

Cambridge University Press

0521844770 - The Business of Empire: The East India Company and Imperial Britain,
1756-1833

H. V. Bowen

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THE BUSINESS OF EMPIRE

The Business of Empire assesses the domestic impact of British imperial expansion by analysing what happened in Britain following the East India Company's acquisition of a vast territorial empire in South Asia. Drawing on a mass of hitherto unused material contained in the Company's administrative and financial records, the book offers a reconstruction of the inner workings of the Company as it made the remarkable transition from business to empire during the late eighteenth century. H. V. Bowen profiles the Company's stockholders and directors, and examines how those in London adapted their methods, working practices, and policies to changing circumstances in India. He also explores the Company's multifarious interactions with the domestic economy and society, and sheds important new light on its substantial contributions to the development of Britain's imperial state, public finances, military strength, trade, and industry. This book will appeal to all those interested in imperial, economic and business history.

H. V. BOWEN is Senior Lecturer in Economic and Social History at the University of Leicester. His previous books include *Elites, Enterprise, and the Making of the British Overseas Empire, 1688–1775* (1996); and *War and British Society, 1688–1815* (1998).

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Preface

During the late eighteenth century the English East India Company, a private trading organisation, established a vast territorial empire on the Indian subcontinent. As the Company extended its power and influence far beyond its coastal trading settlements at Bombay, Calcutta, and Madras, it was transformed into an imperial power, backed by a large army, and it began to exercise administrative control over millions of Indians. The nature and completeness of this extraordinary institutional transformation was such that when the Company lost its last remaining commercial privileges in 1833 it continued to exercise British rule over much of South Asia. Only after the great Indian mutiny of 1857 was it supplanted on the subcontinent by the representatives of the British Crown.

This book examines how the acquisition and expansion of an empire in India affected the development of the East India Company in Britain. It also looks at how the Company interacted with the world around it and, as such, it focuses on what is sometimes described rather crudely as the domestic ‘impact’ of empire. The book does not pretend to discuss how the British empire was first established and then developed in India; nor, it has to be said, does it endeavour to cover each and every aspect of the Company’s tangled domestic affairs. Instead, through a series of linked thematic studies, it looks inside the Company to see how those in London responded to the unparalleled events that were unfolding in Asia, and it looks beyond the Company to establish the extent to which the influences of the East India trade and Indian empire were felt within Britain’s economy and society. It seeks to explore how a trading company underwent a process of metamorphosis that eventually enabled it to persuade a sceptical public that it was a suitable agency for the government of an extended territorial empire.

It is currently fashionable for books to announce the arrival of a ‘new imperial history’. This book makes no such claim, and in fact it offers

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what might well be considered a somewhat old-fashioned study of institutional change. I offer no apology for this because remarkably little is known about what went on inside the East India Company as it endeavoured to reinvent itself as an imperial agency, and even less is known about the material ways in which the Company's acquisition of an Indian empire affected Britain. In thus undertaking a work of institutional anatomy many things have been quantified for the first time, and a lot of basic counting has taken place in an attempt to measure the effects of change. As a result, although this is not a work narrowly of economic history, many of the basic building blocks have been provided by numbers extracted from the Company's voluminous ledgers and account books. Without them, the book would have no real substance and it would be impossible to address properly the central question that is to be found running through each chapter, viz. what happened in Britain when the East India Company became an imperial power in India?

It has taken me longer to write this book than it did for the East India Company to establish control over Bengal and, like the Company, I have accumulated considerable debts and benefited from the assistance of many collaborators. First and foremost, heartfelt thanks go to my wife and children who have allowed me to stay 'stuck in the eighteenth century'. For this and many other reasons the book is dedicated to them. Over the years, I have benefited enormously from the advice, encouragement, and example of P. J. Marshall and my former supervisor P. D. G. Thomas. Peter Marshall has cheerfully fielded many questions and read chapters when he had better things to do with his time, and I thank him for his unfailingly courteous and constructive criticism. I am indebted to Bruce Lenman and the late Philip Lawson for first opening my eyes to the possibilities offered by the study of the Company's financial records. They planted a small seed that has taken a very long time to produce any fruit. K. N. Chaudhuri offered me a piece of crucial advice some twenty years ago, and since then I have benefited from discussions with historians too numerous to list. I hope they will forgive me for not naming them here, but I have endeavoured to acknowledge specific debts at appropriate points in the book. When the manuscript was at the proposal stage, an anonymous referee suggested that I advance the study beyond its original end point of 1813. At the time I did not welcome this intervention because it meant that datasets had to be extended by twenty years or so, but I now acknowledge the wisdom of this advice.

