Economic changes and

Urbanization 1673-

1761
CHAPTER – IV

ECONOMIC CHANGES AND URBANIZATION, 1673-1761.

This chapter deals with the economic changes, which took place in Pondicherry in the eighteenth century and their contribution to the urbanization of Pondicherry. The economic changes would include both agricultural and non-agricultural changes. The agricultural resources of the villages of Pondicherry formed the foundation for the urban economic endeavours-cloth production, building constructions using wood, making bricks and lime, making carts, boats and catamarans using wood, sugar production from sugarcane and other economic activities. Beyond those contributions, the agrarian sector supplied provisions for the urban population-administrators, officers, army, merchants, intermediaries, artisans, clerks, coolies and other labourers. The villages could survive for centuries without any large urban centre near by. Nevertheless, an urban centre would perish in the absence of an agriculturally prosperous hinterland. That urban population involved in cloth production, cloth trade, trade and commerce of other commodities, banking activities, employment at various levels of the administration, building fort, ramparts and official and non-official buildings, production works such as oil, communication and other performances, led to economic changes and development. These changes created a lot of economic opportunities. To avail these opportunities and for other reasons, a good number of skilled and unskilled population of composit nature settled in Pondicherry. These changes helped the economic growth and the urbanization of Pondicherry.

4.1. AGRICULTURAL SURPLUS AND URBANIZATION

This chapter deals with agricultural changes and surplus production of agricultural commodities, which nourished the urban population, facilitated cloth production, cloth trade, urban employment, increase of population and hence, economic growth and urbanization. While Pondicherry’s economic activities grew, a maximum use of all the natural resources became a prerequisite. Therefore, economic activities needed the agricultural support. The agricultural fertility of the villages of Pondicherry acted as the base, on which the superstructure of urban productional prosperity was possibly erected.
The head of the administration, the Governor constituted a regular office to deal with matters of agriculture, whose function was to bring new areas under cultivation. The urban prosperity depended on both food grains and valuable crops, especially cotton crop. The food grains, sustained the urban population - merchants, intermediaries, artisans, officials, military personnel, labourers - and the cotton crop fed the cloth production. The volume and variety of fabrics, which were produced and the level of trade that was achieved in cotton goods, went very much in determining the wealth of the town. In the growing town, apart from men engaged in business, there were a series of intermediaries between the producers and consumers. They found much better chances of a prosperous trade and were drawn towards Pondicherry. It was through the cloth production and commercial transaction that the town was able to get wealth and exist.  

The topography of Pondicherry and its hinterland was an important factor in determining the rate of progress of Pondicherry. The hinterland of Pondicherry was rich, not only in the production of food grains but also of valuable crops, mineral wealth, and metal, to support urban production. Usually greater emphasis was laid on the urban centre. It was based on the concept that the rural economy would be neglected and also expropriated to feed the towns. It is doubtful, whether the parasitical town and the expropriated villages could continue to grow and flourish side by side for centuries. In fact, the two units of human habitation were inter-dependent. They were working in mutual coordination. Hence, the prosperity or stagnation of the one immediately produced corresponding response to the other. 

The wood from Kalapet helped the urban growth of Pondicherry. Kalapet was situated about 10 k.m. to the North of Pondicherry. There were tracts of forest in Kalapet. They were of great value in the progress of the urban economy of Pondicherry. The timber yield from the forest was employed in building boats, katamarans and carts for conveyance. Apart from the porters and beasts of burden, those were the only means of transport for goods. Hence, supply of timber was a great asset to Pondicherry in improving and increasing the frequency of transport of merchandise from one place to the other. Carts, carriages and katamarans were built locally. Boat building was located within easy reach of forest tracts and it had an easily accessible watery course, in order to
row the new boats to the place of requirement. Besides those, roofing, doors, and windows were commonly made of timber and wood.

Livestock was used primarily for ploughing the land, transportation and dairy products in Pondicherry. They were used in agricultural production, transportation of goods and nutrition. The urban population subsisted on those products. Hence, the livestock contributed to the urbanization. Oxen were also needed for irrigating large gardens, orchards and so on. Land was tilled with ploughs driven by oxen. Nevertheless, poorer peasants could not afford to own a pair for the year round. They hired some for use. Transportation of goods over land was usually done on oxen. Even single traveler, especially the villagers, frequently used bullocks to move about back and forth. Ox-driven carts also were employed. 4

Irrigation and the development of irrigation facilities contributed to the agricultural growth of Pondicherry. Consequently, it helped urbanization. Irrigation consciousness was not new to Pondicherry. The Pallava administration constituted special committees called ‘eri vaaria perumakhal’ for the management of irrigation sources, such as the tank of Bahur. Cholas too carried out irrigation works; village assemblies deepened the tanks, especially the Bahur Lake. Tanks, like the tank of Tirukanji, were repaired. During the period of the rulers of Vijayanagar Ousuteri in Villianur was built. 5. River of Gingi irrigated Pondicherry. This river fed Ousuteri pond. The tanks, ponds and wells were deepened several times during the French period. Irrigation facilities helped good harvest and offered surplus agricultural production.

Pondicheery enjoyed sufficient rain with some exceptions, and suitable soil for cultivation. Southwest monsoon and northeast monsoon drenched Pondicherry. It was benefited by Southwest monsoon from June to September and Northeast monsoon from October to December. Alluvial soil, Black Cotton soil and red ferralitic soil in Pondicherry were conducive for cultivating tropical crops. Pondicherry and its surrounding villages chiefly depended on agriculture. They cultivated wet crops like paddy and cotton, and dry crops like cholam, cambu and grains. They supplied provisions to the urban population and raw material to cloth production and thrived well. 6. The countryside of Pondicherry was rich with fruits and vegetables. There were gardens outside Pondicherry. On the coastal area, there were many sorts of herbs and vegetables.
The country produced fruits such as lemons, oranges, bananas, Sweet potatoes, watermelons, mangoes, 'Pamplemousses', Pineapples, Jackfruits and Papayas. There was vineyard also. As there was no real winter, the grapes were produced twice a year.

Horticulture was carried on in Pondicherry. The French population mainly consumed fruits, as they used to have in France and flowers for decoration. The fertile land of Pondicherry yielded fruits and flowers. Human labour involved in the production of fruits and flowers was certainly higher. The level of profit resulting from orchards and flowers was equally high. Smaller plots of land available within or on the outskirts of the towns were converted for fruit and flower plantation. Those plots used to be utilized for regular cultivation. That was how perhaps most of the orchards and gardens came to be located nearer or within the towns. Some times large orchards were planted between towns and villages. Thus, rich urban inhabitants and the rich peasants of the village managed to plant orchards side by side, and gain additional income. It put to some productive use the land that might otherwise be lying idle. Flowerbeds also occurred in some gardens, primarily for their beauty and fragrance. For example, some French elites, laid out in their gardens adjoining their mansions, a few fruit trees and flower plants. Hence, the development of horticulture was due to colonial urbanization.

Fruits, which were cultivated, found a good market in Pondicherry. All those fruits were sold on the cross road near the residential place of the native people. It seems that it was near the present place, where Mahathma Gandhi Road intersects Jawaharlal Nehru Street. The fruit merchants were there. Beside, there were some shroffs and bankers. Those bankers exchanged money for a brokerage.

Sugarcane was cultivated in the villages of Pondicherry. Sugar was manufactured from sugarcane. However, the process of refining sugar had not been improved. Cool drinks were prepared by using lemon. Since sugar was very cheap and lemons were available, lemon juice did not cost much. The Sugar, which was available, was in a crude form. It was a sort of moist sugar of brown colour. China sugar was also available here.

The administration of Pondicherry made efforts to irrigate Villianur and Ouzhugarai especially when the monsoon failed. The river of Gingi irrigated Pondicherry. When monsoon failed, there was water scarcity in Pondicherry, as it happened in 1728. The chief of Villianur suggested a remedy for the scarcity of water by digging a canal
between the river of Gingi and the big pond ousuteri, whose water would irrigate the lands of villianur and Ouzhugarai. However, Father Louis found that project impossible, because the bed of the river was lower than that of the pond. Nevertheless, it was begun, but it was not continued. The canal in question was a canal of Pullaiyar Kuppam, which receives even today the same criticism.

