institutional revolution because the people were literally starving. The attitude of Mrs. Gandhi was to feed her people first and ask them about political reform at a later date, since the 1965 famine had made the condition of the people similar to those under the Crown period.

⁵⁷³ Planning Commission (1969): *Fourth Five Year Plan*, Chap.1, point 1.51

⁵⁷⁴ *Ibid.* Chap.1, point 1.49

⁵⁷⁵ *Ibid.* Chap.1, point 1.49

Rather than initiating large-scale experimentation, Mrs. Gandhi settles for selective development where certain sectors and districts are targeted for development. To make this targeted approach fruitful she tried to shed off the shackles of cosy relationship with interest groups that were destroying the state and country from-within: “banks were nationalised, maharajas were stripped of their remaining privileges, anti-monopoly laws were strengthened, new taxes were imposed on the rich, access to credit was broadened, stricter land reform legislation was passed, and public works programmes that may supplement the income of the poor were brought into being. The early 1970s was thus a moment in India with real social democratic possibilities.”⁵⁷⁶ Every rural district had roads built, bus services initiated, schools built, free school meals offered, grants for housing accorded, free fertilisers offered and high-criminality slammed. For the first time in generations, Rural India breathed freedom with a full stomach. Although the way ahead was herculean, the rural people felt their time had come; the down trodden look in their faces had changed to that of a certain pride in themselves and in their government.

And to capitalise on this enthusiasm Mrs. Gandhi pulled down the “licensing” system of her father’s tenure: “In order to achieve these aims it would be necessary to improve skills and provide a combination to incentives and disincentives for securing decentralisation and dispersal of small industries. Fiscal and other measures are required to enable these industries to stand competition with large industries. The operation of the industrial licensing system has not been effective in preventing competition from the large industries and in providing the required degree of initial protection. Nor has it been possible to prevent concentration of industries in large cities and towns.”⁵⁷⁷ Nehru and his advisors had introduced licensing for two reasons. Firstly they wanted to develop industry to cater for the employment needs of the urban population and secondly to privilege the landlord classes who had the necessary capital resources to invest. This was an economic absurdity in the eyes of Mrs. Gandhi, since rural industrialisation was not contradictory to the development of the urban economy. On the contrary, experience gained and wealth generated in the rural areas could further support the pace of development of the urban economy. And licensing was at the antipodes of local government since empowerment in the political domain cannot be initiated without giving it all the means, including the possibility to industrialise. Her action also makes sense when one looks at the self-sufficiency of fiscal revenues at the Panchayat Raj level. Agriculture in itself,

⁵⁷⁶ Nagaraj R.; Ed. (2012): *Growth, Inequality and Social Development in India*, Palgrave Macmillan, Basingstoke (UK), p. 205

⁵⁷⁷ Planning Commission (1969): *Fourth Five Year Plan*, Chap.13, point 13.12

given the tax system adopted, could not give enough revenues for a local government to function and pay for its development; industrialisation could give a big boost. With the system of delicensing and cheap credits from the state, Mrs. Gandhi wanted to give a much needed boost to strengthening the District, which in time would develop the lower level.

Every rural child born in the 1960s knew that the bus line sanctioned to take him to school; the school where he got his primary education; the free meal he got and the power of hope for a better future were in a large part the result of Indira Gandhi's determination to give empowerment to rural India. In her agenda setting first chapter of the Plan, she announces: "The objective of national planning in India is not only to raise the per capita income but also to ensure that the benefits are evenly distributed, that disparities in income and living are not widened but in fact narrowed, and that the process of economic development does not lead to social tensions endangering the fabric of the democratic society. In part these can be achieved by seeing that in the implementation of the programmes, the weakest are looked after first and the benefits of development are made to flow by planned investment in the underdeveloped regions and among the more backward sections of the community."⁵⁷⁸ In the heat of the moment she became the enemy of the people but someone forgot to ask which people.

Her policies to save Rural India had naturally made her a target for political protestation. This was mainly coming from the urban classes from Gujarat and Bengal and territories adjacent to these states which were heavily industrialised and belonged to nations which always ambioned to control the rest of India. Developing the rest of the country, as was the strategy of Mrs. Gandhi, would ruin these ambitions; and it was important for them to stop her at all costs. Her policies of making the rich pay more taxes had angered the upper (leading) classes. The background of an oil crisis, war and balance of payments crisis did not help. Personal ambitions also played a big part when she decided to impose the Emergency but it was also true that she was aware that the rural masses would be let down. As it was with Warren Hastings, and the District Collectors he put in place, for her India belonged to the rural masses. At the end she failed politically by ceding power to the urban forces but her legacy to her people was stronger than before, but not strong enough to keep her in power.

It also has to be underlined that her fight against feudalism led to a disaffection by the landlord class which had formed the bedrock of Nehru's political support. Her policies aimed to deconstruct feudal power in all its aspects. Her refusal to treat the Block level as the most important of the local set-up meant that 'pork-barrel' politics that characterised the feudal

⁵⁷⁸ Planning Commission (1969): *Fourth Five Year Plan*, Chap.1, point 1.64

power had to come to an end. The Feudality had the tendency to present government action as its own, coming out of its personal generosity. When local identities were mentioned it was always in terms of the feudal family that controlled the sway of a territory that corresponded to the size of the Block. Indira Gandhi realised that this feudal enterprise had distorted Nehru's action all the way long. What was more important 'nation-building' in a democratic context, similar to that wanted by Indira Gandhi, could not be founded on feudal structures. After the resignation of Mrs. Gandhi as Prime Minister, she was also ousted from the Congress Party in 1978 by the Reddy Group, a powerful feudal faction inside the Congress.⁵⁷⁹ She was forced to create a new party, the Congress-I, to regain power. This was the strongest sign that she had gone against the feudal power that had eclipsed Gandhism and Nehruism.

When Morarji Desai, a left leaning ideologue of the Janatha Party, took over as Prime Minister in 1977, he suspended the Fifth Five Year Plan. Indira Gandhi had the ambition of intensifying the 'liberation' of the rural sector. The annual plan of 1976-1977 for example had received a 31.4% budgetary rise to modernise agriculture and provide electricity to the rural areas.⁵⁸⁰ The fight against the Emergency and the tenure of Indira Gandhi was led by urban youth, educated middle-classes and Desai felt the obligation to return a favour: "In 1977, when the Jantata Government of Mr. Morarji Desai formulated the 1978-83 employment oriented plan, it drew upon the Dantawala Committee's stress on productive assets having to be kept as the focus of development. Whether one likes it or not, this was essentially a market solution. When a low income household takes up poultry farming, it is relying on the market to take care of itself."⁵⁸¹ The welfare outlay of the Fifth Plan was suspended in favour of ad hoc support to Blocks; since the Reddy dominated original Congress was in support of Desai.

