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Marx on British Colonialism in India

Working Paper No. 2

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Prepared for Professor John Hall

Abstract: This inquiry seeks to establish that Karl Marx offers a penetrating understanding of British colonialism in India. Marx emphasizes that England essentially leveled the entire foundation of Indian society, separating India from its ancient traditions and history, destroying the basis for the regions agriculture, and undermining their manufacturing industries. The Court of Directors, under the authorization of the Crown, appointed the government of India. The administration allocated the country to the highest bidder, cost Indian citizens large sums of money each year, and perpetuated its abuses. Furthermore, the system of taxation was onerous and more oppressive than any other in the world, causing a state of dejection and unmitigated impoverishment. (Words: 110)

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India, Karl Marx, Taxes.

This inquiry seeks to establish that Karl Marx offers a penetrating understanding of British colonialism in India. Utilizing *On Colonialism*, a book composed of a compilation of articles written between 1850 and 1888 by Karl Marx and Friedrich Engels, this inquiry will offer a review Marx's writings on Britain's colonization of India. British rule, the government, and the taxes will be discussed in order to achieve a solid understanding of British colonialism in India. Furthermore, this inquiry will examine what Marx hypothesized to be the future effects of Britain's rule in India. The selected articles from Marx were written for newspapers during the mid-1800s, the timeframe in which they were written and the insights from Marx offer an in depth look at British colonization in India that can be related to other cases of colonization throughout history.

“British Rule in India”

Karl Marx (1853, 31) states that, “Hindustan is an Italy of Asiatic dimensions,” he compares the Deccan to the Apennines, the Plains of Bengal to the Plains of Lombardy, the Himalayas to the Alps, and Isles of Clayton to the Island of Sicily; they hold the same rich diversity of soil products and the same partitioning of political structures. Marx explains that, just like Italy, India has been divided up by different conquests, and when it was not

under pressure from the Mogul, Briton, or Mohammedan, India had separated itself into many conflicting and independent states on its own. Marx continues by stating that, from a social perspective, India resembles Ireland more closely than Italy; the vast South Asian country is rich in natural resources, but also suffers many woes. Furthermore, Marx (1853, 32) claims that the ancient religion of Hinduism is a religion of both asceticism and sensualist exuberance, perhaps foreseeing its state of social distress. He notes that if one looks back into the antiquity of India, the mythological Brahmin places the beginning of Indian suffering at a time before “the Christian creation of the world.”

Marx (1853, 32) states that the pain inflicted by the British on India is particularly different and immensely more methodical than any kind that India had to suffer in its past. Marx adds that Asiatic despotism compounded with the European despotism by the East India Company was more oppressive than any other experienced by India. Marx explains that British colonial rule and the British East India Company emulated the Dutch East India Company, which was created solely for pecuniary gain. The British masters viewed their Indian subjects with contempt, offering less regard than they would a gang of criminals on their estate. As part of colonization, British-owned companies employed all of the tools of despotism to take

every possible glimmer of contribution and labor from the Indian people, exasperating all possible evils of semi-barbarous and capricious government, the consummate ingenuity of politicians, and the monopolizing self-obsession of traders.

Marx (1853, 33) emphasizes that England essentially leveled the entire foundation of Indian society, without any signs of restoration. In addition, the British destruction separated India's old world from its ancient traditions and past history. Marx explains that Asia had had three branches of government since ancient times: the department of finance, the department of war, and the department of public works. The territorial conditions, especially the expansive tracts of land, and the climate necessitated the use of artificial irrigation, the basis of the region's agriculture. The central necessity of an economical and common use water source caused private enterprises to associate voluntarily, and thus the interference of centralizing government and the economical function of providing public works. Marx (1853, 33) expresses that the colonial central government's neglect of drainage and irrigation impeded artificial fertilization of soil, causing whole territories, once brilliantly cultivated, to go barren; he explains that British colonialism in India waged a war of devastation that depopulated the country for centuries and stripped it of all

of its civilization. Furthermore, the British neglected public works because their agriculture could not be orchestrated on the British concept of *laissez-faire*, or free competition.

Marx (1853, 34) affirms that the spinning wheel and the handloom were the axis of the structure of Indian society, producing great amounts of weavers and spinners. From ancient times, Europe had received fine textiles from Indian labor, and in return would send precious metals, furnishing Indian society with much-desired jewelry and other products made of precious metals. Marx explains that, since its earliest antiquity, the social condition of India has remained unchanged, that is until the early nineteenth century when the British intruder destroyed the spinning wheel and broke up the handloom. Marx (1853, 34) states that England began to drive down the amount of Indian cotton in the European markets and then introduced cotton twist to India, inundating the main source of cotton with cottons. The inundation of cotton in India caused major depopulation and decay of towns once successful and celebrated for their fabrics. The second and most consequential factor of English meddling in India was the introduction of science and steam, undermining the union between India's manufacturing and agricultural industry.

