1. The main purpose of regulating acts was to absorb wealth from the banks of ganges and deposit it on the banks of Thames. Evaluate. (250 words)

Answer:

Background:-

- The administrative policy of the Company underwent frequent changes during the long period between 1751 and 1857. However, the regulatory acts never lost sight of its main objects which were:-
  - To increase the Company's profits.
  - To enhance the profitability of its Indian possessions to Britain.
  - To maintain and strengthen the British hold over India.
- The Regulatory acts were designed and developed to serve these ends. The main emphasis in this respect was placed on the maintenance of law and order so that trade with India and exploitation of its resources could be carried out without disturbance.

Main intention was exploitation:-

- Provisions of regulatory acts which show economic exploitation of India in favour of British
- **Regulating Act of 1773**
  - The first important parliamentary act regarding the Company's affairs was the Regulating Act of 1773.
  - The Company remained extremely vulnerable to the attacks of its enemies as the administration of its Indian possessions continued to be corrupt, oppressive, and economically disastrous.
- **Pitts India act :-**
  - With the Pitt's Act, a new phase of the British conquest began in India. While the East India Company became the instrument of British national policy, India was to be made to serve the interests of all sections of the ruling classes of Britain.
  - The Company having saved its monopoly of the Indian and Chinese trade was satisfied
- **Charter Act of 1813:-**
  - By the Charter Act of 1813, the trade monopoly of the Company in India was ended and trade with India was thrown open to all British subjects.
- **Charter Act of 1833:-**
  - The Charter Act of 1833 brought the Company's monopoly of tea trade and trade with China to an end. At the same time, the debts of the Company were taken over by the Government of India, which was also to pay its shareholders a 10.5 per cent dividend on their capital.
  - The Government of India continued to be run by the Company under the strict control of the Board of Control.
  - India was to be made to bear the full cost of its own conquest as well as of the foreign rule.
  - British imposed a policy of one way free trade on India after 1813 and the invasion of British manufactures, in particular cotton textiles, immediately followed.
- **Impact:-**
  Totally disrupted the traditional structure of the Indian economy.
- **Ruin of Artisans and Craftsmen:-**
  - There was a sudden and quick collapse of the urban handicrafts industry. This collapse was caused largely by competition with the cheaper imported machine made goods from Britain.
- The railways enabled British manufactures to reach and uproot the traditional industries in the remotest villages of the country.

- The high import duties and other restrictions imposed on the import of Indian goods into Britain and Europe during the eighteenth and nineteenth centuries, combined with the development of modern manufacturing industries in Britain led to the virtual closing of European markets to Indian manufacturers after 1820.
- British conquest led to the de-industrialisation of the country and increased dependence of the people on agriculture. Increasing pressure on agriculture was one of the major causes of the extreme poverty in India under British rule.
  - Yet as the British cotton industry underwent a technological revolution during the late 18th to early 19th centuries, the Indian industry stagnated and deindustrialized.
  - India also underwent a period of deindustrialization in the latter half of the 18th century as an indirect outcome of the collapse of the Mughal Empire.
- In fact, India now became an agricultural colony of manufacturing Britain which needed it as a source of raw materials for its industries.
- During the years of the British Raj, from 1858 to 1947. During this period, the Indian economy essentially remained stagnant, growing at the same rate (1.2%) as the population.
  - India's share of world income collapsed from 22.6% in 1700, almost equal to Europe's share of 23.3% at that time, to as low as 3.8% in 1952. Indeed, at the beginning of the 20th century, "the brightest jewel in the British Crown" was the poorest country in the world in terms of per capita income.
- During the period between 1757-1813 the east India company used its political power to monopolize trade and dictate terms to traders of Bengal.
  - Imposition of inflated prices of goods led to buccaneering capitalism whereby wealth flowed out of barell of the a British trader's gun
  - Revenues of Bengal were used to finance exports to England.
- In the period between 1813-1858 India was exploited as a market for British goods.
  - Act of 1813 allowed one way trade for the British as a result the Indian markets flooded with cheap and machine made imports. Indian traders lost foreign as well as home market. Also Indians were forced to export raw material and import finished goods
  - Dadabhai Nouroji criticised that the company servants extorted fortuned from rulers, zamindars, merchants and common man
  - Hefty interests were paid to British investors
  - Home charges or cost of salaries and pensions of the company officials in India were paid from the treasury of India.
- Stunted the growth of Indian enterprise and checked and retarded capital formation in India.
- India was kept as a zone of free trade without allowing it to develop the ability to compete.

PRACTICE QUESTIONS

Answer the following Questions

1. Indian constitution and the laws critical to administration of country borrow heavily from the various British provisions and Acts introduced in 19th and 20th century by the British. Analyse. (250 words)
2. Water crisis in Shimla is a warning sign for the trying times ahead with respect to water availability in India. Examine the challenges and discuss the role that traditional water storage systems can play in averting this crisis? (250 words)