The idea of Desai was to use the economic momentum in the countryside left behind by his predecessor to (re-) establish a new role for the rural economy; that of catering for the needs of the urban population whose income was constantly on the increase. The countryside would provide hordes of servants, gardeners and cleaners. It would also become the hinterland to the ever-demanding urban middle-class. The Panchayat Raj, in these conditions would have a twisted appearance. Desai reintroduced, on the recommendations of the Dantawala Committee (1968, 1978), development at the Block level in what was called the Integrated Rural Development Programme (IRDP); part of this policy was already initiated in the 76-77

⁵⁷⁹ Nikolenyi C. (2010): *Minority Governments in India: The Puzzle of Elusive Majorities*, Routledge, UK, p. 41

⁵⁸⁰ Planning Commission (1974): *Fourth Five Year Plan*, Chap.1, point 1.10

⁵⁸¹ Ramachandran K.S.(2007): *Economic Environment of India: Lessons from the Past and for the future*, Northern Book Centre, New Delhi, p. 323

annual plan. The idea of the Committee was to build on the supposed homogeneity at the Block level, which supposedly did not exist at the District level.⁵⁸² Mrs. Gandhi had ignored the Committee and its findings because she wanted a development to the countryside which was independent and autonomous. The IRDP wanted to integrate the countryside at a level where it would be condemned to non development. Desai wanted to pick up a peculiar notion of socialism where Nehru had left it, always reserving a secondary role to the rural economy and rural democratic aspirations. The idea was to arrest the rural industrial development in its infancy, before its economic importance grew in proportion to its democratic strength. Desai wanted to use the rurals to reduce inflationary pressure in the urban zones. Inflationary pressure on food items was high during the 1970s for a number of reasons and weighed equally on all sections of the population but the urban population was more virulent in expressing its opinion. Encouragement was given to those sectors that promised to improve urban living standards. The Block development failed to produce the results as the situation got even worse than that under Mrs. Gandhi who had to cope with a spectrum of crises. Charan Singh who followed as Prime Minister (28July1979-14January1980) hardly had the time to do anything concerning the Panchayat Raj.

4.6.5. Sixth Five Year Plan (1980-1985): Ambitions and shattered hopes

The Sixth Five Year Plan might stand out as one of the best conceived and executed, and in terms of results achieved. But the period was marked by bloodshed, first notably by the Operation Blue Star in Punjab and the consequent assassination of Indira Gandhi, the authority behind the Sixth Plan. This meant that the dream distilled into the plan was only partly fulfilled. In the foreword to the plan, still living under the heritage of the Emergency, Mrs. Gandhi quotes a verse from Tagore - "The day will dawn. Hold thy faith firm." And she concludes the 'Foreword' by this reminder: "The measure of plan is not intention but achievement, not allocation but benefit. We are determined to implement this plan with steadfastness of purpose. Democratic planning means the harnessing of the people's power and their fullest participation. We sail on stormy seas. But the Indian people have weathered many storms. Their spirit is indomitable and it will prevail. Let us help them to bend their energies with unity and discipline in the great endeavour to reach towards a brighter

⁵⁸² Bagchee, Sandeep and Ajun (1980): *The Dantwala Committee and After*, Economic and Political Weekly, vol. 15, No.23 (Jun. 7, 1980), pp. 1022-1025, Article Stable URL: <http://www.jstor.org/stable/4368751>

future.”⁵⁸³ These words come from a leader who was vilipended and portrayed as the enemy of the people but who after three years won a landslide victory. The Congress Party (I) led by Mrs. Indira Gandhi won 351 seats in the Lower House out of a total of 525 seats.⁵⁸⁴ This victory probably shows the contempt for her political rivals but most certainly an approval of her handling of the Fourth Plan and part of the Fifth Plan and the expectations they had provoked in Rural India. With such an electoral plebiscite, she had the promise of a stable period to execute a very ambitious Sixth Five Year Plan. The Planning Commission which had to reconstitute itself, because Desai had suspended it, started work and was therefore ready only a year later in January 1981.

Another point of importance of the Sixth Plan is that two future Prime Ministers take a central role in the conception and execution of the Plan. Both Man Mohan Singh and P.V. Narasimha Rao made the Plan a breeding ground for talent that would guide the country in its quest to feed its people and one day aspire to things greater. It was quite probable that she took them on board to have their authoritative advice but also gear-up to provide continuity. And interestingly both of them later appreciated and built-up the cooperation gained at the Plan. The fact that these two personalities were present also marks the fact that Indira Gandhi was planning for a long period of reform. She had already broken a lot of barriers and certainly was willing to go much further. In spite of her reputation and the heritage of the Emergency, she had the intimate conviction that given the right environment democracy would become a real instrument of change. When this happens, given the entrepreneurial spirit of her people, India will find its rightful place. In its scope and ambition therefore the Sixth Plan very much looks like the First plan in the sense that it fully mobilises the community and the administrative apparatus. While the First Plan waited for the people to take the initiative, the Sixth Plan takes the lead. In this renewal of supported enthusiasm, the District re-becomes a vast enterprise because of its position of undertaker of an enormous responsibility. The District becomes an enterprise and the Collector an entrepreneur because the Plan expressly demands it. The Plan repeats the same mantra to each and every member of the administration and the community united in one big enterprise.

The Central ideal of the Sixth Plan was that it was not enough to de-link the feudal power from development and Panchayat Raj, practical measures had to be taken to

⁵⁸³ Planning Commission (1980) : *The Sixth Five Year Plan*, New Delhi, Foreword

⁵⁸⁴ The Times of India (1980), 22 -member Indira ministry sworn in., January 15th 1980, cover page (available online archives from TOI) For indepth analysis of the 7th Lok Sabha elction see: Statistical Report on General Elections, 1980 to The Seven Lok Sabha, vol1-2, Election Commission of India, New Delhi, 1981 (Available online in pdf format)

accommodate new forces of modern democracy, and concrete measures had to be taken to support alternatives to feudal power. The Plan makes a realistic assessment of the condition of the rural population which was not uniform; the population was segmented. To each of these segments a specific development policy was crafted. In this the Sixth Plan introduces the 'abbreviated' fragmentation of policy since there was an invasion of abbreviations of names of programmes, which shows the multiplicity of the efforts made. But at the same time the administrative structures were rationalised and aligned to fit the District capsule. The Sixth Plan makes a slight readjustment compared to the Fourth Plan under Indira Gandhi in the sense that the block is no longer stigmatised. The weight and scope of the Sixth Plan is such that a further operational breakdown in the execution of the Sixth Plan was necessary; the blocks had existed and were now covering the whole country and there were no ideological barriers against their use.

