

Paper 11: ECONOMIC HISTORY OF INDIA: 1857-1947

Course Description

This course analyses key aspects of Indian economic development during the second half of British colonial rule. In doing so, it investigates the place of the Indian economy in the wider colonial context, and the mechanisms that linked economic development in India to the compulsions of colonial rule. This course links directly to the course on India's economic development after independence in 1947.

Course Outline

1. Introduction: Colonial India: Background and Introduction

Overview of colonial economy.

2. Macro Trends

National Income; population; occupational structure.

3. Agriculture

Agrarian structure and land relations; agricultural markets and institutions – credit, commerce and technology; trends in performance and productivity; famines.

4. Railways and Industry

Railways; the de-industrialisation debate; evolution of entrepreneurial and industrial structure; nature of industrialisation in the interwar period; constraints to industrial breakthrough; labor relations.

5. Economy and State in the Imperial Context

The imperial priorities and the Indian economy; drain of wealth; international trade, capital flows and the colonial economy – changes and continuities; government and fiscal policy.

Readings:

1. Lakshmi Subramanian, *History of India 1707-1857*, Orient Blackswan, 2010, Chapter 4.
2. Sumit Guha, 1991, "Mortality decline in Early 20th Century India", *Indian Economic and Social History Review (IESHR)*, pp. 371-74 and 385-87.
3. Tirthankar Roy, *The Economic History of India 1857-1947*, Oxford University Press, 3rd edition, 2011.
4. J. Krishnamurty, *Occupational Structure*, Dharma Kumar (editor), The Cambridge Economic History of India, Vol. II, (henceforth referred to as CEHI), 2005, Chapter 6.
5. Irfan Habib, *Indian Economy 1858-1914: A People's History of India*, Vol.28, Tulika, 2006.
6. Ira Klein, 1984, "When Rains Fail: Famine Relief and Mortality in British India", *IESHR*, 21.
7. Jean Dreze, *Famine Prevention in India* in Dreze and Sen (eds.) *Political Economy of Hunger*, WIDER Studies in Development Economics, 1990, pp.13-35.

8. John Hurd, *Railways*, CEHI, Chapter 8, pp.737-761.
9. Rajat Ray (ed.), *Entrepreneurship and Industry in India*, 1994.
10. AK Bagchi, 1976, "Deindustrialization in India in the Nineteenth century: Some Theoretical Implications", *Journal of Development Studies*.
11. MD Morris, *Emergence of an Industrial Labour Force in India*, Oxford University Press, 1965, Chapter 11, Summary and Conclusions.
12. K.N. Chaudhuri, *Foreign Trade and Balance of Payments*, CEHI, Chapter 10.
13. B.R. Tomlison, 1975, *India and the British Empire 1880-1935*, IESHR, Vol.XII.
14. Dharma Kumar, *The Fiscal System*, CEHI, Chapter 12.
15. Basudev Chatterjee, *Trade, Tariffs and Empire*, Oxford University Press, 1992, Epilogue.

Background reading for students:

- Irfan Habib, *Indian Economy 1858-1914: A People's History of India*, Vol.28, Tulika 2006.
Daniel Thorner, *Agrarian Prospect in India*, 1977.
L. Visaria and P. Visaria, *Population*, CEHI, Chapter 5.

**DEPARTMENT OF ECONOMICS
DELHI SCHOOL OF ECONOMICS
UNIVERSITY OF DELHI**

Minutes of Meeting

Subject : B.A.(Hons.) Economics, Third Semester (2012)
Course : 09 – Economic History of India 1857-1947
Date of Meeting: 27th April 2012 & 7th May, 2012
Venue : Department of Economics, Delhi School of Economics,
University of Delhi, Delhi – 110 007
Chair : Prof. Ashwini Deshpande

Attended by :

1. Krishnakumar S: Sri Venkateshwara College
2. Kartikeya Kohli: Ram Lal Anand (E)
3. Meeta Kumar: Miranda House
4. Sunita Meena: Miranda House
5. Meera Malhan: Delhi College of Arts & Commerce
6. Saumyajit Bhattacharya: Kirori Mal College

The following decisions were taken :

1. Guidelines for paper setting were discussed with the following recommendations: The maximum marks for the final examination would be 75, with the remaining 25 marks for internal assessment. Students should be asked to answer four questions in all. The paper should be divided into two parts. Part A would have three questions of 15 marks each, cutting across readings/sections in the reading list, of which students would be required to answer one. Part B would have six questions of 20 marks each of which students would be expected to answer any three.
2. Teachers should take note that some of the old readings have been maintained with deletion of some pages compared to what used to be covered earlier, keeping in mind the particularities of a semester course.

