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978-0-521-25758-9 - The New Cambridge History of India: European Commercial Enterprise in Pre-Colonial India

Om Prakash

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European traders first appeared in India at the end of the fifteenth century and began exporting goods to Europe as well as to other parts of Asia. In a detailed analysis of the trading operations of European corporate enterprises such as the English and Dutch East India Companies, as well as those of private European traders, this volume considers how, over a span of three centuries, the Indian economy expanded and was integrated into the pre-modern world economy as a result of these interactions. The book also describes how the essentially market-determined commercial encounter between Europe and India changed in the latter half of the eighteenth century as the colonial relationship between Britain and the subcontinent was established. By bringing together and analysing the existing literature, the author provides a fascinating overview of the impact of European trade on the pre-colonial Indian economy which promises to be of great value to students of Indian, European and colonial history.

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THE NEW CAMBRIDGE HISTORY
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THE NEW CAMBRIDGE HISTORY OF INDIA

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Although the original *Cambridge History of India*, published between 1922 and 1937, did much to formulate a chronology for Indian history and describe the administrative structures of government in India, it has inevitably been overtaken by the mass of new research over the past fifty years.

Designed to take full account of recent scholarship and changing conceptions of South Asia's historical development, *The New Cambridge History of India* will be published as a series of short, self-contained volumes, each dealing with a separate theme and written by a single person. Within an overall four-part structure, thirty-one complementary volumes in uniform format will be published. Each will conclude with a substantial bibliographical essay designed to lead non-specialists further into the literature

The four parts planned are as follows:

- I The Mughals and their contemporaries
- II Indian states and the transition to colonialism
- III The Indian Empire and the beginnings of modern society
- IV The evolution of contemporary South Asia

A list of individual titles in preparation will be found
at the end of the volume.

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GENERAL EDITOR'S PREFACE

The New Cambridge History of India covers the period from the beginning of the sixteenth century. In some respects it marks a radical change in the style of Cambridge Histories, but in others the editors feel that they are working firmly within an established academic tradition.

During the summer of 1896, F.W. Maitland and Lord Acton between them evolved the idea for a comprehensive modern history. By the end of the year the Syndics of the University Press had committed themselves to the *Cambridge Modern History*, and Lord Acton had been put in charge of it. It was hoped that publication would begin in 1899 and be completed by 1904, but the first volume in fact came out in 1902 and the last in 1910, with additional volumes of tables and maps in 1911 and 1912.

The *History* was a great success, and it was followed by a whole series of distinctive Cambridge Histories covering English Literature, the Ancient World, India, British Foreign Policy, Economic History, Medieval History, the British Empire, Africa, China and Latin America; and even now other new series are being prepared. Indeed, the various Histories have given the Press notable strength in the publication of general reference books in the arts and social sciences.

What has made the Cambridge Histories so distinctive is that they have never been simply dictionaries or encyclopaedias. The Histories have, in H.A.L. Fisher's words, always been 'written by an army of specialists concentrating the latest results of special study'. Yet as Acton agreed with the Syndics in 1896, they have not been mere compilations of existing material but original works. Undoubtedly many of the Histories are uneven in quality, some have become out of date very rapidly, but their virtue has been that they have consistently done more than simply record an existing state of knowledge: they have tended to focus interest on research and they have provided a massive stimulus to further work. This has made their publication doubly worthwhile and has distinguished them intellectually from

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GENERAL EDITOR'S PREFACE

other sorts of reference book. The editors of *The New Cambridge History of India* have acknowledged this in their work.

The original *Cambridge History of India* was published between 1922 and 1937. It was planned in six volumes, but of these, volume 2 dealing with the period between the first century AD and the Muslim invasion of India never appeared. Some of the material is still of value, but in many respects it is now out of date. The past fifty years have seen a great deal of new research on India, and a striking feature of recent work has been to cast doubt on the validity of the quite arbitrary chronological and categorical way in which Indian history has been conventionally divided.

The editors decided that it would not be academically desirable to prepare a new *History of India* using the traditional format. The selective nature of research on Indian history over the past half-century would doom such a project from the start and the whole of Indian history could not be covered in an even or comprehensive manner. They concluded that the best scheme would be to have a *History* divided into four overlapping chronological volumes, each containing about eight short books on individual themes or subjects. Although in extent the work will therefore be equivalent to a dozen massive tomes of the traditional sort, in form *The New Cambridge History of India* will appear as a shelf full of separate but complementary parts. Accordingly, the main divisions are between I. *The Mughals and their contemporaries*, II. *Indian states and the transition to colonialism*, III. *The Indian Empire and the beginnings of modern society*, and IV. *The evolution of contemporary South Asia*.