The assessment of the Planners was clear that the development of the Panchayat Raj was only nominal which led to its relative insignificance: "At present there are 228593 Gram Panchayats, 4478 Block Panchayat Samitis and 252 Zila Parishads in the country. A potentially viable and useful structure of Panchayati Raj thus exists in form, but its effectiveness has been limited in practice. There has been considerable erosion in the powers and functions of these institutions in many States. Adequate financial support has generally been denied to these institutions in most States, often even in respect of the "transferred" schemes, and programmes. These institutions themselves have shown little inclination to raise their own resources locally. Besides, there has been a general apathy at the administrative and political levels towards strengthening these bodies."⁵⁸⁵ All that was needed in terms of institutions existed so there was no lack of institution-building but somehow they did not produce the results expected. The plan concluded that: "All these factors—exogenous as well as endogenous have left these potentially dynamic peoples' institutions, in a virtually moribund State in most parts of the country."⁵⁸⁶ The choice was therefore to scrap the whole set-up and put-in a new and more workable system or go ahead with a reform tempo that would adapt to the developmental requirements. The planners took the later option. The decision was in great extent helped by the results of the Ashoka Mehta Committee which was set-up in 1977 and reported in 1978, the results of which were approved in 1979 by the National Development Council. The Ashoka Mehta Committee said that modifications have to

⁵⁸⁵ Planning Commission (1980): *Sixth Five Year Plan*, New Delhi, Chap. 11 point 11.40

⁵⁸⁶ *Ibid.* Chap. 11 point 11.41

be made including a devolution of funds, but what was more important was that it recommended: "...in favour of making Zila Parishad as the principal executive organ of Panchayati Raj with the Block Panchayat Samiti being converted in effect to a block level committee of the Zila Parishad. In regard to the lowest level unit, i.e., the Panchayat, the Committee recommended the concept of Mandal Panchayats comprising of 15,000 to 20,000 population and 10 to 15 villages, with a somewhat smaller size in tribal and other sparsely populated areas."⁵⁸⁷ In effect what the committee proposed was to re-peg the effort at the District Level (Zila Parishad). The district was to re-become the executive of all the enterprising activity, within its territory it was to become the supreme authority.

Contrary to the Fourth Plan the Block, where Mrs. Gandhi had considered it to be a feudal infestation, was simply forgotten. It was probably a mistake in the sense that administratively some middle ground had to be established between the village and the district for reasons of convenience. To bring a rectification, what the Sixth Plan does is to rehabilitate the Block but with only a technical function and strongly subordinated to the District: "The Block agency is, and will continue to be, the main agency for implementing or assisting in implementation of various programmes of rural development. The effectiveness of this agency as an instrument for coordination of all development activities has been eroded over time. Now that the Integrated Rural Development Programme is proposed to be extended to the whole country, along with the National Rural Employment Programme and the increased demands of the Panchayati Raj system, this agency in its present weak state will not be able to cope with the magnitude and the diversity of the task it will be called upon to handle."⁵⁸⁸ Nehru's logic of de-concentrating executive power at the District Level in favour of the Block was, in retrospective, a mistake and a waste of vital resources; and found to be anti-democratic in design by his daughter, Indira Gandhi. She now made the Block into a developmental organ which would come under the stern eye of the District Collector.

In the same occasion Mrs. Gandhi made it crystal clear that the block level staff have to come mainly from the locality and with priority given to schedule castes (Dalit etc), schedule tribes and women; a clear indication that Panchayat Raj was not about creating employment for urban middle-class youth. Nehru had the tendency to look at local input as 'coolie' work but Mrs. Gandhi decided that this was indecent. The Plan considered that Panchayat Raj was about providing employment for local people and since it was about self-administration in a non-feudal environment, it was only natural that local people should

⁵⁸⁷ Planning Commission (1980), op. cit., Chap. 11 point 11.41

⁵⁸⁸ Ibid. Chap. 11 point 11.44

participate in the local administrative structure. Through a reformed block therefore the Sixth Plan and Mrs. Gandhi in particular wanted to remove the colonial link that had existed between the town and village since time of Crown Rule, which started by introducing the 'leading' classes at the lower level of administration. Mrs. Gandhi's rule was about breaking the barriers and she took every opportunity to set the mood.

The status of the village also came under consideration when the planners realised that in most cases the size of the village did not allow it to play an important role in self government. What Nehru had considered as an asset was now becoming a hurdle and something had to be done before considering long term institutionalisation. During the Company time, for convenience sake the Collectors organised their district into informal groups or village-unions. During the Crown period further development of these informal bodies was not given much consideration as the Supreme Government was more interested in reactivating the sub-district administrative structures like the Taluks or Tehsils to provide employment for the leading classes. As was mentioned above, the Ashoka Mehta Committee picked up on the Company practise but this time to institutionalise the Village Union under the name of Mandal Panchayat (grouping of 10-15 villages or consisting of 15,000-20,000 inhabitants). In one way this was similar to constituting an urban Block, a critical minimum in numbers was needed to make the institutions viable.

This was also a recognition, that what Nehru had portrayed as a unit of harmony was only an illusion in a majority of the cases. The practice, during the Crown rule, of making the village heads into paid officers of the state administration, which was controlled by the leading classes, had made the village lose its political independence and thus economic. After the independence, this line of administrative control from the Block level had given rise to a system where all resources channelled to developmental projects were siphoned off by the feudal and semi-feudal actors. In this structure logically a part of the spoils went into the pockets of the village head and his relatives. The idea behind the creation of the Village Union (Mandal Panchayat) was to keep intact the electoral capacity of the village but to get rid off its semi-feudal characteristics. By reducing the power of the village head part of the social violence in the village is reduced. By taking the village administration to the village union level the Plan also tried to bring in a degree of transparency. Funds would be devolved to this level but with a stricter control from the reformed Block level and the District administration.

Contrary to the dream of matching the combination of direct democracy in the village and indirect democracy at the Block level in the Nehru period, the Sixth Plan makes no

distinction between the types of democracy at national, state, district or village union level. Nehru wanted to keep the system of unanimity which meant that there were very few topics that could be discussed, let alone breathing in social reform. The idea of Mrs. Gandhi was to give voices to all sections of the population. She was sure aware that the Dalit constituted a minority in the village and was left out of the village decision-making in its traditional form. The situation of the women was no different although this section of the population represented almost 50 percent of the population. The Sixth Plan makes a distinct reference to this fact when it declares: “Any set of programmes aimed at the transformation of rural societies, with their complex sets of social values and goals, would be meaningless and in fact self-defeating, if they do not involve effectively the rural women.”⁵⁸⁹ If we remove the Dalit and the women, and other marginal castes then we had a village democracy which structurally favoured a minute section of the population. This might not have mattered in times where the village heads were enlightened but the direct grasp of the leading classes over the village and its economy had made the system socially unacceptable and incompatible with the new democratic aspiration of the people.

The need to eliminate the embedded prejudices became all the more urgent in a purely financial and developmental logic. Nehru gave very little to the rural areas and very little as developmental help; it was always in the region of 15 to 20 percent disbursed but due to lack of transparency it was difficult to know how much actually tickled down to the actual development objectives. At the same time Nehru was unwilling to finance a proper system of local government at the lower level which would act to reduce the misappropriation of the funds. The Sixth Plan had almost double the budget on development, the biggest welfare spending in the country’s history was initiated, which meant that the State was willing to pay for the developmental objectives but asked the population to organise themselves in a non-discriminatory manner. It set only one condition for disbursement – democracy: “During the Sixth Plan it is proposed to strengthen the process of democratic decentralisation. Irrespective of whatever structural pattern that is existent or that may be devised, effort will be to devolve on these institutions all such functions, appropriate to each level, which are capable of being planned and implemented at that level. These institutions will be particularly involved in the planning and execution of Integrated Rural Development Programme and the National Rural Employment Programme.”⁵⁹⁰ The message was made very clear; the funds would be handed down only to those who are capable of handling them democratically.