Marx (1853, 35) emphasizes that the central government's care of public works and the agglomeration of small centers for manufacturing and agriculture pursuits were responsible for the social system of India. The village system, a social system which had been present since the beginning, gave independent organization and distinct life to the small unions of India. Marx (1853, 35) explains that the village system resembles a corporation or township, with servants and officers who constitute the establishment of a village. These stereotypical forms of social organization have been greatly dissolved and disappearing due to the workings of English domestic free trade and steam technology, along with the brutal interference of British soldiers and tax gatherers. The small Indian family communities, dependent upon hand-spinning, hand-weaving, and hand-tilling agriculture, have lost their self-supporting power because English colonialism sabotaged their economic basis.

“The Government of India”

“The Government of India,” an article published by Marx on the 5th of July 1853, was written at a time when the charter for the East India Company, giving it a twenty-year lease, was not renewed for a definite period of time. The charter became revocable by the will of Parliament. Marx (1853, 57)

states that, at that point in time, the question of the status of the Indian Government became an open question and Parliament had to decide who was the actual governing force over the 150 million Indian people. Marx declares that there was a continual supply of wars and no supply of public works in India, along with a detestable system of taxation, an abominable state of law and justice, with a permanent financial deficit; the East Indian Charter being responsible for all of this.

The British government began to meddle in the affairs of the East India Company when the expanse of the company resembled that of an empire, and thus instituted the double government of India. The Pitts Act of 1784 subjected the East India Company to the supervision of the Board of Control, making the Board of Control an appendage to the ministry.

Furthermore, an act in 1833 strengthened the Board of Control and ordered the company to dissolve its commercial existence and sell off its stock; politically the company existed as a “mere trustee of the Crown.” Therefore, Marx (1853, 58) states that Board of Control is indifferent whether England rules over India under the customary firm of an anonymous society or under the personal name of Queen Victoria.

Marx (1853, 59) explains that, by law, the Board of Control has the full authority to control all concerns, operations, and acts of the East India

Company that relate to the revenues or governance of the Indian territories. Directors of the board appoint a Secret Committee, through whom all military and political matters can be personally ordered to India, giving the President of the Board unlimited power. Furthermore, the Court of Directors, under authorization of the crown, appoints the supreme government of India, including the Governor-General and his Councils. Marx (1853, 60) makes it evident that the Court of Directors permeates the entire Indian upper administration, those in the Indian upper administration are among the upper classes of Great Britain and are appointed by their own patronage.

Marx (1853, 61) claims that two thousand people possessing Indian stock, having no other interest than the payment of dividends from Indian revenue, elected twenty-four directors, with their only qualification being the holding of 1,000 sterling pounds of stock. Directors of companies, bankers, and merchants go to great trouble in order to be appointed to the Court and advance their private concerns and interests. Marx calls these men a subsidiary to “the English moneyocracy”. Besides the aforementioned Secret Committee, there are three other committees: 1) Political and Military, 2) Finance and Home, and 3) Revenue, Judicial, and Legislative. Marx (1853, 62) explains that scarcely any of the committee members had ever been to India before their appointment; apart from trade and patronage, talk of

principles, politics, and the system of the Court of Directors was merely fiction. The government ruling over the vast territories of India was an irresponsible and permanent bureaucracy.

In conclusion, Marx (1853, 61) affirms that the Board of Control costs the Indian people large sums of money each year; the President of the Board of Control involves India in unnecessary wars; the Directors of the Board allocate the country to the highest bidder; and the Governor-General and his subordinates paralyze the administration and perpetuate its abuses.

“Taxes in India”

Marx (1858, 175) states that, under British rule, Indian cultivators, a vast number of people, were in a state of dejection and unmitigated impoverishment and the taxes were onerous and more oppressive than any other country in the world. Written in the time of the Indian Rebellion, Indian railway securities and stock experienced a downturn in the market and revenues were stretched to their limit, causing Indian finances to be past recovery. Marx explains that there were also statistical illustrations that made it appear as if India was the least taxed country in the world, proposing that if expenditure was going to continue increasing, revenue could also be

increased. Marx claims that it would be a fallacy to think that the Indian people could bear any new taxes.

Marx (1858, 176) communicates that the method of comparing Indian taxes with British taxes is incorrect, explaining that Indian taxation accounts for half of British taxation, the Indian population is five times that of Britain, and the cost of Indian labor is equivalent to one-twelfth that of British labor. Marx (1858, 177) states that, although individuals could contribute a similar portion of their income to taxes, the tax could weigh differently upon them based on their respective necessities. Instead of comparing the burden Indian taxpayer to the British taxpayer, lawmakers should compare the tax burden of a capitalist to that of a wage laborer, then the gravity of the Indian taxation system could be correctly understood.

Marx (1858, 178) notes that no country in Europe is so lightly taxed, even if the comparative poverty is taken into account. Although it must be admitted that the nominal amount of Indian taxation is little, it must be observed that an apparently light tax can still repress the majority of Indian people. Marx (1858, 179) explains that the accumulation of Indian deficit and the rapid and constant increase in debt should have been an indicator of overbearing taxes to British lawmakers and rulers of India. Furthermore, Marx emphasizes that British taxes were extremely inefficient, skirting the

responsibility of returning the works of public utility to the people, and provisioning extravagantly to the government class itself.