Just as the books within these volumes are complementary so too do they intersect with each other, both thematically and chronologically. As the books appear they are intended to give a view of the subject as it now stands and to act as a stimulus to further research. We do not expect the *New Cambridge History of India* to be the last word on the subject but an essential voice in the continuing discussion about it.

P R E F A C E

The rise of a pre-modern world economy, facilitated by the great discoveries of the closing years of the fifteenth century, held important implications for the Indian subcontinent. The availability of an all-water route between Europe and Asia via the Cape of Good Hope, and of a growing amount of American silver for export to Asia, involved a substantial expansion in the volume and the value of Euro-Asian trade. The Portuguese monopoly of the all-water route was challenged at the beginning of the seventeenth century by the English and the Dutch East India companies, who eventually came to dominate this trade. The only other body of any consequence engaged in this enterprise was the French East India Company. The so-called minor companies – the Danish, the Ostend, the Swedish and others – never really accounted for more than an insignificant proportion of the total trade between the two continents. At least one of the corporate enterprises, namely the Dutch East India Company, also carried on a substantial amount of trade within Asia. Employees of corporate enterprises also engaged in intra-Asian trade in their private capacity. By far the most important category of these employees was that in the service of the English East India Company.

India was at the centre of the Europeans' trading activities in respect of both Euro-Asian as well as intra-Asian trade. The Portuguese procured all their pepper for Europe in India: their intra-Asian trading network largely revolved around the Bay of Bengal. When textiles and raw silk dominated Euro-Asian trade from the last quarter of the seventeenth century onward, India also became central to the northern European trading companies' imports into Europe. India similarly dominated the Dutch East India Company's as well as the English private traders' intra-Asian trade.

In this volume, I have tried to analyse the trading operations of both the European corporate enterprises as well as the private traders in so far as these pertained to India within the overall Asian context. The time span covered is the three centuries between the beginning of the sixteenth century and the end of the eighteenth. The period

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PREFACE

witnessed the transition in the latter half of the eighteenth century from an essentially market-determined commercial encounter between Europe and India to the beginnings of a colonial relationship between Britain and the subcontinent. One of my concerns in this volume has been an analysis of the implications of the European trade for the subcontinent's economy during the pre-colonial period. An investigation into the working of the English East India Company during the early colonial period has helped bring into sharp relief the altered state of affairs between the two phases.

It is inevitable that a synthetic work of this kind would draw upon the scholarship of fellow researchers. In my case this debt has been particularly large and my work made considerably easier by the availability of a large body of high-quality work. In particular, the availability of K. N. Chaudhuri's definitive study on the English East India Company, published less than two decades ago and still easily accessible, has rendered it unnecessary for me to go into the Company's trading operations in India in any great detail. It was only in respect of the period between 1760 and 1800 that a reference to a selected body of material in the India Office Records was found necessary. The absence of a counterpart to Chaudhuri's work for the Dutch East India Company obliged me to refer to the VOC's documentation for filling in some of the major gaps in the literature relating to the Company's trading activities in different parts of the subcontinent, particularly in the quantitative domain. The VOC archives also yielded an interesting body of correspondence between the English and the Dutch East India companies which considerably illuminated the working of the former during the early colonial period.

Over the past several years when this book was under preparation, a great deal of kindness and help came my way. I can hope to be able to acknowledge only a small part of it. In the early stages, when I was planning the format of the volume, discussions with Sanjay Subrahmanyan were extremely useful. S. Arasaratnam and Femme Gaastra were kind enough to read the first draft as it was being written. John Richards and Christopher Bayly commented extensively on another draft. The present version owes a great deal to the extremely useful and detailed suggestions made by the two of them. Others who have helped through discussions and advice include Leonard Blussé, Satish Chandra, Jurrien van Goor, Hugo s' Jacob, Ravinder Kumar, the late

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PREFACE

Denys Lombard, Peter Marshall, Michael Pearson, Roderich Ptak, Hans van Santen and Niels Steensgaard. I am grateful to all of them.

As always, Henk Wesseling, Jan Heesterman and Dirk Kolff have provided support in ways far too numerous to be enumerated. I would also like to put on record the generous intellectual and other support received from Maurice Aymard, Dietmar Rothermund and Wim Stokhof.

This book would never have been written but for the constant and unfailing support of my wife and the continuing love and understanding of my children.