⁵⁸⁹ Planning Commission (1980), *op. cit.*, Chap. 11 point 11.43

⁵⁹⁰ *Ibid.* Chap. 11 point 11.42

In short, the apprenticing in democracy was synonymous with participating in the effort to develop the community and the country under an entrepreneurial strategy. Nehru had asked the village to reform itself on its own costs but Mrs. Gandhi changes the priorities, she decided that it was the responsibility of the state to make democracy function. She was not willing to wait for a defunct structure to embrace democracy. But at the same time she knew well that democratic culture cannot be imposed by just telling people the virtues of democracy, she wanted to prove to people the practical advantages of it. The Sixth Plan makes this clear: “Experience suggests that the task of educating and mobilising the people in this direction is more effectively accomplished when it is institutionalised. Individual action though important can only be sporadic in nature, whereas institutionalised action can be distinctly more effective in mobilising local resources, articulating needs and coordinating the developmental tasks which are undertaken by the people.”⁵⁹¹ In this Mrs. Gandhi and the writers of the Plan put a special interpretation of the notion of ‘stake-holder’ democracy. The notion has a connotation of an end product, where everyone has an interest to holding on to democracy because it guarantees a material condition that has been arrived at. This is one of the reasons why liberal democracy is often associated with a strong middle-class. But the Indian context where the majority of the citizens are rural and have nothing in terms of wealth, one would think that stakeholder democracy cannot be the right term to describe it. Message of Mrs. Gandhi was to say that ‘you have nothing, but Democracy has something for you; it might not be much, but it’s a beginning.’ The Sixth Plan, by putting in place the beginnings of a wide and complex welfare state, transforms its stake-holding condition.

The declination of the welfare was characteristic in that it was not a simple handout of aid, although that was also done. The grants and funds had an entrepreneurial scope, that it was a help from state to people to create an economic activity, to find their active position in the economy and society. There were jobs offered in government institutions but in the majority of the cases State help was a temporary condition to help the people on to the path of self-realisation: “The role of Government agencies should be to help people to help themselves. Success in achieving a rapid improvement in the quality of life of the rural and urban poor will depend upon the extent of involvement of our vast human resources in national development.”⁵⁹² The path to this ‘stake’ is squarely tied to the development of local institutions and into a period of apprenticing in democracy. The Sixth Plan did not have the pretention of creating or directly reforming Local Government institutions. What the Sixth

⁵⁹¹ Planning Commission (1980), op. cit., Chap. 11 point 11.61

⁵⁹² Ibid. Chap. 11 point 11.66

Plan did was to create the appropriate economic environment for a stable development of local government; where the District becomes the focal point and whose function it was to work against inequalities of condition. It was assumed that this would create the necessary conditions for the development of local democracy and give life to institutions which up to then had stayed nominal.

In these ambitions, the Urban Areas, were a special case and had maintained the administrative tradition that was present in the Presidency cities like Calcutta, Madras and Bombay. The system had functioned uninterrupted and the privileges would have continued as before in their colonial mask, had it not been for the fact that rural exodus to the cities had created grey areas, huge pockets of poverty and misery. And since Mrs. Gandhi's declared enemy was poverty, she took her 'anti-poverty' machinery everywhere it existed. Thus a semblance of uniformity in the treatment of Panchayat Raj, which had a very rural connotation, shares certain features with the urban areas. The slums needed the same care as the abandoned rural villages. They asked for welfare although they had the faith in democracy. Mrs. Gandhi knew well that this faith was derived from people's trust in their government to act. The idea of self-help was very worthy but not contradictory to state-action. To avoid being another reincarnation of feudal consolidation, the Government used the same method that it had used in the rural areas to integrate a whole section of population which was not integrated into the system.

The message was taken by the people, while the Sixth Plan had only targeted a growth of 3.8 percent in the agricultural sector, the actual growth was on average 4.3 percent.⁵⁹³ What was more important was that rural poverty was reduced from 51.2 percent of the population (1977-78) to 40.4 percent (1984), while that of the urban areas was reduced from 38.2 to 28.1 percent.⁵⁹⁴ The Sixth Plan had the objective of creating the conditions for self-employment, individual entrepreneurialism, and it could be said that the foundation for it were laid. The best example was the sector of handicrafts which represented Rs 20.5 billion in 1980 had reached Rs. 35 billion in 1984, an increase of 71 percent.⁵⁹⁵ Just this small sector had increased employment in the rural areas by 700 000 over the period. In small scale industries, with heavy presence in the rural areas the employment generated was even greater; employment in these industries went from close to 4 million in 1974 to 9 million in 1984.⁵⁹⁶ To build on these positive developments the government initiated the establishment of

⁵⁹³ Planning Commission (1985): *Seventh Five Year Plan*, New Delhi, 1985, Chap 1, point 1.3

⁵⁹⁴ Ibid. Chap 1, point 1.26

⁵⁹⁵ Ibid. vol 2, Chap 4, point 4.32

⁵⁹⁶ Ibid. Chap 4, point 4.59

'District Industries Centres' and the National Institute for Entrepreneurship and small Business Development. Mrs. Gandhi's strategy of giving extensive impetus to the rural economy and rural empowerment had paid off. She wanted to deliver and she delivered.

The death of Mrs. Gandhi was a tragedy for the Country but especially for the poor people of India, in particular for the empowerment of the rural and urban poor. In interviews, speeches and her writings she always stressed the point that India will never be a democracy if the voice of its poor and oppressed is not heard. She saw poverty as the worst enemy of the country. She considered the poor, as a constituency which did not have a voice and wanted to create a local government system that would take up the task of just doing that, she was circumvented by her tragic death. Although she had done everything possible to ensure a relay of leadership at the Plan nothing was sure that the reform would be executed with the same enthusiasm and fervour. The spontaneous sorrow felt by her people showed that their hopes were shattered, a rare opportunity was lost. In one way, what followed were only attempts to keep the rare glimmer hope alive.

4.6.6. The Seventh - Eighth Five Year Plan (1985-1990, 1992-1997): Formalism and retreat

As introduction to this section we can say that the period was once again marked by tragedy as the one before, the Prime Minister who initiated the Seven Plan, Rajiv Gandhi, was assassinated in Tamil Nadu in 1991 by a member of Sri Lankan Tamil separatist movement LTTE. Even in his brief tenure as Prime Minister Rajiv Gandhi took his families struggle to introduce democracy to the masses a step further. He had the advantage of being new to politics and saw things as they were, without bias or illusions. He pushed the Panchayat Raj back into the political domain while continuing the effort on the developmental side. Like his mother in her last years of tenure, he too received a historic mandate to rule India by winning almost 80% of the seats in the Lower House (Lok Sabha) in the elections held in 1984. From the beginning he wanted the issue of Local Government to be one of the priorities but needed time to assess the exact condition of it before embarking on major reforms. He held wide consultations throughout the country and very soon realised the situation to be worse than he thought or imagined it to be. At the top level, he realised that enormous amount of financial resources were mobilised to develop the local economy in order to give a strong basis for the political development of the Panchayat Raj. Looking at the central budgetary situation he knew that 'throwing' money from the centre would solve very few problems on the long run.