The administration, through the office of the governor, made efforts to arrange provisions for the urban population. It tried to keep the merchants, artisans and others in town at all cost. It procured adequate paddy and rice, either from the leased out villages or by importing them from other regions. During the period of drought, the administration gave some concessions to the cultivators, which encouraged production and supply of provisions. The government leased out villages once in five years. Sometimes the period was less. Nevertheless, when the monsoon failed, the administration cancelled the lease amount of the year as in 1728. The administration had levied a tax of 1% on the entries and 1/3% on the exits of grains. That tax was provisionally cancelled in 1728 to help the grains coming from inland to enter into Pondicherry very cheaply. However, during the dry period paddy did not freely come into Pondicherry. In those seasons, grains were bought from Masulipatam and from the coast of Orissa, Ganjam and Bimlipatam. Whenever there was scarcity of rice in Pondicherry, the government imported them from other parts of India. Thick rice and thin rice were imported from Bengal in 1730. The thick rice was sold at the rate of 2½ to 2 ¾ measure per panam and thin rice at the rate of 2 to 2 ¾ measure per panam. The ship ‘La Pondicherry’ brought it. There was dearth of food grains during a few years in the period of Governor Lenoir. He cancelled the tax, imported provisions, and solved the food problem.

The French administration got most of the financial and agricultural benefits by the lease deed of lands, which specified the period of lease, annual tax and number of instalments, by which the tax amount ought to be paid. It also mentioned the condition that the lessee must bring all the rice and grains, which he reaped, into Pondicherry. The administration gave them the right to bring his agricultural products freely into Pondicherry, with out a cowl, which was a permission letter. Thus, the administration took measures to feed the urban Population. We could find those details in the lease deed
of Pedro Kanagaraya Mudaliar, who leased Murungapakkam and Pattambakkam of Ariankuppam and of Muthiah Pillai, the Nainar, who was the head of police and who leased Ouzhugarai in June 1733.  

The administration brought new areas under cultivation of paddy. The Ouzhugarai land allotments were meant for the development of paddy cultivation. The gardens between the fortifications and the barriers were effaced. The clearance of the gardens served dual purposes. It helped the administration to defend Pondicherry from the enemies and to improve agricultural production to satisfy the needs of the urban population. The owners of the destroyed gardens in the zone, between the barriers and the fortifications, were compensated. The administration allotted them lands at Ouzhugarai. In that zone, thereafter, the cultivation of paddy only was permitted.  

The price of paddy was allowed to settle down by the interaction of demand and supply. However, sometimes the administration attempted to freeze the price of paddy. Yet, it was unable to do it. From November 1747, when political condition was undisturbed, three or four hundred bullock loads of paddy were coming in Pondicherry daily, to feed the population in the town.  

During the period of food shortage, the administration took measures to procure paddy and wheat from the neighbouring towns and villages and nourished the urban population. It bought paddy even at an increased rate. It revised its lease deed and demanded the renters to pay in kind and even imported from the near by towns. There was war or war threat on Pondicherry in the mid-eighteenth century, either by the Marathas or by the English. Even military crisis in Arcot created food shortage in Pondicherry. Whenever a military attack was anticipated, the price of food grains shot up. Price hike of paddy was foreseen on the approach of the Marathas in December 1747. However, the administration arranged to buy 400 garse of paddy at a high rate. There was scarcity of paddy in Pondicherry in January 1748. The administration sent for the renters of the out villages, Ouzhugarai, Murungapakkam and Ariankuppam, and made them agree to pay the rent up to December 1747, in Paddy and not cash. They were to supply paddy to the value or 4000 pagodas. The sudden change in the order of the Governor affected the renters very much, because they would not get a fair price for their paddy from the government. The government imported wheat in December 1747.
procurement of wheat from Madras, to compensate the supply of paddy, in February 10, 1748 also. 2000 bags of wheat from a merchant at Madras were brought. The company had procuring agents of wheat and paddy at Madras and other places like Lucas and Zain-ud- Ali Khan.

During the period of fairly good harvest, sufficient provisions came to the market of Pondicherry. In 1748, Pondicherry was thickly populated. It needed a lot of grains. On 16th February, 300 bullock loads of grains arrived. The grain that was brought in was worth 4 lakhs of pagodas. Between 20th and 24th February 1748, 1689 bullock loads of paddy and 110 loads of rice came in. The administration maintained the reserve stock of paddy. The Governor saw that there was always a stock of 300 garse of paddy in the godown.

During the harvest months, like February and November food grains were brought to the market of Pondicherry. The supply was considerable. Yet, the price of paddy did not fall proportionately. On 18th November 1748, 468 bullock loads of paddy, 24 of rice, 23 of horse gram, 8 of cumbu, 5 of ragi, 17 of castor oil seed, 23 dupers of ghee and two bales of nut came in. Thus, grains were freely coming into the town, but the price had not yet reached six measures a panam. Samba sold at 4 ¾ measures and Kar at 5. The large kind of paddy called Manakattai was selling at six measures.

The area under cultivation was extended in Tiruvity village. Poligars, who were supervisors, were asked to take care of the Tiruvity Country, to extend the area under cultivation and to keep people in peace and happiness.

The administration implemented some peasants-benefit-schemes to improve agricultural production. When a lesee was unable to pay his due of lease, the company gave him an alternative mode of payment, which suited him, and which improved agriculture of his area. Kanda Pillai had leased Nechanur Village. In March 1748, he was exempted from paying tax of that year. Instead, he was to repair the tanks and the two channels of that village. That improved irrigation facilities, increased the cultivated fields and reclaimed the wastelands. He was to collect less rent from his sub-tenants like Varada Ayyangar. Similarly Ananda Rangapillai spent money for the repair of tanks and canals of his leased lands. In May 1750, Muthukrishna Pillay, Floyer’s dubash, sank
a well for irrigation. In those ways also the administration improved the irrigation facilities, which meant increased production.

Ugasudu tank and Ulandai tank were in the out villages. Ugasudu tank could contain five month’s water. Usually in November, it became full. When there was further rain only, water was let out. Nevertheless, Ulandai tank had been breached and required repair. However, it was not repaired till the end of 1748.

The administration procured paddy from several sources by adopting several techniques from Villupuram, Tiruvandarkoil, Tranquebar and Madras. Villupuram formed a part of the hinterland of Pondicherry. The chief supplier at Villupuram was Muhammad Hasan, who was Abd-ul-jalil Sahib’s agent. Tiruvandarkoil was also a paddy-supplying village. The provisions were also imported by ship from Tranquebar and Madras. The provisions landed from the ships at Virampattanam on August 1748.

Some merchants enjoyed some privileges as great suppliers. For example Nalla Chetti, Hazrat-ul-lah Sahib’s gumastah, was permitted to get grain from all the villages and sell it at the price he pleased. The administration encouraged procurement of paddy at Pondicherry by giving such privileges to some big merchants. It made arrangements to procure as much paddy as possible during the time of harvest. The procurement price of the government for paddy was fixed low. It was six or seven measures for one fanam.

Landowners were induced to sell their paddy in the market. The administration was keen on increasing agricultural production, while renewing the lease. The out villages, Alisapakkam, Ariankuppam and Murungapakkam were leased for the next term on October 1748. Therefore, the renters Vaidyanatha Mudali, Kumara Pillai and Viranayakkam were instructed to plough well. Overseers were appointed to supervise the cultivation. The administration settled the accounts of the renters of Alisapakkam and Ariyankuppam before renewal of the lease.

The price of paddy in Pondicherry was dearer than outside, because, there was more demand for paddy here due to dense population. Therefore, paddy cultivators preferred to sell them here than elsewhere. The superior council formulated new regulations regarding the agricultural lands on 4th November 1748. The council, while making new regulations, took into consideration the defence, revenue, confirmation of ownership of property, growth of population and expansion of the town. The agricultural lands
adjacent to the town suffered at the growth of the town. The landowners, the farmers and other agricultural labourers were affected by the new regulations of November 1748, which stipulated several conditions for ownership, lease, and crops to be cultivated. 40.

