CONCLUSION

Bihar’s traditional economy was efficient enough to attract the foreign merchants both Asian and European. Though Patna, the capital of Bihar and its hinterland produced almost every thing considered exportable by the indigenous merchants and European Companies, the difference was in the quantity and not the quality at all. The artisans and peasants with their age-old means of production were perhaps capable of serving the growing population of the region, as well as to some extent that of other parts of India.

The regional commercial system within which the merchants of Bihar operated in seventeenth and early eighteenth century, also witnessed the activities of different kinds of traders. In fact, Patna and its hinterland had enormous commercial potentialities. Almost every traveller visiting the region has discussed its trade and the trading system. The observations of Peter Mundy that, "[Patna] is the greatest mart of all this country, from whence they [merchants] repaire (sic) from Bengal that way to the seaside, and from Indostan (sic) and other inland countries round about, plentiful in provisions, abounding with sundrie (sic) commodities," clearly proves the commercial importance of Patna.

The major difference in the trading programme of the indigenous merchants and the English Company was that while, the indigenous merchant groups preferred, and often traded in almost all commodities available in the region, the English Company, on the other hand, liked and were fascinated by the trade in only those commodities, whose marginal profit were enormous. This was due to the fact that, the English Company, unlike the Dutch V.O.C., found country trading less profitable, and Bihar’s products mostly comprised of this type of trading. As for textiles and raw silk, the Company preferred the products of Bengal proper, to those of Bihar. Saltpeter and Opium were, in that period, the major products of Bihar and its hinterland, that attracted the Company’s activities. The observation of Thomas Bowery that, “the only commodity of this Kingdom that is yearly sent for English here is peter of which great

quantities are sent to England and Holland,"² testifies the importance of Salt peter for the Company.

It is difficult to arrive at any definite conclusion on the subject that we have chosen for study. The Subha of Bihar and its capital Patna was a commercial hub for the merchants and the likeminded people. Also, all types of business in Bihar functioned within the framework of the political system that had its own repercussions. The benefits for the company from the commercial prospects of Bihar were not without ill-effects including the rivalry of other European companies and the private British traders who also operated in Bihar.

The Company’s strategies towards the political and commercial problems were shaped by a variety of diverse factor for both the groups. The commodity most desired by the Company from Bihar (i.e. Salt peter) was also thought to be profitable by the ruling groups of Bihar. The ubiquity of official interference, that we have unravelled, merely accentuates imbrication of Bihar’s trade within a larger context of socio-political relationships. In this regard, Sumit Guha’s recent study of identity politics in pre-modern South Asian societies is enlightening. Guha writes that, “taxation and labour-service”, the dual motors of trade, “were not extracted from homogenous and isolated individuals by an independent bureaucracy. Instead, these extractions were finely calibrated to the many aspects of status and power, organised through social collectivities and delivered to a range of power-holders at many levels of the social hierarchy.”³

Further, the specificities of Bihar’s political structure introduced novel contours into this broad matrix of trade interactions. Whilst on the one hand, it remained more than merely in the nominal sway of the imperial centre, yet Bihar enjoyed a remarkable degree of political autonomy. The amorphous and ambiguous nature of this anxious relationship had its own set of variable and that impinged upon the trade and trading relationships of the region. Thus, we find that the imperial strictures regarding the English Company trade were often subverted by the local

² Thomas Bowery, A Geographical Account....,229.
authorities. Wherein it was held to be quite legal to extract profits and pecuniary benefits from the Company, despite the allowances made by the imperial centre. Even in the reign of Alivardi Khan, the officials at Patna used to ignore the Nawab’s directives regarding the English Company’s commercial dealings and tried to extract payments from the company to remain ignorant of any mischief on the part of the Company.

The Company’s policies towards the ruling class of Bihar being clubbed specifically as co-operation, collaboration or competition cannot do justice to the ostentatious and complex nature of this relationship. Co-operation was albeit there, but it was only a small part of the entire seriality of their interactions. It is in this regard, that we need to re-appraise ourselves of the terms under which the Company received support and help for its trading activities from the native politicos. The Company collaborated, to whatever extent, owing to its own fear of the use of force. The Nawab and his officials, on their part, gave trading concessions and other privileges, not because they wanted the trade of the Company but either due to the necessity of complying with imperial orders or for pure profit. This is the reason perhaps that we find little words of praise in the Company’s accounts for the ruling groups of Bihar. Certainly there was not competition between them as one was a trading Company and the other was a ruling group and both had different sets of preferences and activities that seldom came in each other’s way.