People have to take power if development is to be effective otherwise the resources spent would go to waste; and waste is the biggest enemy of any entrepreneurship.

In a speech delivered to a conference of Northern States on Panchayat Raj (New Delhi, January 27th 1989) Rajiv Gandhi shares his experience of things as he saw them and his vision for what needs to be done: “After Independence, we had promised in the Constitution, to strengthen the third level of our democracy. The first and the second levels which are governed from Delhi and the State capitals have been. Strengthened following several elections, and no one can weaken them. The third level, however, is weak, and it affects the first two levels also, because, people at the top level have become paper tigers and the structure has become hollow. This has to be set right by strengthening the Panchayati Raj institutions. To strengthen our democracy in Delhi and in the State capitals, it is essential to strengthen the democratic institutions at the Panchayat level. To gear up the development process, it is necessary to strengthen the Panchayati Raj institutions at district, block and village levels.”⁵⁹⁷ Once again Rajiv Gandhi, in spite of having an outstanding political power over a vast country, was echoing the same message as Ashoka the Great, ‘without consolidation at the lower-level of the state, nothing was permanent and no real progress can be made.’ Rajiv Gandhi was a trained pilot and a very serious person and would not say things that he did not think important. He had a heritage to take forward but at the same time he was himself when he delivered this speech. He made Panchayat Raj his personal mission and that of his tenure. He was putting the clock right when he said: “Promises were made during the freedom struggle and in our Constitution but no one effectively implemented them. The people at the top level were busy strengthening their own positions in politics as well as in administration and completely neglected the federal institutions. Whenever elections to the Panchayats were held, they remained nominal. And for the last 10-20 years, mostly nominated members are running these institutions (Panchayats). This cannot strengthen the base level. The devolution of power to the grassroots level as promised could not be effected and whatever was done was generally in an arbitrary manner.”⁵⁹⁸ He said he realised that something was wrong when people used to, during his touring, come up to him and asked for simple things that would improve their life. He realised that the lower level of the ‘edifice’ was inexistent. The States whose job it was to put in place a proper Local Government System

⁵⁹⁷ Gandhi R. (1989): 'Focus on Panchayati Raj', Rajiv Gandhi's, speech given (in Hindi) while inaugurating the Panchayati Raj Sammelan of Northern states, New Delhi, January 27, 1989; this speech can be found online on the website of the Congress Party of India.

⁵⁹⁸ Ibid.

and see that it is run efficiently were nowhere close to doing it. Members were nominated as was done under Crown rule.

As far as political party politics was concerned, the above situation also made him realise something very troubling, for a politician like himself who had convictions and a vision for his country. What he realised was that the Congress Party, and most of the mainstream political parties in general, were characteristic of feudal power. The party structure went as far as the state level and never below, there was a lack of popular membership and consolidation. What happened was that each member of national parliament and state assembly had create a feudal network in his own name rather than in the name of the party on whose ticket he was running for election. In the process the local feudal barons were creating a dislocation that was constantly used to his advantage. Nehru did not have the opportunity to confront this situation because of the conditions in which Independence was gained. Indira Gandhi was almost choked by this feudal strangle, and was obliged to impose Emergency to keep the pace of reforms that benefitted the people and not the feudal lords. Rajiv Gandhi tried finally to confront, but with tact and consensus-building. In his speech he specifically touches on this issue: “You must discuss how development schemes can be implemented most effectively. You should not be engaged in creating *small kingdoms* because these will only further weaken us.”⁵⁹⁹ He wanted the delegates to renounce building feudal structures that were incompatible with a modern democratic system. Although he believed that India was a democracy he was uneasy with the feudal existence. The only way forward was to make a clean start by pushing forward with Panchayat Raj, without the interruption of the Plan but by seconding it with political reform; a constitutional compulsion on the states to put in place a Local Government System that will empower people.

The Seventh and the Eighth Plans were supporting the economic momentum generated by the previous Plans in support of Panchayat Raj, but these Plans also tried to put pressure on the states; they had to be pushed to accept political reforms. The then Chairman of the Planning Commission, Dr. Man Mohan Singh warned in the Preface of the Seventh Plan: “Finally, we must adopt effective measures to bring about meaningful participation of the people in all phases of national development. We need to tap fully the latent potential of the Panchayati Raj institutions for harnessing the people's energies for nation building activities. Simultaneously, we must also fully exploit the creative potential offered by voluntary

⁵⁹⁹ Gandhi R. (1989): '*Focus on Panchayati Raj*', Rajiv Gandhi's, speech given (in Hindi) while inaugurating the Panchayati Raj Sammelan of Northern states, New Delhi, January 27

organisations engaged in development work.”⁶⁰⁰ Singh was sending a warning to the States that if the Panchayat Raj system was not cleaned up and put in a working order then the Central Government would seriously consider alternative systems like voluntary organisation to channel money, skipping the whole political process. In fact the Plan proposed to take two different ways to reduce the political involvement at the lower end if the Panchayat Raj is not seriously handled by the states: “The Seventh Plan can be implemented successfully only with the involvement of the people. The Plan proposes to do this through effective steps for the decentralisation of planning and development administration as well as by increasing the involvement of voluntary agencies in the implementation of plan programmes, particularly in the rural areas.”⁶⁰¹ If the states refused political consolidation of the lower strata of the state then the Plan would abandon Panchayat Raj altogether. In reality there was no Plan to abandon Panchayat Raj; all was done in a manner of brinkmanship.

The Chapter 3 (vol 1) makes it further clear what was in play: “The supplementary contribution which voluntary agencies could make to the overall development of rural areas and the role they can play in the implementation of various anti-poverty and Minimum Needs Programme have not been fully appreciated. By virtue of the type and scope of work they do, voluntary agencies, as a rule, are unorganised. That is their basic strength as well as weakness. It has been generally accepted that Government by itself cannot reach all the families living below the poverty line. Besides, alternative methods and approaches to the problems of rural and urban development and of poverty alleviation as tested in the voluntary sector contain lessons which can be usefully learnt. Voluntary agencies have been traditionally working in the areas of relief and rehabilitation, education, health and social welfare. But they can also play a useful role in supplementing Government's efforts in other areas such as the provision of drinking water, release and rehabilitation of bonded labour, ground water surveys, development of alternative sources of energy and many other activities relating to rural development and poverty alleviation. Several voluntary agencies have acquired, over the years, professionalism and expertise to provide competent technical services and yet the services of voluntary agencies have not been fully exploited by governmental agencies for the implementation of programmes of welfare and poverty alleviation.”⁶⁰² The central government made clear indications that it was willing to attribute a large chunk of

⁶⁰⁰ Planning Commission: *Seventh Five Year Plan*, 1985, Preface, point 19

⁶⁰¹ Ibid. vol-1, chap 3, point 3.13

⁶⁰² Planning Commission: *Seventh Five Year Plan*, 1985, vol-1, chap 3, point 3.14

‘developmental’ budget into the hands of the voluntary and aid organisations on the grounds of efficiency in delivery.