When there was the fear of a military attack as in the end of 1749, cultivation was affected. Headmen and cultivators were afraid for the fear of invasion of Anwar-ud-din Khan and Chanda Sahib. Only half the village was cultivated. As the troops marched across Chennamanayakan Palayam, Villianur, Vridhachalam and Tiruviti, crops were destroyed. 41. Hence, there was less supply of goods. However, there was more demand for food crops in Pondicherry. 42

Consequently, paddy was imported from villages like Wandiwash. The company promoted suppliers of paddy and other products. Hence, the suppliers cum agents' class emerged. Some Brahmans chose that occupation. Paddy came from Wandiwash in November 1756, where Ayyan Sastri was a major supplier. 43 In 1759, the administration made efforts to bring paddy and other food grains from out villages and sell them in the town through the merchants in the town. 44

The French government seemed to have compensated the loss of the agriculturists, who were affected by pillages and anarchists. By a treaty of 1690, the government had to compensate the loss of the people for pillaged houses, burnt pandals, affected service or the life of the Europeans and the injury caused by anarchists. That treaty, by looking after the interest of the country people, took care of agricultural production and protected the interests of the urban population. In 1768, some notables of the right hand castes were pillaged and injured. A request was made to the government to make good the loss. We do not have the evidence to say if the government promptly obliged to the request. Nevertheless, one 'Charavana Putten' (may be Saravana Pathan) received rupees 150 as a compensation for his loss of pillage in 1768. 45

In 1791, the peasants of Pondicherry staged a demonstration, expressed their grievances and got their demand accepted by the administration. Abirama Mudali, a lessee of the country, got the favour of Leger, who was the intendant of the town. Using his influence, he took the good half of the produce by force, and caused much loss to the cultivators. That forced procurement was due to the colonial urban necessity. 500 farmers of Pondicherry on 17th January 1791 requested De Fresne, person in charge of
lease, to cancel the lease of Abiram and make it the farmers' lease. All the farmers threatened to leave the town, if the lease would continue in his name. Fresne understood that the farmers were affected and cancelled the lease of Abiram Mudali and gave it to the farmers. The administration was very much particular about the farmers' cooperation to maintain the density of population and to feed the urban people. That intention of the administration gave strength to the farmers to unite, fight and succeed.\textsuperscript{46}

During colonial urbanization, the change of power in Pondicherry affected the agricultural sector. During the English stay in Pondicherry in 1790s, agriculture suffered. The new English colonel harassed the lessee and tenants. The villages, like saaram, Pakkamudayanpet and Ouzhugarai had been leased and sub-leased. However, when the English colonel Kenworthy took charge in 1794, the Nainars were very severe in collecting the dues from the lessee of the lands, though the yield of crops was not good. Thiruvengadam Pillai, a Tamil elite of the town, also was not spared.\textsuperscript{47} The change of government in 1793, caused problems to the lessee and tenants. A popular lessee of villages, Thiruvengadam Pillai, paid 'Jameen' advance payment to the government. However, when government had to repay him, the government did not repay inspite of his influence.\textsuperscript{48}

The cases regarding the disputes of the lessee of village did not end soon in the colonial period. There was a litigation of the deed signed between the father of Thiruvengadam Pillai and Sella Perumal Mudaliar in 1791, regarding the lease of villages of Villianur and Bahur. Nevertheless, the judgment came only in December 1795. It seems to have no significance, because the father of Thiruvengadam Pillai had expired.\textsuperscript{49} In the pre-colonial period, such disputes were settled by the village panchayat within a reasonable time, which helped peaceful agricultural production.

The French administration brought in some changes and improvement measures in the agricultural sector. Those measures were to cater to the provisional needs of the European and native population in Pondicherry. Lands were mostly leased once in five years. The conditions of the lease were flexible to increase production. The lessees were asked to repair tanks and the channels of the villages, which they had leased. The government directly purchased grains from the cultivators during the time of harvest. Overseers were appointed to supervise and improve cultivation. The Superior Council
formulated new regulations regarding agricultural lands and extended the area of cultivation. Certain areas were specially allotted for the cultivation of paddy. Fruits and vegetables were very much grown in the countryside. There was a good market for fruits in Pondicherry. However, during the time of drought, tax concessions were given to peasants. The threat of a war affected the cultivation and the price of paddy in Pondicherry. During the time of the scarcity of grains, tax was cancelled and provisions were imported. Agriculturists were able to stage a demonstration and the administration accepted their demand. It revealed the need of the support of the agriculturists in the urban development. Hence, agriculture of Pondicherry experienced development and sometimes set back. However, the agricultural output almost consistently fed the merchants, artisans, intermediaries and other labourers in Pondicherry. The surrounding villages supplied the cotton for the textile production. Hence, agriculture production, fed the urban population, promoted cloth production, cloth trade and development activities of Pondicherry and hence, helped the urbanization of Pondicherry.

4.2. ECONOMIC CHANGES AND URBANIZATION

The Pondicherry society of the colonial period was formed of the European society and the native society. Those societies of the colonial urban Centre was formed mostly of merchants, intermediaries, officers, captains, soldiers, managers, supervisors, clerks, artisans, labourers of various sorts, people, who watched preparation of commodities, coolies etc. As the population grew, the needs of the population also grew. Their needs were administrative, economical, social, spiritual, judicial and recreational. Those needs led to the origin of the urban institutions like municipality, markets, mint, courts, clubs, churches, gambling centers, warehouses, transport services, drying centers, printing centers, washing centers, exchange centers, educational institutions etc. Because of the presence of military, whorehouses were also there. Thus, the colonial urbanization grew and became complex in its functions and role.

The economic growth of Pondicherry provided opportunities for some Indian people to be intermediaries to the French rulers. Taxation, Policing, administration of justice were all matters that demanded detailed knowledge of native tradition and custom.
That necessitated reliance on traditional leaders of Indian communities or of new elites. The colonial urbanization of Pondicherry promoted a unique commercial intermediaries class and the merchant class. The French Company faced practical problems regarding the understanding of the strategies of Indian politics, approaches to Indian monarchs, the distribution of presents, the assessment of the value of those presents, the mentality of the native people and the Indian court etiquette. Therefore, it employed the interpreters and translators. The commercial intermediaries mediated between the Europeans and the local economy. They performed the vital role of making available to the European clients the goods and services of the market place. They enabled to maintain and continue commerce, by doing the necessary forward-operations, advance-orders, credit facilities and secure market relationships necessary for the investment of large corporations. Those commercial interlinkages took formal and informal shapes. Some of them were institutionalized into fixed positions in the European commercial administration. There were intermediaries like Muttayya Pillai for recruiting peons. Devanayaka Chetty and Vira Chetty were company agents of blue cloth at Porto Novo. Thennavaraya Pillai was another company’s agent.

The French expanded the hinterland and increased their intermediaries. The company wanted to attract local support and loyalty to carry on trade and commerce. Hence, it wanted groups and individuals, who would mediate on its behalf. The most numerous of those were merchants from Madras, Cuddalore, Devanampatnam and Nagapatnam, and even from north-Coromandel. A number of those merchants were of the many chetty castes, including Telugu Komutties and diverse Tamil Chetty subdivisions. Thus, a merchant class emerged in Pondicherry. Besides, there were many from agricultural castes-Vellalas, Idayas and Reddys. They were mostly Hindus. Muslims seldom migrated between the weaving villages.

The merchants organized themselves with the company with a share capital, from which participants drew amount, to provide advances to the weavers in making their cloth orders. The more prominent shareholders in the company were recognized as company’s merchants. They were given some social privileges, like using palanquin and umbrella in the town. One or two of the wealthiest merchants, like Seshachala chetty and Venkatachala chetty were given the title of chief merchants.
According to Robert Challe, some native people in Pondicherry were in extreme poverty and their living condition was poor in 1690s, when the urban process was in the beginning. A person was fed and maintained with a rupee a month. One rupee was equal to 28 sols, Copper coins worth 5 centimes of the French money. The coolies received three douddus. The douddus was worth only one Liard of the French money, which was three pennies. There was only one member, who earned in a family. That wage maintained, him, his wife and his children. 55.