Henry Dundas of the government's Board of Control for India once told Lord Sydney that reading the Company's records was like wading

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through a 'load of trash'. This has not been my experience. On the contrary, my work on the Company's records has been entirely pleasurable, and in large part that is because of the expertise, professionalism, and great good humour offered by the past and present keepers of those records. Andrew Cook, Tony Farrington, and Margaret Makepeace of the British Library's India Office Records (now part of the Oriental and India Office Collections) have not only made available their unrivalled knowledge of the records but they have also helped to keep me sane when I have had my head inside ledgers for long periods of time. Margaret Makepeace in particular has offered great assistance by tracking down material, suggesting leads, reading drafts, and saving me from errors. I am very grateful to her. The members of staff who have served at the issue desk also deserve special thanks for the cheerful way in which they have responded to my requisitioning of hundreds of very large ledgers, journals, and minute books. They continue to provide a first-class service and if they ever dreaded my arrival in the Reading Room they were polite enough not to tell me so.

Work of the type undertaken for this book cannot be completed without support from institutions and bodies that provide the time and resources that are necessary for intensive research activity. The University of Leicester has been generous in its provision of study leave, and at departmental and school level my colleagues have offered much-needed support through their advice, assistance, and encouragement. Research on the Company's administrative history was facilitated by a small grant from the British Academy; and on the Company's trade and maritime history by the award of a Caird Senior Research Fellowship from the National Maritime Museum, Greenwich. Crucially, the completion of data collection and final drafting of the book were made possible by the award of a Research Fellowship (RES-000-27-0108) by the Economic and Social Research Council. I am immensely grateful for this essential support, but I am conscious of the fact that I alone am responsible for any errors and shortcomings in the book. Finally, I thank Michael Watson of Cambridge University Press. Without his interest and gentle promptings, the book would probably never have seen the light of day.

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Notes on the text

SOURCES AND CITATIONS

Unless otherwise stated, London is the place of publication of all books cited in the footnotes.

Unless otherwise stated, all references to manuscripts and original records are to materials held at the British Library, Oriental and India Office Collections.

THE ACCOUNTING YEAR

Between 1756 and 1813 the Company's accounting year ran from 1 July to 30 June. Hence '1757' refers to the year in which an account was balanced and covers the period 1 July 1756 to 30 June 1757. In 1813/14 only the year ran from 1 July to 30 April. Thereafter the accounting year covered the period 1 May to 30 April. Consequently, '1820' refers to the period 1 May 1819 to 30 April 1820. This must be borne in mind when examining tables and graphs containing financial and commercial information derived from the Company's account ledgers.

DATASETS

During the research undertaken for this book a considerable amount of data was collected on the East India Company's financial and commercial affairs. In most cases, it has been possible to create time-series of figures covering the entire period from 1756 to 1834. Unfortunately, limitations on space mean that it has been impossible to include the datasets in the book, and the figures and graphs that do appear thus represent only the tip of a large statistical iceberg. In due course, however, copies of the datasets will be deposited with the British Library and the UK Data Archive at the University of Essex. It is hoped that these will be of some use to other scholars and students.

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Add. MS

Auber, *Analysis*

Additional manuscript

Peter Auber, *An analysis of the constitution of the East India Company, and of the laws passed by Parliament for the government of their affairs, at home and abroad* (1826)

B

Bentinck correspondence

Minutes of the Courts of Directors and Proprietors of the East India Company

C. H. Philips (ed.), *The correspondence of Lord William Cavendish Bentinck, Governor-General of India, 1828-1835*, 2 vols. (Oxford, 1977)

BL

Bowen, *Revenue and reform*

British Library

H. V. Bowen, *Revenue and reform: the Indian problem in British politics, 1757-1773* (Cambridge, 1991)

D

Minutes and memoranda of the committees and offices of the East India Company

E

Ec. Hist. Rev.

General correspondence of the East India Company

Economic History Review

Eg. MS

Egerton manuscript

Cambridge University Press

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List of abbreviations and short titles

FWIHC

Fort William–India House correspondence and other contemporary papers relating thereto, 21 vols. (Delhi, 1949–85)

H

Home miscellaneous series

L/AG

Accountant-General's records

L/F

Financial Department records

L/L

Legal Adviser's records

L/MAR

Marine Department's records

L/P&S

Political and Secret Department records

Marshall, *Problems of empire*P. J. Marshall, *Problems of empire: Britain and India, 1757–1813* (1968)

MSA

Maharashtra State Archives, Mumbai

MS Eur.

European manuscript

NAS

National Archives of Scotland

NLS

National Library of Scotland

NLW

National Library of Wales

NMM

National Maritime Museum

ODNB

H. C. G. Matthew and Brian Harrison (eds.), *Oxford dictionary of national biography: from the earliest times to the year 2000*, 60 vols. (Oxford, 2004)

OHBE

Wm Roger Louis (editor-in-chief), *The Oxford history of the British Empire*, 5 vols. (Oxford, 1998)

PP

*Parliamentary Papers*Philips, *East India Company*C. H. Philips, *The East India Company 1784–1834* (Manchester, 1940)

R/10

Canton factory records

Sutherland, *East India Company*Lucy S. Sutherland, *The East India Company in eighteenth-century politics* (Oxford, 1952)

TNSA

Tamil Nadu State Archives, Chennai

Z

Registers and indexes