The other effort of reorientation would be administrative; the District would be reinforced as the instrument of central government, delivering central government programmes to the people reverting to a model of administration used by the East India Company. As was explained before, this model was based on the principle that the central authorities will mitigate local issues and needs of administration through the Districts, circumventing the provincial government. Up to this point what had happened was that state support was achieved through consultation at National Developmental Council. For Pundit Nehru this was needed because he was asking the states to contribute a larger share while he contributed only 20 percent of the projects cost. But Mrs. Gandhi had broken this equation; she was willing to contribute the lion share of the funds. In the same time the role of the states and the power involvement did not alter; local politicians continued to meddle in the process through state apparatus. What the Seventh Plan proposed was to increase the powers of the District Collector to wade off the unwarranted interferences by the feudal structures. The Plan expressed the view that subsequent measures to decentralisation to help local empowerment had failed because the States had used departmental procedures to undercut these measures.⁶⁰³ The Plan therefore proposed to strengthen the District administration at several levels by cutting off all hierarchical levels with the State administration; control would in small measure asserted from New Delhi but the part of the control will be at the district level. In essence the Plan proposed: “1) Strengthening of the position of the District Collector; 2) Placing departmental functionaries under the direct administrative control of the Collector by deeming their services to be on deputation from their departments; and 3) Making district officials accountable to the District Planning Body.”⁶⁰⁴ A clear signal was sent to the states and the feudal structures; the ghost of the Warren Hastings was omnipresent.

What is characteristic of the Central Government’s action is the method it uses to put pressure on the States; once again it is economic and entrepreneurial and not political. In the 1984-85 general election the Congress Party and the Rajiv Gandhi got almost 80 percent of the seats in the parliament allowing them to do whatever they wanted to do in terms of constitutional reform. If Rajiv Gandhi wanted he could have imposed a new constitution overnight but he prefers a method of dialogue and persuasion used by his grandfather, Jawaharlal Nehru. In the same manner, Rajiv Gandhi, takes the gloves of the entrepreneur to

⁶⁰³ Planning Commission (1985): *Seventh Five Year Plan*, 1985, vol-2, chap 21, point 21.24

⁶⁰⁴ Ibid. chap 21, point 21.26

deal with the states and the democratic deficit at the most elementary level of the national state-structure. In effect what he was saying was that he was very keen and willing to develop the local 'estate' but was very keen to have a management where the lines of decision and control were clearly defined and respected. Rajiv Gandhi's idea was to give an incentive to the states to move ahead if not there would be definitive and specific consequences. What this reveals is extremely clear: because the Indian democracy is feudal at the base, the national parliament can only reflect its base origins. Meaning that all reform conducted through parliament is difficult and arduous; it was very difficult to eradicate feudalism by a parliamentary process.

The economic method also reflects another concern of the central government. Since Independence, the lower tier of the India was the responsibility of the States. But in reality this tier of government and administration was under the guardianship of the Central Government through the District administration. In this relationship the central government was not looking to dominate the States, it was a measure that held the young nation together until the 'colonial' decomposition of the provinces gave way to definitive federal states. There was a consensus of understanding between Pundit Nehru and the State government that the district structure would be dismantled as the state-structure matured; and the emergence of the Blocks was to signal this eventuality and the readiness from the part of the central government. Under the government of Indira Gandhi, in the absence of any other viable structure, the District showed its utility for policy execution. In times of crises, like famine, practical utility and authority was more important than theoretical attributes. When Rajiv Gandhi took on the reigns of power the scope of the Plan was vast and deep that if the central government enforced the administration further, which was practically required, there would be a strong centralisation of the state. After the Emergency and the heritage it left behind, further centralisation of the Indian state would have become a subject of contention. And the personality of Rajiv Gandhi did not allow for such an eventuality. The dilemma for Rajiv Gandhi, who wanted to transform the country, was real and pressing.

The ingenuity of the Seventh Plan, of Rajiv-Gandhi, Narashimha Rao and Man Mohan Singh, was to initiate the policy of the political reorganisation of the Indian State through an economic and developmental agenda. In essence it gave a temporary political relief because there was only consultation and dialogue on that side. It is very much possible that Mrs. Gandhi would have used the overwhelming electoral legitimacy to impose a strong agenda either way, centralisation or constitutional reform in favour of the Panchayat Raj. Rajiv Gandhi was equally determined but decided to give one last chance to the States to put things

in order: “The initiatives taken by several States on the Sixth Plan suggest that the initial resistance to decentralisation seems to have been overcome. But since for a majority of the States the decentralisation of the planning process is a new experiment, the Planning Commission propose to play a promotional and guiding role in order to impart momentum to the district planning process.”⁶⁰⁵ Rajiv Gandhi’s team believed that the good will deployed by them would be returned in kind by the States, but they did not realise that the actors at the state level, which was an aggregation of the feudal forces, had not changed at the state level. In his 1989 speech on Panchayat Raj Rajiv Gandhi senses these leg-dragging habits: “I have asked the Planning Commission to formulate plans from the district level for the Eighth Plan. They have assured that a beginning will be made. Constraints of time may not permit us to make a beginning on the scale we had envisaged but we will find a way out.”⁶⁰⁶ Before the end of that year Rajiv Gandhi had resigned from office and was assassinated in the middle of 1991. Tragedy befell the nation and the reform process, the glimmer of hope was fading fast.

The Eighth Plan was presented by his loyal lieutenants, Narashimha Rao and Man Mohan Singh, so the hope for reform did not fade as yet. They were part of the Sixth and Seven Plan and a degree of continuity was assured although the political weight could not be the same. The economic crisis that soon engulfed the country after taking power left very little time for Rao and Singh to concentrate on anything else in the immediate. The priorities had changed; the excuse of financial crisis was perfectly well engineered, the outgoing governments of V.P Singh and Chandra Shekar (1989-1991) had largely contributed to it. The Eighth Plan announced: “The Eighth Plan recognises the essential need to involve people in the process of development. The attitude of passive observance and total dependence on the government for developmental activities has become all-pervasive. It has to be altered to a pro-active attitude of people taking initiative themselves. In the process of development, people must operate and the Government must cooperate.”⁶⁰⁷ There was no brinkmanship anymore, the central government was really willing to wash its hands of the problem of Panchayat Raj and the whole business of rural development; overnight the priorities had changed because of a self-imposed bankruptcy. Nominally the Panchayat Raj became very important, especially after the need to offload rural development arose. The mood of the moment was different from what Rajiv Gandhi wanted for his people. The new rulers made a clear pronouncement of what they wanted: “Panchayats and Nagar Palikas, elected by the

⁶⁰⁵ Planning Commission (1985): *Seventh Five Year Plan*, vol-2, chap 21, point 21.29

⁶⁰⁶ Gandhi R. (1989) op. cit.,

⁶⁰⁷ Planning Commission (1992): *Eighth Five Year Plan*, vol-1, preface, point 9

people, will have to play a larger role in formulating and implementing the developmental projects in their areas. They should be vested with adequate financial resources, technical/managerial inputs and decision making authority. Involvement of voluntary agencies and other peoples' institutions is essential for effective micro-level participatory planning.”⁶⁰⁸ The central government did everything it could to get the Constitutional reform.