“The Future Results of the British Rule in India”

Marx (1853, 76) notes that India is not only divided by Hindu and Mohammedan, but is divided between tribes and castes; the society's foundation was based upon an equilibrium between constitutional exclusiveness among all of its members and “general repulsion.” Marx speculates whether India was predestined to be the prey of conquest due to its history of successive intruders who established their basis on India's unchanging and unresisting society, and discusses how “English supremacy was established in India.” Marx (1853, 77) explains that England had to achieve two missions in India: one of destruction and one of regeneration. The English had to level the old Asiatic society and lay the foundation of Western society. He notes that the barbarian conquerors, including the Turks, Moguls, Tartars, and Arabs, who successively invaded India soon became “Hinduized,” were therefore inferior to the British. The British, immune to Hindu civilization, achieved superiority over the barbarian conquerors by systematically destroying what elevated Indian society and uprooting their native industries.

In order to regenerate Indian society, Marx (1853, 77) states that England must politically unify the country, and that unity was to be perpetuated and strengthened by the use of the electric telegraph. He explains that the Indian army, which was trained and organized by the British, was an essential condition of Indian self-emancipation, and the free press was a powerful and new agent of reconstruction. Under English oversight there was an emergence of a new Indian class, instilled with European science and beholden with the requirements for government. The introduction of steam power had connected India's major ports with the entire southeastern ocean and brought the country into rapid and frequent communication with Europe, releasing it from isolation and economic stagnation. Marx (1853, 78) adds that the new technology decreased the distance from England to India, measured in time, causing the country's imminent annexation to the Western world.

Marx (1853, 78) explains that, since the beginning of their involvement, the British ruling class had little interest in the progress of India, until they discovered that its transformation into a productive country was of vital importance to them. Britain realized the importance of gifting India with internal communication, means of irrigation, and a net of railways. The productive power of the country was paralyzed by the lack of

means for transporting and exchanging its varieties of produce. The introduction of railways could further promote agriculture through transportation and storage of water; and therefore irrigation, the essential condition of farming in the East, could be largely expanded and the repeatedly occurring famines could be averted. Furthermore, the British military recognized that railways would diminish the cost and amount of the military establishment.

Marx (1853, 79) states that the economical basis and the municipal organization of village communities were broken down, dissolving the society into “disconnected atoms.” The isolation of the villages created an absence of roads, and the lack of roads perpetuated village isolation, resulted in little communication between villages, which Marx explains is indispensable to social advancement. The installment of railways would furnish communication and business dealings between villages that the British had initially broken down. Marx (1853, 79) expresses that the millocracy, the dominant mill-owning class, intended to install the network of railroads in order to exclusively extract Indian cotton and other raw materials for manufacturing at diminished expenses. He explains that a network of railways cannot be introduced or maintained in such a vast country without also introducing the industrial processes required to fulfill

the immediate wants of locomotives, railways, and the industries that spring from them. Marx (1853, 80) emphasizes that the establishment of railroads could introduce entirely new types of labor to the Indian people that requires knowledge of the specific machinery, adding that the modern industry resulting from the railway system could dissolve the hereditary divisions of labor, which are impediments to power and progress.

Marx (1853, 80) proposes that the Indians will not receive the benefits of the new elements of society placed around them by the British bourgeoisie until Britain's ruling class is replaced by the industrial proletariat, or India is strong enough to shake the control from the English. Marx (1853, 81) then highlights the inherent barbarism and hypocrisy of the bourgeois civilization that defends "Property, Order, Family, and Religion," but stole Indian land, resorted to atrocious extortion, and allowed the propagation of Christianity. Marx concluded that English industry in the bourgeois period of history had devastating effects, and these effects become confounding and palpable with the study of India.

Conclusion

This inquiry has sought to establish that Karl Marx offers a penetrating understanding of British colonialism in India. The pain inflicted upon India by the British was particular, and methodical, and especially oppressive when compared with any other rule the long span of Indian history. British companies, created solely for gain, used despotism to take every possible glimmer of contribution and labor from the Indian people. England leveled the entire foundation of Indian society and separated it from its ancient history and traditions. Marx expresses that the colonial government's neglect of irrigation caused vast Indian territories to go barren, which then led to depopulation of the Indian countryside; and furthermore, the British neglected public works because India's agriculture could not be orchestrated on the British concept of laissez-faire. In regard to government, the English installed oligarchy that cost the people of India great sums of money, involved the country in unnecessary wars, allocated the country to the highest bidder, and paralyzed Indian administrations. Further perpetuating the abuse of India, Directors were appointed by wealthy stockholders with no other interest than the payment of dividends from Indian revenue, with others appointed because of their class and patronage. Taxes under British rule placed a massive burden upon the majority of Indian citizens; the

inefficient taxes barely returned public works utility to the people, while extravagantly provisioning to the governing class. The British achieved superiority over other barbarian conquerors by systematically destroying what elevated Indian society and uprooting native Indian industries. Marx concludes that the new technologies and industries introduced by England could not be fully enjoyed by India until the end of the bourgeois period of English industry, or until India was strong enough to shake the control of the English.

(3,005 words)

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