There were various contexts where the ruling group’s attitudes towards the Company’s were defined variedly. An important function in the framing of this interaction was the individual proclivities and character of the Governor and different officials. Yet, we must urgently keep in mind that, all instances of non-collaboration with other rival European Companies cannot always be conflated with support for the English. The few instances, that we do meet with of the Nawab and his officials extending help to the Company, needs to be contextualised. In most cases, we find not any personal munificence at play but much rather a lure of profits and fiscal benefits that drove these moves.

Further, the geographical location of Bihar also played a major part in determining the strategies adopted by the company for the redress of its political
problems. Despite the Naval weakness, the Mughal army was strong enough to counter any move of the Company on land. Therefore, we find that whenever the Company tried to take any action, which was averse to the interests of the officialdom, they had to face eviction, seizure of its officials/factors, closure of the Patna factories etc.

In the domain of privileges and concessions, the Company's strategies were also fashioned by the exigencies of the 'local' and the 'particular'. They fully knew that their imperial privileges were worth a precious nought unless they remained on cordial terms with the provincial authorities. The English factors noted that, "as regard the farman procured for Bengal, the King's commands are as easily procured as other princes... and when you have them, they are no more esteemed then being things so easily purchased." This statement clearly shows the importance of the local officers in the implementation of trading concessions and privileges of the Company and hence of the smooth continuation of the Company's trade. Hence, the Company faced extortion and many 'illegal' evictions by the local rulers in case they tried to implement their trading privileges, without the consent of the provincial authorities. However, the misinterpretation of trading grants and concessions by the company was a recurrent phenomenon in Bihar and that led to regular conflicts between the English company and the local officials. Yet, the income that the political groups of Bihar derived from trade was hardly substantial.

The forcible eviction of the Company by the local authorities was not an institutional novelty; after all as we have already seen, even indigenous merchants received similar treatment for similar offences. Albeit the extent to which the local authorities were willing to bend the letter to extract the additional monetary benefits could be seen to have a mutual co-relation with the large profits that the Company themselves reaped. However, this type of forceful interference was not the norm in trade for all commodities at large, but indeed pertained only to the trade in Saltpeter.

Due to the official monopoly on it, the Company faced the most exasperating situation in the export of Saltpeter from Patna. Almost all the cases registered on the

*E. F. I., 1634-36, 204.*
Company’s accounts and other papers refer to the tense situation arising out of the official interference in the Company’s Salt peter trade at Patna. Lastly, the treatment of the Company’s indigenous servants by the local officials also shaped their relation. As the English chief and other factors seldom resided at Patna, whenever there was any political turmoil, it was mostly the Company’s indigenous servants who faced the wrath of the ruling groups at Patna. They were seized, imprisoned and fined.

However, in the social sphere, the Company and the ruling groups were close and the relation was to a large extent, cordial. For the Company, it was the ruling groups that represented the oriental world in India. The use of ‘black servants’ for the Company’s local servants indicates the feeling of superiority that pervaded the imagery of the Company. This, in turn led them to socially interact exclusively with the elite of the region. In fact, the Company’s factors were fascinated by the lifestyle of the ruling groups and tried to largely emulate them. There was a proper give and take relation in the social sector between them. Here, it can be said that the attraction for the local modes and way of living for the Company, was, at least to some extent profit oriented. They thought that by adopting the oriental ways they would come closer to the elite, which would in turn, foster new modalities of profits.

On the contrary, the attachment to the English style by the local elites was only a way of augmenting their already existing luxurious lifestyles. This is clearly brought out by the larger emphasis placed on articles of luxury (wines, clothes, paintings etc) and military articles. Thus, we find that the relation between the Company and political elites of Patna was neither co-operative nor competitive as a whole. The ruling groups were far more powerful than the English, in this period to resist any move by the Company; while the Company did not enjoy a similar privileged position. In fact, the initiative that resulted in the battle of Plassey was not taken by the English company but by the indigenous nobility and the merchants though the company reared the dream of acquiring political supremacy in the region.