With a largely reduced majority in Parliament Rao got through a largely washed down constitutional amendment which had started in 1989 to finish off in 1993. He was able to get through the reforms because the content did not disturb any vested interest and he could say that finally the lower tier of government was underway. The Eighth Plan had given brief guidelines signalling that political action would be taken in due course: “The role of the government should be to facilitate the process of people's involvement in developmental activities by creating the right type of institutional infrastructure, particularly in rural areas. These institutions are very weak particularly in those States where they are needed the most for bringing about an improvement in the socio-demographic indicators. Encouraging voluntary agencies as well as schools, colleges and universities, to get them involved in social tasks and social mobilisation, strengthening of the Panchayat Raj institutions, reorientation and integration of all the village-level programmes under the charge of the Panchayat Raj institutions, and helping the cooperatives to come up in the organisation and support of local economic activities, for example, are some of the steps which the Government must earnestly initiate. A genuine push towards decentralisation and people's participation has become necessary.”⁶⁰⁹ What this statement reveals is the exasperation of the Central State authorities of needing to be responsible from A-Z of the Indian state. The financial crisis of 1991 had shown the Central Government that international management of the economy needed more attention, and that it should put more effort and resources on that side. Although willing to use central funding for Panchayat Raj and rural development it was no longer willing to take care of it on a day-to-day basis. The entrepreneurial objectives of the Central Government were reoriented towards international and urban development of the economy.

An intense legislative process started in 1991 until the constitutional amendments came into effect in April 1993. The 73rd and 74th Amendment Acts of 1992 (insertion: part9 and part9A and etc.) made Panchayat Raj compulsory in India and put in specific guidelines

⁶⁰⁸ Planning Commission (1992): *Eighth Five Year Plan*, preface, point 9

⁶⁰⁹ Ibid. vol-1, chap. 1, point 1.4.47

as to the functioning of it.⁶¹⁰ From hence onwards this was commonly referred as the Panchayat Raj Act. Article 243B of the constitution says, “There shall be constituted in every State, Panchayat at the village, intermediate and district levels in accordance with the provisions of this part.”⁶¹¹ The State Election Commission was to supervise elections in the Panchayat. And most important of all the State was asked to share revenues with the Panchayat, which were not part of the funds duly received from the Plan.

The effort of these amendments was on the representative side, on the structure of the local democracy, the representation of depressed classes and castes, minorities and women. After all the reservations and ethnic quotas were filled, very little was left to the non-reserved section. The effort was still to uplift the weaker sections of the populations, meaning that these Acts concentrated on a particular level of development. The landlords were a protected group and so were the bureaucrats, and now local democracy in India had other protected groups. Everybody was asked and was willing to maximise the benefits this local democracy proposed. The ultimate goal, when there would be one and only one community, the citizens of India, was further postponed to a later date. The risk was that particular identities would be reinforced and local government would become a battle ground for particular interests, which would enhance to hold of feudalism and the Brahminic Order.

The World Bank conducted a study on the functioning of the Panchayat Raj after the constitutional reforms and came to this conclusion: “The State governments are given the discretion to translate the intended objective of the Amendment into State legislation keeping in mind their own local contingencies. States have furthered the design of decentralization through State Acts and Government Orders. But with such a wide area of discretion, especially on such a crucial aspect of power and authority of PRIs has enabled the continued control of the third tier, the PRIs, by the second tier, the States.”⁶¹² Another expert, a few years later, came to the following conclusion: “Panchayat Raj in the 21st century is still a shell more than a reality. Development continues to be delivered – patronisingly, sneeringly, inefficiently and venally by the bureaucracy. There is virtually no participatory development at the grassroots.”⁶¹³ The same could be said about a lot of other institution in India but at the same time a lot was done through the Five Year Plans to nurture the content that could fit the

⁶¹⁰ Ministry of Law and Justice (legislative Department): *The Constitution of India – The Constitution (Seventy-Third Amendment) Act 1992*, New Delhi, retrieved 1-12-2013; available online at indiacode.nic.in/coieb/amend/amend73.htm

⁶¹¹ Ibid.

⁶¹² World Bank (2000): *Overview of Rural decentralisation in India*, World Bank Group, Washington DC, September 27th, p. 8

⁶¹³ Debroy B. and Mukherji R.(2004): *India, the political economy of reforms*, Bookwell, New Delhi, p. 139

shell. Nehru wanted the central government to cradle local government because he feared the colonial aspects of the States. Mrs. Indira Gandhi saw them as an aggregation of feudal power, for whom empowering the poor was the fundamental duty of both central and state governments. Rao had decided, with his Finance Minister, that it was not the job of the Central Government.

For some this would look like a return to square one but at the same time Local Government finally made its way into the Constitution and was made obligatory; and this was in itself a revolution. In the middle of the 1990s, with the content created by Indira Gandhi and the shell create by Rao, the belief was that the ground was fertile for the development Local Government Systems. If the lessons of history are to be learned it took a little more than two centuries to have a comprehensive Panchayat Raj legislation covering the whole country, although its fundamental necessity was recognised from the time of Ashoka the Great. The new design of local democracy was a product of dreams gone array, economic constraints and political compromises, it continued to be collateral to some other enterprise. There were absolutely no indications that the local democracy had reached its adulthood, on the contrary, the journey had just begun, and the constitution had vaguely indicated the direction without providing an autonomous structure for its development.

Seen from an entrepreneurial perspective, Nehru, like the British Crown, had divided 'enterprise' India into two distinctive spheres, rural and urban. For a wide variety of reasons Nehru considered that attention and resources had to go to developing the urban economy, while the rural economy would be neglected although targeted encouragement would be given to develop the bright spots. When Indira Gandhi takes power she comes to the same conclusion as Warren Hastings more than 150 years earlier. Her perception of things is very simple: the majority of the people still live in rural India and the rural economy has been the backbone of the Indian civilisation from times immemorial by its industriousness. The main problem of rural India is the suffocation that feudalism still exercises over it. Indira Gandhi therefore decides to blast the feudal structures by an administrative centralisation and the strengthening of the District. In doing this she liberates the 'rural enterprise' by laying the foundation of the industrialisation of rural India. The results were spectacular, in spite of all the opposition, her people, the rural masses, took the liberty to smile. It is very important to point out that Indira Gandhi was able to do this without neglecting other sectors of the economy. Every single major sector of today's India was initiated by her, including the deconstruction of the 'Licence Raj.' Rajiv Gandhi who succeeded her wanted to develop this enterprise even further and he was embraced by the rural masses for his engagement. He

wanted to stop the reappearance of local 'empires,' he dreamt of an India Inc. that was perfectly integrated without prejudice against the masses.