Reading List

1. Colonial India: Background

- P. Parthasarathy, *Why Europe Grew Rich and Asia did not: Global Economic Divergence, 1600-1850*, Cambridge, 2011, Ch2, pp21-27, 46-50, Ch8, pp 224-226, 239-244, 251-262.

2. Macro Trends

- **Population:**

- Sumit Guha: 'Mortality decline in early 20th century India', IESHR 1991 [Particularly pp 371-74 and 383-87 ; the pages in between, which involve Guha's critique of Klein, are to be de-emphasised for detailed reading and examination]
- L. Visaria and P. Visaria, "Population" [only pp 487-489] in Cambridge Economic History of India (Vol.II) ed. By Dharma Kumar [Whereas pp 487-489 are essential reading for estimates of population growth in the census period the subsequent pages in this article can be used as a background reading by the teachers to provide the students an overall dimension of the demographic change]

- **Labour force and Occupational structure**

- J. Krishnamurty, "Occupational Structure" in Cambridge Economic History of India (Vol.II) ed. By Dharma Kumar Chapter [Henceforth CEHI]

- **National Income**

- Tirthankar Roy, *The Economic History of India 1857-1947* (3rd edition, 2011). Chapter 3 pp.80-89

3. Agriculture (land, labour, capital, technology, commercialization, famines and environment)

- Irfan Habib, *Indian Economy 1858-1914* (A People's History of India, Vol.28, Tulika 2006. Chapter 3 pp.51-74 (Sections 3.1, 3.2 and 3.3)
- Tirthankar Roy, *The Economic History of India 1857-1947* (3rd edition, 2011). Chapter 4, pp. 104-148
- Daniel Thorner, *Agrarian Prospect in India* Chapter 1, pp.1-13
- Ira Klein, 'When Rains Fail: Famine relief and mortality in British India', IESHR 21- 2-1984
- Jean Dreze, *Famine Prevention in India* in Dreze and Sen (eds.) Political Economy of Hunger, WIDER Studies in Development Economics pp.13-35 (Sections 1.1 and 1.2)

4. Railways and Industry (Railways; The deindustrialization hypothesis; The rise of the modern industrial sector and the growth of entrepreneurship; Traditional industries; Supply of industrial labor)

- John Hurd, “Railways”, CEHI pp.737-761
- P. Parthasarathy, ‘Historical Issues of Deindustrialization in Nineteenth Century South India’, in T Roy and Giorgio Riello (eds) [How India Clothed the World: The World of South Asian Textiles, 1500-1850](#) (Leiden: Brill, 2009), pp 415-435.
- Rajat Ray (ed.) *Entrepreneurship and Industry in India*, Introduction pp.1-69, OUP, 1994
- Tirthankar Roy (3rd edition, 2011) Chapter 6, pp 158-171
- MD Morris, *Emergence of an Industrial Labour Force in India*, OUP 1965, Chapter 11, Summary and Conclusions pp.198-210

5. Economy and State in the Imperial context (The imperial priorities and the Indian economy; Drain of wealth; International trade, Capital flows and the colonial economy - changes and continuities; Government and fiscal policy)

- Irfan Habib, *Indian Economy 1858-1914* (A People’s History of India, Vol.28, Tulika 2006. Chapter 2 pp.23-34 (Sections 2.1, 2.2)
- KN Chaudhuri, CEHI Chapter 10. *Foreign Trade and Balance of Payments* pp. 826-865, 869-877
- BR Tomlison, *India and the British Empire 1880-1935*, IESHR Vol.XII
- Basudev Chatterjee, *Trade, Tariffs and Empire*, OUP 1992, Epilogue
- Dharma Kumar, “Fiscal System”, CEHI [only pp. 905- 939]

Recommended Background Readings:

1. L. Subramaniam, *History of India 1707-1857*, ch 4, pp 129-179
2. C. A. Bayly, *Indian Society and the Making of the British Empire, The New Cambridge Eco History of India*. Orient Longman, 1987, Conclusion, pp 200-206
3. A.K. Bagchi, “Deindustrialisation in India in the Nineteenth Century: Some theoretical implications”, *Journal of Development Studies*, 1976 (pp. 135-145) [This reading should be used as an essential background to P. Parthasarathy’s article in Section 4.]

The Background Readings are essential for teachers. Students are encouraged to read them for better comprehension though questions will not be set on these.