The Tuesday market or bazaar, took place every Tuesday, in Pondicherry, behind the Fort in 1690s. Challe opines that more than ten thousand natives gathered there, on such market days. All the indigenous products and those that came from other places were sold in that market. The technique of native pottery was appreciable. Pots sold there, were of a sigillate and greasy sand, which was fine and red. There was the circulation of gold and silver. 56 The Tuesday bazaar was not of colonial origin. It was traditional. However, gold and silver became the medium of exchange in the colonial period.

It is interesting to study the pay level of an ordinary labourer and the cost of living, which prevailed at the end of the eighteenth century. An ordinary labourer was able to earn one panam which was almost one-eighth of a rupee, a day. The cost of living appears to have been less expensive.

36 to 37 Ponis = One Rupee of Arcot money

For 1 Poni one can get 1 Chicken

For 2 Ponis one can get 12 Pigeons

For 5 Ponis one can get a small white Pig. 57

The French administration on some needy occasions procured grains from its hinterland to feed its urban population and supplied grains during the time of surplus, which was a feature of the urban economy. Lenoir procured through merchants, 2,000 garse of grain from Yanam, Masulipatam, Ganjam, Bimlipatam and other places in north to protect the people. During rich harvest, he supplied the Nawabs of Arcot, Cuddapah etc. with 2,000 bullock loads of rice.

The role of French sub-merchants and agents in Pondicherry market were new to Pondicherry. They received the salary from the company and performed the role as
company trade officers. The French administration formed a new hierarchy of labourers. The staff of the French Company in India consisted of superior agents, who had the title of sub-merchants, with the salary of 1,500 livres. There were secondary agents, who had the title of commis and assistant commis, with salaries ranging between 600 to 1200 livres. That pay was prevalent between 1726-30. Mostly all such agents were of French origin. The Topas were admitted only in subordinate posts such as Super numerary and Writers.

The nature of recruiting system of employees was a major economic activity, which was new to Pondicherry. The recruiting system had been in the period of the Indian monarchs also. However, the people from whom the categories of employees were chosen and the nature of services assigned to them were new in the colonial urban center. The recruiting system that prevailed between 1726 and 1730 was as follows. The councilors were recruited from among the sub-merchants. They were entrusted with general duties of administration and justice. They, under the supervision of the Governor, examined the common affairs. Their decisions were recorded in a register. The development of the record system was new to Pondicherry, though the cholas scantily recorded the minutes of the court. Other than that, each one of them had their own general authority granted. In Pondicherry, there was a ‘Procureur General’, a Bookkeeper, a Cashier, Storekeeper, and Supervisor of goods. The ‘Procureur General’ was especially in charge of justice. 58 The Company maintained harbour masters and some special workers, who came from France to Pondicherry. In 1728, they received a monthly salary of 400 to 700 livres each. 59

The registration of the sale deed and the subsequent record maintenance were part of the colonial urban official tradition. The sale of the ship of Kanakaraya Mudaliar was documented in the presence of the notary. Kanakaraya Mudaliar seems to be the first Tamil, who owned a ship. A certificate of sale of the ship ‘The Soucourama’ by Pedro Kanakaraya Mudaliar, the courtier of the company to Joseph Dupleix was issued in June 1730. The sale was made for the value of 2800 Pagodas. Dupleix remitted the amount to him in the form of cargo of gold of the voyage to Bengal and Surat. 60

The French administration legalized several economic and social transactions by the notary. The notary was the signing authority to make an economic transaction legal.
Some of the transactions were the sale of a house, receipt of amount, donation of a house, marriage, constitution of an annual income for a widow's first husband's son and obligation of an amount. 61

The contract system of labour to work in a foreign settlement originated in the colonial urban center. The natives of Pondicherry worked abroad through French contracts. The French administration in Pondicherry arranged with the native workers to sign contracts with the company for 3 years to work in French Island or Bourbon Island. The to and fro voyage was free for them and their monthly salary was 1 or 2 pagodas, as the case may be, a part of which was sent to their family in Pondicherry. In 1731, the coolies were given the option of accepting either 1 Pagoda per month or 2½ livres rice or maize per day. The following table gives a sample of workers employed in the Islands. They were sent either in October or February.

Table: 27. Categories of workers sent abroad between 1730-1732.

<table>
<thead>
<tr>
<th>Date of departure</th>
<th>Number of labourers</th>
<th>Category of labour</th>
<th>Salary per month</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 1730</td>
<td>15</td>
<td>Masons</td>
<td>2 pagodas</td>
</tr>
<tr>
<td>February 1731</td>
<td>15</td>
<td>Masons</td>
<td>2 pagodas</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>Carpenter</td>
<td>2 pagodas</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>Black smith</td>
<td>2 pagodas</td>
</tr>
<tr>
<td></td>
<td>50</td>
<td>Coolies</td>
<td>1 pagoda</td>
</tr>
<tr>
<td>October 1731</td>
<td>35</td>
<td>Coolies</td>
<td>1 pagoda or food</td>
</tr>
<tr>
<td>February 1732</td>
<td>20</td>
<td>Masons</td>
<td>2 pagodas</td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>Carpenters</td>
<td>2 pagodas</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Black smiths</td>
<td>2 pagodas</td>
</tr>
<tr>
<td></td>
<td>20</td>
<td>Coolies</td>
<td>1 pagoda</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Stichers</td>
<td>1 pagoda</td>
</tr>
</tbody>
</table>

The French Company in Pondicherry economically depended on rich merchants for the increase of trade-activities and the growth of the town. The company raised capital by borrowing loan from the ship-owners and rich merchants. The French company was not financially sound. The Superior Council had to take loans from rich merchants at the rate of 8% interest per year. On 4<sup>th</sup> January 1736 Dumas borrowed 50,000 pagodas from a rich merchant of Arcot, Chaukerabauny and in the month of May 1737, 20,000 pagodas was received from Imam Sahib, to give advance to the manufacturers of clothes. The Superior Council arranged for a loan of 1,50,000 pagodas in three instalments from Imam Sahib in 1738. The company strived hard to accumulate capital. Since the Company did not have at its disposal sufficient funds, it appealed to private ship owners to offer loans.

Table: 28. The amount of loan the Company borrowed between 1736-1740.

<table>
<thead>
<tr>
<th>The date of loan</th>
<th>Name of the creditor</th>
<th>The amount of loan in Pagodas</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1736</td>
<td>Merchant of Arcot</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td>Chaukerabauny</td>
<td></td>
</tr>
<tr>
<td>May 1737</td>
<td>Imam Sahib</td>
<td>20,000</td>
</tr>
<tr>
<td>November 1738</td>
<td>---------------------------</td>
<td>1,00,000</td>
</tr>
<tr>
<td>July 1739</td>
<td>---------------------------</td>
<td>20,000</td>
</tr>
<tr>
<td>August 1739</td>
<td>---------------------------</td>
<td>6000</td>
</tr>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt; October 1739</td>
<td>Nareene Chetti</td>
<td>12,000</td>
</tr>
<tr>
<td></td>
<td>Miran</td>
<td>2000</td>
</tr>
<tr>
<td></td>
<td>Kanakaraya Mudaliar</td>
<td>10,000</td>
</tr>
<tr>
<td></td>
<td>Chitambale Chnereyen</td>
<td>10,000</td>
</tr>
<tr>
<td></td>
<td>Merchant of Arcot</td>
<td>5,000</td>
</tr>
<tr>
<td></td>
<td>Kanakaraya Mudaliar</td>
<td>3000</td>
</tr>
<tr>
<td></td>
<td>Ananda Ranga Pillai</td>
<td>2000</td>
</tr>
<tr>
<td>5&lt;sup&gt;th&lt;/sup&gt; October 1739</td>
<td>De Saint Sauveur</td>
<td>14,500</td>
</tr>
<tr>
<td>25&lt;sup&gt;th&lt;/sup&gt; October 1739</td>
<td>An individual of the colony</td>
<td>6,000</td>
</tr>
<tr>
<td>23&lt;sup&gt;rd&lt;/sup&gt; June 1740</td>
<td>Imam Sahib</td>
<td>90,000</td>
</tr>
<tr>
<td></td>
<td>Imam Sahib</td>
<td>40,000</td>
</tr>
</tbody>
</table>

The Superior Council received loans on behalf of the company, for various purposes- to buy pepper, to develop foreign trade, to meet the expenditure of the administration, to advance sums for cloth production and to improve cloth production. On 4th November 1738 to dispatch of funds to Bengal and Mahe, the council borrowed 1,00,000 pagodas. The amount was sent to Mahe to buy pepper. The funds developed foreign trade of the French and increased their dividend in trade, which helped the company to meet the expenditure of the administration. Two constitutions of revenue were procured in July and August 1739 at 6% per annum for the benefit of the Jesuits. The first amount of 20,000 pagodas was received for their house in China and the other 6,000 pagodas was got for their house at Pondicherry. New constructions came up, because of the loans.