The combination of feudal and urban forces were silently organising to reverse the tendency as it had happened many times during the Company times and Crown Rule. Rao and Singh were groomed to continue in the path initiated by Indira Gandhi but for reason of their own they decide to change priorities in favour of the 'urban enterprise,' knowing well that by doing this they would re-establish a feudal tutelage over the rural enterprise. The constant flow of international studies by organisations like the World Bank and IMF, by the Government Organisations and expert studies, all indicated to the same problem: the suffocation of the local economy by the persistence of the feudal tendencies. If Robert Clive or Warren Hastings were to revisit India, the pot-holes of the rural roads would not surprise them, nor would the grasp of feudal power over the rural population. If allowed to suggest remedies, they would have advocated the same, 'take the best and make them district collectors of a strong District administration, to protect the people until feudalism is routed out for good.'

5.0. CONCLUSION:

Administration is about people. For some administration is a means to exploit and enslave human-beings. But for others it is about civilisation, paving the way towards peace and prosperity. And then there is a category which makes administration and government an object in itself; making the enterprise of administration synonymous with injustice by the weight of its economic presence. The Brahminic Order and the British Crown were the best representatives of this category; selling deceit and moral oppression as spirituality, and passing maladministration for administration. Their entrepreneurial activity consisted in inventing a thousand and one ways to maintain and up keep their economic base. In short it was a one-way enterprise. This enveloped in its logic the suffocation of the Indian economy, very similar to the structure of the 'Thuggee' which suffocated its victims after robbing them.

It takes the relentless effort of a commercial enterprise to realise that administration and government is a two-way enterprise. When the East India Company takes up the business of administration it realises that people did not exist, there was no administrative recognition of people. In the systems that preceded it, there was only brut extraction. Society and civilisation were consciously and actively disorganised by these primitive regimes. The economy, which requires stable and rational structures, suffered enormously as a

consequence. The effort of the East India Company to provide administration to India was gigantic: it had to provide order, weed out the miscreants and recreate a positive environment for the productive forces of the country. The first act of the Company was to take administration to the people, what Ashoka the great always wanted to do.

For this purpose Warren Hastings devised the District, which cuts across previous territorial, political and administrative patterns to provide a new and a non-discriminative authority to a land where deceit and malfeasance was in full ebullition. This was the best decision taken by a leader for many centuries. The people everywhere took this entity to their hearts and soon poured their entire trust in it. The District collectors worked relentless to give them satisfaction by their capacity to be present and listen to the grievances of the people, and bring redress to an oppressed people. Evacuating oppression from the administrative instrument became one of the top priorities. In spite of their foreignness and cultural differences, the villagers started to take confidence in the people who ruled them. In this sense 'local-government' was the first form of true government that the country had ever experienced. The Revenue Board and the Collector Cadre applied strict principles of entrepreneurialism and business administration to attack wastage of vital economic resources, by compressing the bureaucratic hierarchy to a bare minimum. The results were spectacular in terms of administration although the intensity of famines, and manipulations and commercial restrictions by the British Crown had not contributed to reducing the economic sufferance of the people. But for the people, the fruits of their labour were not arbitrarily taken away; the notion of rule of law starts to take root.

In this civilisational adventure the Company had an ally of considerable importance. The Indian Village took the collectors as a gift from the almighty. The villagers who were naturally sceptic were seduced by the simplicity and modesty of these young men from a distant land, and there established a sympathy for their purpose. With the districts the people had their independence, the stability of their village environment and 'self-government.' The East India Company made use of this stability to keep the administration simple and cost-effective. Under the Company therefore keeping the general administration very small was synonymous with 'local self-government' and could not have been otherwise; because it is the same with any profitable enterprise. Autonomy of action has to be combined with constructive and instructive authority. This combination is an essential characteristic in any entrepreneurial effort. As enterprises grow in size, structural 'self-government' becomes all the more important.

The British Crown in association with the Brahminic Order saw great dangers in what the company was doing because it was destroying their 'raison d'être.' By way of devious manipulations the Crown infests the structure from the top end while the Brahminic Order does the same at the lower end. The up-rooting of the East India Company and its administrative ethos had long started before 1857. But to the surprise and aghast of the Crown and Brahminic Order, hidden under the formal structures, and far away from the provincial capitals, the District and the collectors became a formidable enemy that could not be removed. The nine hundred or so officers of the company were the 'administration' of the country that could not be removed with ease; they were a cadre that had given meaning to what modern administration was in India. The British Crown realised that without these officers the whole structure would crumble. This eventuality would ruin its deceitful enterprise. For more than 80 years the Crown tried to reduce the power of these officers in favour of its local allies but conscious of the dangers of its own eviction.

For millennia kings and regimes came and went but the village remained intact, giving salvation to the Indian civilisation. The Company added to this effort in the form of the district. This gave a sense of permanency to local self-government. The District went on to survive the collapse of Britain's Indian Empire. Nehru wanted to get rid of the District because of his experience with it during the 'freedom struggle' but he soon realised that people strongly identified with it more than the vague notion of India. Independent India would simply collapse without these 'gaulieters' as Nehru called them. Nehru very soon realised that the district was in reality a 'vassal' of entrepreneurialism, staying true to its initial character. The districts were ideal instruments to implement his dream of giving greater power to the Indian village. Credit has to be given to Nehru for realising that political reforms at the level came to nothing without a control over the instruments of change at the lower level. But Nehru has difficulties in keeping his priorities aligned. In the later part of his tenure, Nehru almost abandoned the District and the village in favour of feudal structures reminiscent of the Brahminic Order. As a result the country embraced catastrophe with famine and upheaval.

After the death of Nehru, and after almost 200 years we once again have a 'Warren Hastings' moment when Indira Gandhi becomes Prime Minister, two years after the death of her father. She comes to power with a determination of steel; she knew well who had suffocated her father's dreams of Panchayat Raj and that of her people. She very soon realises that the village of her father's conception did not correspond to the handicapped reality of the

village. The only viable structure of local administration was the District. The destruction of the authority of the District was leading to a sure catastrophe. She realised that self-government should not be confused with the abandonment of strong executive authority.

Indira Gandhi's immediate action was a manifold strengthening of the powers of the district, with a mandate to re-give confidence to the people; create the economic conditions for a democratic revolution of the country. For her, democracy had to be uniform through out the state structure to be fair and credible. The results her entrepreneurial instigation was spectacular and Mrs. Gandhi redoubles the reform effort. The momentum is shattered by a malediction of her death. Her son, Rajiv Gandhi tries to revive the plan to give India an administrative and political cohesion; rationalisation of the structure but the same malediction befell him. He wanted to prepare the country to future challenges, and of them there were many. Rao and Singh who took over courted political formalism without entrenchment, leaving the door wide open to the Brahminic Order.

A series of studies and reports conducted at the end of the 1990s confirmed the nightmares of Rajiv Gandhi; mini empires were regenerated at the expense of the authority of the District. He feared that economic growth would be arrested by a sudden suffocation, as it had happened periodically in the Subcontinent's history. The District survived because of its functional utility to the state and by its entrepreneurial leveraging; because administration, especially local administration is a poor man's enterprise, to allow all other enterprises to prosper. Without authority of the District, and its capacity to foster self-governing order at the lower level of the state, India will remain a '*Colosse aux pieds d'argile*,'⁶¹⁴ as it was at the dawn of internal turmoil, decomposition and foreign invasions.

⁶¹⁴ French expression meaning colossus with feet of clay.

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