The average commercial groups of Bihar, which were employed by the Company, were certainly not the merchant magnates like Jagat Seth. These houses were approached only in special cases. Largely the Company contracted those indigenous merchants who while commanding large trading operations needed or at
least sought to enhance their profits by relating commercially with the Company. However, we are unfortunate in being unable to get a clearer picture of the merchant groups of Bihar dealing with the Company.

The Company procured its exportable commodities mainly through merchant-middlemen, as they could not deal directly with the producers in most cases. In fact, the usual intermediary between the Company and the local producers and consumers was the broker, who was rewarded by a brokerage on all transactions, as noted earlier.\(^5\) The procurement was through advance payments or the *Dadni* system.\(^6\) Further, it was mostly the merchants with a good economic background who were contracted. This was because the Company tried to prevent the bad debts and also to finance the trade in case of shortage of liquid capital, which they were often subjected to in the region. The Company made use of various types of merchants ranging from full time employees to commission agents. The high volume of the trade of the English was not in conformity with their purchasing power, so they had to use the authorities of the local merchants who by credit, cash loans and other such procedures helped the English to procure of exportable goods. Moreover, the English often sought the political connections of these merchants, for commercial gains. In fact, the Company in the period under study never became so strong economically, so as to do away with these local commercial elites. Till the period of 1757, these merchants were sought by the company for investments and trade.\(^7\)

What emerges then is a complex picture wherein the mutual beneficiality and social bargaining power of the merchants were largely responsible for framing the policies of the company towards the merchants of Bihar. The mutuality of the relationship on the part of the merchants lay in the benefits that accrued to the local merchants in escaping custom dues and illegal exaction, which they were liable to be subjected to, by allying with the English Company and using their ships and passes. Even though, as shown earlier, the extent of this gain was, relatively speaking, as large as the benefits accruing to the Company. This non-egalitarian relationship is

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\(^6\) There are references when the company at times tried to change the method of investment and procurement, though it was not fruitful to the company in long run.

\(^7\) Various letters from the council at Calcutta to the court of Directors mentioned the names of merchants like Omichand, Deepchand, Jagat Seth and others with whom the company had dealings.
clearly mapped by the pronounced distinction that the Company's officials made between the commercial elite and their own native servants. Thus, despite the few instances of ill-treatment of indigenous merchant, by and large, we may conclude that it was profit that bound the two groups in a mutual relationship.

Though, the indigenous servants of the Company were not paid liberally by the Company, the additional profit, as mentioned above, and the prestige of being attached to the Company, attracted these local merchants. The indigenous servants of the Company had to face ill treatment from the local officials as well. The Company though at most times thought it improper to dismiss their indigenous servants, yet this was by no means an unilateral law, and exceptions to this rule are not difficult to come by. The Company's suspicion of these groups also led it to perpetually place an emphasis upon its officials learning the native tongue. By this, they hoped to, in the long run to do away with the need for such intermediaries. Yet, as we have seen that, despite all their efforts, they failed to evolve a white skinned gomasta.

Both the indigenous as well as the English merchants were after all a commercial group and driven more by the lure of pelf than anything else. It is thence that we find the Company, in spite of its sense of superiority, depending and indeed in cases allying with indigenous groups. On the other hand, despite the cases of ill treatment by the English we see the indigenous merchants offering their services to the English. However, the indigenous merchants had a definite advantage over the English company as they could approach more easily the local political authority for grievance redressal of their grievances.

Therefore we can say that till the time when local political authority was strong enough to 'protect' the commercial dealings of the indigenous merchants, they freely used the field for maximisation of profit. The various instances of cooperation between them and the company were only for pure benefit. The English company on its part shifted its policy from conflict to cooperation with the merchants of Bihar. At last, we may conclude that it was the market and the desire for maxim profit, that determined the shifting terrain of the company's strategies towards both the political and commercial situations in Bihar.
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