Imam Sahib renewed his loan of 50,000 pagodas. The merchant of the town, Narena Chetty lent 12,000 pagodas, the councilor Miran 2,000 pagodas and Kanagaraya Mudaliar 10,000 pagodas to the company. Thanks to those loans, Dumas advanced different sums for cloth production without interest from April to September. That effort improved cloth production and cloth trade. It went up to more than 40,000 pagodas. On 1st October 1739, the council borrowed for three years 10,000 pagodas from the merchant of Pondicherry Chitambale Chanereyen, from a merchant of Arcot 5,000 pagodas, from Pedro 3,000 pagodas and from Rangapillai 2,000 pagodas. After some days, De Saint Sauveur offered a loan 14,500 pagodas and on 25th 6,000 pagodas from an individual of the colony. Imam Sahib left in the hands of the company 90,000 pagodas in 1739 and 40,000 pagodas on 23rd June 1740.

The collection of various forms of taxes and land revenues was necessary to settle the costs of administration. The right of tax collection was farmed out to the highest bidder. Tax farming became a lucrative investment in Pondicherry. The Company derived its revenue from the lease of tobacco and betel leaves. The lease amount between 1699 and 1742 was 57824 p 27 f 96 c. (Refer table 6.) That lease had bought 4,895 pagodas of net profit, after paying all taxes and expenses in 1728. Thus, profit was 5,000 pagodas in 1730, 5,300 pagodas in 1735 and 9,257 pagodas in 1740. We find that, that revenue, which had been steadily increasing from 1728 to 1735, had a leap in 1740. The
increase in revenue suggests increase in the tobacco and betel trade and hence increases in population and their place of dwelling.

The revenue from the leases of tobacco, betel, country arrack, the sale of armaments and harbour permits was utilized to maintain the administration of this urban center. The lease system of tobacco and betel farming was prevalent during the French rule. The contract decided the selling price of the commodity, while it was signed. In October, the Governor and the Superior Council made a contract with Brahmin Vasudevan for three years, for an annual payment of 4110 Pagodas. The contract specified the condition that the lesee must sell 8 leaves of per cash and 10 palams of tobacco per panam.  

The administration systematized and gave the lease of the sale of country arrack to the highest bidder. The governor and the superior council were in charge of it. In October 1730, Ananda Ranga Pillai got the lease against the payment of 1800 Pagodas per year, to sell at the rate of 4 cups per panam. Similarly, the arrack of Colombo, Goa and Batavia was leased for three years in 1733. Lease amount was paid either in Pondicherry or Arcot rupees. During the trouble with the English in 1740, which lasted for seven or eight months, the arrack sale was reduced. Arrack leasees had arrears to pay. The company maintained that record in the Fort books. 6,000 and odd rupees were outstanding against the liquor godown.

The company also got income by the sale of armaments. It’s trade relations in armaments were with Europe, Islands, Mocha, Bunder Abas, Bossaora, Achem, Manila and China. The trade of armaments in Europe had always been reserved to the company, but it was not the same for the trade of India in India. From 14th September 1738, the company had always a participation of one-fourth in all the armaments, which were made at Pondicherry. Following the Maratta invasion in the Karnataka and the capture of Delhi by Nadir Shah, the trade with in India became almost impossible.

The issue of harbour permits was another source of income to the company. Harbour permit was the permission letter given to the captains, to the masters, the pilots, to the writers and to the chaplains of the ships. Those persons and all the merchandise coming from Europe or the settlements and which were destined to them, needed the permits.
The cloth production or processing created work opportunities for different types of artisans in Pondicherry and its hinterland. Pondicherry merchants got manufactured some sorts of cotton clothes like piece goods. Some other sorts of cotton clothes, such as guingams, passed Pondicherry only by transit. Generally the guinea clothes of north, especially of Yenam, were sent unbleached to Pondicherry to be bleached, and if they had only 19 to 23 conjous, to be painted in blue. The Karaikal clothes were of only around 15 conjous and they were dyed blue in Pondicherry. At Karaikal, guingams were made. They were the white clothes with small red stripes. Bengal muslin arrived at Pondicherry. Such were the cotton clothes, which passed only by transit. However, they fetched employment for the skilled labourers.  

Pondicherry became a major center of cloth production activities. Very skilled bleachers and dyers were found in Pondicherry in general and Muthialpet in particular. Muthialpet emerged as artisan ‘pettai’ uniquely for bleachers and dyers. The clothes, which arrived from the countryside, were generally unbleached. If they were of very beautiful quality, they were sent to Europe for bleaching. Bleaching needed special talents. The best bleachers of India thrived at Muthialpet. If the clothes were of inferior quality, they were dyed in blue with Indigo. That operation also needed talents. Pondicherry was the place where the blue clothes were dyed well. The kerchiefs manufactured in the Province of Sarvapalli, were given finishing touches at Pondicherry.  

The Weavers of Pondicherry formed a major part of the economic structure of the secondary mode of production. They formed one of the urban classes, which lived on the agricultural surplus. Whenever the company wanted cotton goods from Pondicherry, it placed orders to the weavers, through the Governor, who in turn used to do it through the Dubashes like Kanakaraya Mudaliar or Ananda Ranga Pillai. The company gave advance, with which the weavers produced the fabrics and sent to the company, which in turn, exported to any destination they wanted.  

The money of Europe was not in use in India. The foreign companies wanted to do commerce with their products. However, those products were insufficient to generate money to buy goods for return trip. They were obliged to introduce the bars of silver to obtain the merchandise for the return trip. Those bars were sent against the money due.
The bars were transformed to metallic currency and paid in that form. Besides, 6% to 8% benefit was paid to the company, who had the right to mint.

Even in the pre-colonial period, currency, minted in some other place, played an important role. However, in the colonial Pondicherry, the administration decided the currency for circulation, and a lot of people depended on the exchange of currency. The economic strength of a Government depended very much on its currency — its value, purchasing power and its relative equivalent to other currencies. In July 1739, by the direction of the Supreme Council all the merchants, Shroffs, Cash keepers and all the people of the town, had to, use Arcot rupees as the currency in lending, borrowing, buying and selling. A hundred Pagodas of eight touches each were regarded as equivalent to 320 rupees, and one rupee as equivalent to $7\frac{1}{2}$ Panams.\(^{75}\)

In 1741, there was the fear of the Maratha incursions in the south. Hence, there was the influx of the population from the neighbouring places into Pondicherry resulting in surplus labour in the labour market. It was in that context, on 21\(^{st}\) February 1741, the Government prohibited the employment of labourers on private work. The company needed more men to carry on the public works- building the fortress and public buildings.\(^{76}\)

The rich merchants and the people in power like Ananda Ranga Pillai invested their money in various transactions and businesses. These were in internal trade, in commercial enterprises beyond sea and locally in manufacture of goods, as well as, at villages in the interior, such as Lalapettai.\(^{77}\) Traders and merchants who lived outside Pondicherry had agents in Pondicherry to settle their debts and purchases.\(^{78}\) Their investment, their transactions and the involvement of agents contributed to their income and the income of the government.

The use of drafts for trade transactions was new in this urban center. The merchants made money transactions by draft also. The draft charges were three-fourth of a rupee for every hundred of the draft in 1746. Because of the use of draft, the money transactions done in Nagapatnam, Karaikal and Pondicherry were successfully and safely completed. Hence, the use of draft avoided risk of loss of money but accelerated trade. Tarwadi presented to Ranga Pillai a draft for Rs.9, 600, from his master’s agent Hariram Takar at Nagapatam, payable eight days after sight to Riche, the Commandant at
Karaikal. Increasing that amount to Rs.9, 672, by the addition of a premium of 72 – at the rate of three fourths of a rupee for every hundred of the draft – Ranga Pillai transferred it to Dulaurens, and caused payments to be made to Tarwadi.  

Sale, by auction, of elephants, cinnamon bark, coarse cloths and silk traffeta were in the colonial Pondicherry. Rich people used to attend it hoping to buy things cheaper. The sale by auction was only a traditional way of business, which was carried out during the period of the cholas. Hence, there was continuity in the trade procedure.

Bullocks and bullock carts were a common mode of transport. 3/8 panam a day, was the hire for each bullock to go to Cuddalore. This rate was almost half of the daily wage of manual labours in 1746.

The administration needed a lot of coolies in 1746. However it was difficult to procure coolies due to the construction of the Fort and public buildings, which made Pondicherry a fort town. Sudden demands of coolies created a cooly-crisis in Pondicherry. They were fetched from outside also. Some were palli earth diggers. The coolies were paid a Panam a head a day, and each cost four rupees a month in 1747. It was a little more than the double amount of the hire of a bullock a day.

The economic condition of the French Christians seemed to be better in 1747. The Christians formed only a sixteenth of all the people in Pondicherry. All converted Christians were poor except the family of Kanagaraya Mudali and his brothers. It was only of late years that a few had been able to keep themselves in comfort as Europeans’ dubashes or in other employments. They had been able to build themselves brick houses and saved about two hundred rupees. Even among the Christians, two classes emerged.

The natives economic diversity arose in the colonial period. Most of the converted Christians were servants and coolies. The Hindus were the company’s Merchants; they were employed at the beach, in the Choultry, in the land and sea customhouses, in the Fort, in the accountant’s and other offices, and in the cloth, iron, rice and wheat godowns. They even supplied the provisions for the barracks in the Fort. Some private merchants were rich enough to obtain ten or twenty thousand Pagodas worth of goods on their own credit in dealing with the French Councilors and other Europeans. All the renters of the out-villages were Hindus. Christians had no such posts. Among the Tamils, Hindus held most of the high employments. The merchants were all Chettis, Komuttis, Brahmans and
Guzaratis. Those in the company’s service were mostly Brahmans and Vellalas. Most of the people of the Shepherd Caste, to which Ranga Pillai belonged, except Muttayya Pillai, grazed sheep. They had no other means of livelihood. 85

In Pondicherry, a middle class of artisans and intermediaries emerged. However, the French elites alone led a comfortable life. Regarding the cost of living, an employee, who earned 600 livres every year, could meet with that sum, the expenditure of a comfortable existence with domestic servants and palanquin. Such were not the savings of the poor or even the middle class people here. The men in high post earned well. Delarche, Barthelemy, Vincent, son of Mrs.Dupleix and Dupleix, gathered huge fortunes.

Most of the labour power and materials were diverted towards the constructions for defence in 1748. Labour and materials became precious. It helped Pondicherry to remain a strong Fort city, as Baland~er views a colonial city. Hence, there was scarcity of labourers for private works. The brick makers could not supply bricks to the company, as it wanted. It was difficult to hire the bullocks in town to fetch the bricks. Similar was the problem regarding the coolies. As there was fall in trade and no weaving going on, the cultivators, involved in cloth production, worked for daily wages under the company, as it suited them. The administration compelled the people to work for the company.86 By the direction of the administration, the bazaar men, fetched coolies from Ariankuppam by giving rice and advance. 87

Passport was issued in 1748 to travel outside Pondicherry. Much money had to be spent for securing passport 88 The issue of passports was a colonial urban feature.

Houses acquired new utilities in urban Pondicherry. The Company took several houses for rent and used them as a storehouse, offices or as a guesthouse. Pamon’s younger brother had rented his house in the bazaar. The company paid the rent. 89 Pamon rented his house to the company, which made gunpowder there. A European wanted to purchase that house. Pamon also wanted to sell it. 90 Since the company had leased, it was difficult for him to sell it soon. Sale deeds were signed in the presence of a notary. 91

The nature of the rent deed of houses, which were prepared during the French rule was new to Pondicherry. It specified the amount of annual rent, the number of instaments, by which it ought to be paid and the condition that the lessee had to do all the repairs of the house. 92
Since coolies were in short supply after the siege of 1748, the administration got them through agents and even promised them arrears. They renovated the town, repaired the damages caused by the English during the siege. By the Governor's Orders Tillai Maistry and Tandava Maistry, the company's agents, gathered the tank diggers who were needed for the repair works. The administration promised arrears of wages and daily payments regularly in future to the coolies. Skilled labourers, who were scarce, were invited for work with advance of money. Pillai sent for the mason, fixed his pay at four Pagodas a month and advanced him 11 Pagodas for four months, in July 1749. Thus, the reconstruction work of the town was seriously carried out.

The peons, who were the police maintained law and order in the town. Peons, who were in the service of the government, and who ran away during the siege, were retrenched. Two of the Alankuppam peons, who ran away on account of the siege, were dismissed. Ananda Ranga Pillai sent two new peons and wrote a Cadjan to Ragunatha Mudali ordering him to employ them. 'Cadjan' was the letter of appointment.

Pondicherry seems to have had enough revenue for administration. The revenue from the jagirs met out the expenditure of the administration of Pondicherry. The revenues of Villiyanur and other villages, granted as a Jagir for Pondicherry, and the revenues of Tirunallar and other villages granted for Karaikal, would suffice to maintain the Pondicherry and Karaikal forts. Pondicherry and Karaikal cost about 60,000 Pagodas a year. It was according to the record 'Etat General des dépenses' dated February 11, 1747. The sanctioned expenditure at Pondicherry was 4,36,970 livres and at Karaikal 1,05,851 livres. Together, the expenses of the two settlements would equal a little over 70,000 Pagodas. The revenues from the new grants near Pondicherry and Karaikal were in 1753 reckoned at 2,40,000. In 1751-52 they realized 2 lakhs, but that was the highest figure reached. However, those grants yielded a little less than 3 lakhs of rupees in the subsequent leases.

The capture of Madras by the French in 1746 improved the economy of the company. The Company got 30 or 40 lakhs rupees of gold, silver, goods etc... The Governor had also got the Villiyanur and Bahur villages with revenue of 1 and ½ or 2 lakhs of rupees for the Company.
The economic progress of Pondicherry was at lull between 1748 and 1750. The renters of some villages did not pay rent regularly. The renters of Pondicherry, Murungapakkam, Ariankuppam, and Ozhukarai etc. villages had paid no rent for two years since 1748. It continued in 1749. In the case of the merchants, whose debts were not cleared, the assets of the merchants were subjugated for outcry. Coral and silk yarn worth about 2000 rupees belonging to Coja Soiguit was sold at outcry at the fort on account of his debt to Ducasse. In the beginning of 1750, the employers did not have money even to pay men’s wages.

The attention of the government was turned to trade in 1750. The merchants and washermen were induced to supply goods quickly. A message was sent to the washing place, the stamping place and the Company’s cloth-godown. The company urged the merchants to send money to distant places as advance for the fabrication of cloth. It wanted the merchants to extend the hinterland of the port of Pondicherry, quicken production and it collected many washers.

In the colonial urbanization some French people accumulated huge wealth, where as the natives did not have similar opportunities to acquire properties. There were a few French elites but there were not any Tamil elites. Dupleix and Bussy gathered much wealth. Every military officer had made lakhs of rupees, not here, but when he was abroad. Ananda Ranga Pillai and Leyrit had this view.

Parchment money was a feature of colonial urbanization. After the siege of 1748, the Pondicherry administration started losing revenue. The creditors of the company became very rare. Therefore, the company raised capital by issueing some promissory notes carrying 12% of interest, which would be returned in 10 months. It was called as parchment money. They should be taken for the nominal value. These bonds declined in value: After six months they had lost 60% to 65% of their value. Therefore, the company borrowed money, pledging its lands.

Orphanage for the poor and the widows was a feature of colonial urbanization. We come across some service motive institutions, which were initiated and patronized by the French. An orphanage was built, and the European orphans were brought up thanks to certain donors. On 13th July 1747, Pierra Baslieu by collecting donations started an orphanage for the poor and handed it over to the Capuchins and the Jesuits. On 30th June
1751, he declared his intentions to start an orphanage for the widows and orphans. The inmates would be the white or the issues of the white. He deposited the funds in the treasury of the company. The interest of the deposit was to be used for the maintenance of the orphanage. Pierra Baslieu died on 22\textsuperscript{nd} October 1753. He left a huge sum for that service. One of the streets of Pondicherry was christened after his name. The property he left was used to buy a land in the Rue des Français, in which an orphanage was constructed.\textsuperscript{105}

Sometimes posts were secured by giving presents. Therefore, those who wanted to get government job were on the look out to gather funds. Koneri Nayakkan, vakil of Venkatachala Reddi, visited Leyrit, the Governor, through of du Bausset, with presents in order to secure the poligarship for Venkatachala Reddi. As soon as the money matter was settled, he was installed as a poligar.\textsuperscript{106}

The company maintained and preserved the record of the revenue and expenditure. The maintenance of the accounts of Pondicherry was in cash and kind, and hence it was a complex procedure. In 1758, the accounts of the country management showed 6,31,782 rupees as the balance due (from the lessee) under the category of first article. Of that sum, 2,47,187 rupees had been paid under the category of second article. 3,84,595 rupees was the balance still due. However, they showed 6,05,083 rupees as the balance due. Ananda Ranga Pillai had money transactions with the company. That account was maintained in cash and kind. However, there was disparity in that account.

The allocation of funds for defence was more than the amount spent for developmental purposes. The administration ensured centralized planning and development. Excluding the expenditure, only the net revenue was shown. For the year 1757, the total due including the old balance was set down at 26,78,523 (the last two figures should be 78) rupees. The expenditure of the administration was allotted under divisions: rusum, contingencies, customary repairs to the tanks and canals. Besides the 18 odd lakhs in 1757, an amount at the rate of 10\% was added for rusum, which were customary prerequisites, and Sadalwar, which were contingencies. Only 26,000 rupees, were allowed for the cost of customary repairs to the tanks and canals, although the commissaries admitted 2,47,187 rupees for those items. The amount actually spent for repairs of tank was less, though allocation was more.\textsuperscript{10}
During the colonial urbanization, some native elites who had transactions with the company, sometimes they met with problems. The economic affairs of the town were complicated. Some of the colonial administrators were not fair in their dealings with the native leasee of the lands. Though the natives explained the truth of accounts to the higher authorities, they did not oblige. Ananda Ranga Pillai had leased villages for five years. His tenants did not pay him money. By the letter dated 17th Nov. 1757 Ananda Ranga Pillai complained about the discrepancy in his company’s account. He had remitted four lakhs rupees to the company. The tenants were to pay him 13 lakhs. Deducting the advance, they still owed him 9 lakhs. Still Ananda Ranga Pillai was harassed.\(^{108}\)

The rate of interest for the amount, which was lent, was reduced to 8% for Europeans and to 12% for Tamils per annum. The colonial administration took that measure to improve the complex urban economy. Nevertheless, the people did not observe it strictly. There was disparity in the rate of interest in 1758 and that too was not adhered to regularly. In Godeheu’s and Leyrit’s period, the people charged from 10% to 12% per year.\(^ {109}\)

The revenue of Pondicherry was 19 lakhs of pagodas in 1758, that of Thiruvannamalai, 3,30,000 pagodas and that of Devanampatinam 13,000 pagodas.\(^ {110}\)

Relatively, the revenue of Pondicherry was more than the neighbouring places, however less than its usual revenue.

Some merchants in the town used parchment money. The fluctuation in the colonial urban economy made them do so. If a merchant had to pay money to his counterpart and if he did not have money to pay, he issued promissory notes carrying 12% of interest. It should be returned in 10 months. Then it would be honoured. The money would be given. Those types of promissory notes were called as parchment money. They were taken for nominal value. The parchment money was circulated in 1759 in order to accustom people to its use. Shroffs’ and cloth merchants’ shops had almost remained shut this year. Since the officers of the gate were not paid, they resorted to the forced collection of money from the people who pass through the gates.\(^ {111}\)

The administration resorted to parchment money to pay its employees. That measure ended up with a problem with the natives, which was due to the change in the
colonial economy. The government lacked minted coins for circulation. Hence, it issued parchment money to substitute the role of real minted coins. The parchment money was the bond signed by the Governor on behalf of the company for the value of any denominations. It was like the present rupee notes. From 19th February 1759, the company paid its officials, sepoys and peons parchment money bearing the French Company’s seal at its face value, from one rupee upwards in exchange for their goods. The company accepted the parchment money at its face value. Shroffs and merchants were affected, because they wanted real money of real value from the people, who dealt with them. They demonstrated their protest, went to Leyrit, the governor, and complained. Leyrit exempted the Shroffs and the bazaar-men from accepting the parchment money. Thereafter, the shops in the bazaar were opened on 25th February 1759.

The parchment money promoted a new group of parchment money exchangers. It gradually lost its value. Therefore, it was discounted higher and higher. The parchment money had already been sold at a discount of 15 to 50%. On 8th June 1759, the discount rate went up to 60 or 65%. At least ten to twenty shroffs and merchants sold at that rate. The intermediaries were there for the exchange of parchment money, pagodas of various types and rupees performing some banking activities.

In 1760, there was forced collection of tax and consequently merchants and artisans departed from the town. Though some people had property, their properties were dead assets and so they were unable to pay tax.

The shroffs and the bazaar people, who had shops in the Mysore camp, dealt in perfumes. The administration told them to open shops. They were willing to open shops, if they were given a loan of 1,000 rupees as they lacked capital.

In Beauvallier’s time, a tax of 4,000 pagodas per annum was levied for the construction of the surrounding walls. People could not prosper since they were made to pay such a tax. The council reduced the wall-tax and the tax of the Shroffs Shops by a thousand a year.

Leyrit, wanted to sell the deserted houses in 1760. Nobody would buy them, for there were, only coolies and scavengers, who had 20 or 30 months arrears to be paid in the town.
In Lenoir’s time, the list of inhabitants amounted to 50,000 and in Dupleix’s time amounted to 22,000; but when a census was taken in June 1760, the number was only 3,000 and odd. Thus, many had left the town. Moreover, owing to the seizure of grain in the town, every one sold his paddy as he pleased. The company could not secure even the small quantity that was left in the town. Paddy did not come in from outside. The company imposed house tax. The Mahanattars were reduced to poverty. They complained to Lally about their inability to pay the tax. He exempted them from paying house tax and wished to collect money from the Europeans.  

There was demand for long-cloth and Salampores in August 1760. The administration asked the merchants, for 9 Kal long-cloth and Salampores, bleached and unbleached. The merchants had no stock. More efforts were made to mobilize the fund to pay the earth-diggers, who were employed on the fortifications of the town in preparation for the approaching siege.  

The mode of payment for the soldiers was revised due to scarcity. Sepoys were given a measure of rice and three dukkanis from the month of September 1760. The copper money, which passed from hand to hand, was known as dukkanis, dubs or doosdoos. At Madras, those were eight to the Panam, at Pondicherry.

Everything was very dear in the town in 1760. Lamp oil was sold at 5 seers a pagoda, gingelly oil at 6, Ghee at one seer per five fanams, only 8 or 10 arecanuts for a panam, and green-gram, black-gram and dholl only three-fourths of a small measure a panam. Five or six days ago, people left the town, selling their paddy at two and a half, two and three fourths or three measures a panam, and taking the panams with them.

Since people were moving out suddenly they wanted to convert rupees into pagodas. Hence, there was a rush for pagodas. Therefore, the value of pagodas increased and the value of rupees diminished. The rate of exchange was 377 rupees instead of 361 per 100 crescent pagodas.

The English captured Pondicherry in 1761. They mainly destroyed the white town. Le Gentil commented of the condition of Pondicherry of the period 1765-1777 as, “Its walls and its temples demolished and its houses destroyed.” The inhabitants of Pondicherry, to whom the Governor of Madras gave three months to carry away their
wealth, sought shelter in the surrounding Dutch settlements, Sadras, Ports Novo, and Nagapatinam. Jesuits, returned to Tranquebar, which was a Danish town. 

The company was struggling to maintain the town. Though the revenue was considerable in 1767, the expenditure surpassed the revenue. Law stated in his memoire of 1767 that the French intended to reestablish customs office to collect taxes of goods, which entered or left by land or by sea. It was expected to give a revenue of 80 thousand rupees or 20 thousand francs or 2,00,000 livres. It was just one fifth of the amount required to meet the current expenditure. After 1770, there was an increase in the yield of revenue, but the increase in expenditure was even greater.

In 1767, the company had lost its monopoly of trade. In fact, the decree of September 1769 suspended the privilege of the French Company of India. After a long controversy in France, that suspension was transformed on 13th August 1770 into suppression. The Commerce became free to India. It was believed the economic activities would increase.

The consequences of the suppression of the privilege of the Company of French India led to the liquidation of its wealth in 1771. Many questions remained pending between the individuals or between the company and its debtors or its creditors. However, the administration of Pondicherry passed from the hands of the company to the hands of the King in 1773.

The English monopolized all the trade of the country and hence the economic discomfort increased in 1777. The appointments were refused to the people of Pondicherry. The forced procurement of provisions made people live in misery. The administration lacked financial resources; there were no French soldiers and no fortifications. The natives began to withdraw from the town. It did not assure them either work or even security.

Bourcet put on his records that Oxen and Kids were 1139 and 678 respectively. He indicated, that the native population, which, was of around 56,000 souls, until 1770, fell to 27,273 in 1777. That exodus was due to the misery of the Colony. Law de Lauriston gave for the same year the figure 26,386 of Muslims and Tamils. Those estimated figures were near only to certain matters, but it was not closer to reality. Since the
French retaking of the possessions, the number of Europeans was exactly 1132 and 803 Topas. The French, gave up building the fortifications. 130

The treaty of 1778 ensured the right of ownership of the movable and immovable property of the people of Pondicherry. This was contrary to the threat of the French in 1760, when they wanted to arrest the out of flow of population. The treaty ensured the ownership of the property of the people of Pondicherry unconditionally. All those in Pondicherry and the villages included in it, even those, who for some reasons, were out, but whose belongings were taken care of some body, their movable and immovable property, credit, and loan, everything belonged to the respective people. If they wanted to keep them, or sell out either to the English or the French they could do it. 131

In 1780, there were a lot of thefts and burglary in this urban center. Several police were sent to search for the lost articles in every house. They gathered good number of lost articles in the public square on 12th August 1780. Since there was a strong administration, orders were executed to maintain law and order. The work of the Fort was divided among 400 soldiers and 200 sepoys in February 19 1788. 132 After the treaty, the repairing and reconstruction of the fort was undertaken.

The English obstructed milk, curd, cane sugar etc. from coming to Pondicherry 133 and also the peaceful life of the Pondicherry people. The progress of the English subdued the French. Though English Government authorized the French to do business, the French could not do it, because of the politically disturbed troublesome period. When Pondicherry was a British possession, the French could not progress in trade and commerce. 134

It appears that the English did not maintain the records of the administration of Pondicherry as regularly as the French did. From the sources, we know that a register was maintained in connection with procurations. The register gives the details of the date of the procuration, name of the employer, name of the agent and the subject. It appears to be systematically maintained. However, from 1784, the register was not maintained regularly, there were gaps of months and year in the register. 135

After it was restored to the French, Pondicherry could have again become the centre of prosperous business. That hope was ruined by the decree of the Council of the State (Conseil d’Etat) of 14th April 1785. It established a new Company of India: ‘La
Compagnie Colonnè with Moracin as director. It's capital was raised up to forty millions, and its privilege was expected to last for 15 years. 136

The revenues of Pondicherry helped in the maintenance and development of the town. In 1789, Moracin estimated the total revenue of Pondicherry at 483,000 livres. They were distributed under seven heads:

(1) Territorial revenue of the ten villages originally belonging to Pondicherry – 30,000 livres;

(2) Territorial revenue of Villianur and Bahur, consisting of eighty-two villages, added to Pondicherry by the treaty of 1783 – 100,000 livres;

(3) Seigneurage from the minting of coins – 100,000 livres

(4) Farming of the coconut trees on the high ways – 30,000 livres

(5) Tax on imports by land and sea (kept in abeyance for three years from the restitution of Pondicherry as a special relief to the citizens) – 96,000 livres;

(6) Farming of the sale of betel, tobacco, arrack and other spirituous liquors – 100,000 livres;

(7) Other sources – 27,000 livres. 137

The new organization of the colony did not permit any more additional expenditure. Stringent measures were taken to rescue the economy. Thrift and economy left the town defenseless not only against external attacks but also against internal commotions. These measures did not encourage settlement. In April 1789, the French Government’s instructions were to limit the expenses of the Indian settlements to 700,000 livres. There were cuts in civil administration, withdrawal of all European troops from Pondicherry and the reduction of the sepoy force to 500 only. 138

The peace did not encourage trade or economic activities. The Trade of India in India gave Pondicherry the political status of the Peninsula. The sale of salt to Bengal was authorised by the English Government and limited to 200,000 maunds (7840 tons). In 1789 a few, like Baslieu, supported by funds, Delarche, supported by rents, Capuchins, supported by rent of land, survived. 139 Repeated military subjugations stood in the way of progress of urban Pondicherry. It underwent four sieges in one century and long years of war or of subjection to England. Hence, most people deserted the town. 140
The French government took some financial recovery measures. The mobilization of funds was attempted seriously in 1792. The salary of different counters was put under the safeguard of the French republic under a commissioner. 141

The preparation and preservation of mortgage deed and the land purchase deed in the 18th century were new to Pondicherry. During French rule, the mortgage deed was prepared and signed in the presence of the notary. It indicated the period of the loan. If the loan were not returned in time, the creditors would own the mortgaged property automatically, for which a receipt was issued by the creditor, as if he had bought the property on a date later than the given period. Rangappa issued such a receipt for the house of Vengadachalam on May 1730 for 2nd January 1731. 142

The mortgage deeds of merchants in the end of the 18th century contained the following details. Besides the names of the creditor, debtor, the amount given and the property pledged, it mentioned the rate of interest, the names of the writer and witnesses, and even the name of the almirah, and the house where it was kept. “This deed paper was kept in the file Almirah in the house of Konthuvar.” These references are not found in the traditional mortgage deed. Rate of interest charged and mentioned in the deed in 1795 was 3 ½% p.m. 143

The ownership of a ground was made legal when the French Notary registered and signed the deed. The registration procedure was part of the legal procedure of the colonial urbanization. There was a vacant ground measuring 40 feet broad and 120 feet long on the Western quarters of the town, to the west of the embankment of the big canal. By the document, it belonged to one Sebastin in October 1791. 144

Pondicherry urban society was formed mostly of merchants, intermediaries, officers, captains, soldiers, managers, supervisors, clerks, artisans, labourers and people, who were involved in the preparation of commodities. Their needs were administrative, economical, social, spiritual, judicial and recreational, which led to the origin of the urban institutions like municipality, markets, mint, courts, clubs, churches, gambling centers, warehouses, transport services, drying centers, dying centers, printing centers, washing centers, exchange centers, orphanages, educational institutions and whorehouses. The Colonial urbanization promoted a unique commercial intermediaries class and the merchant class, which helped to maintain and continue commerce, by doing
the necessary forward-operations, advance-orders, credit facilities and secure market relationship. 145

The French expanded the hinterland and increased the network of merchants. This included Madras, Cuddalore, Devanampatnam and Nagapatnam, and even north-Coromandel. The merchants of those towns organized with the company a share capital, from which participants drew amount, to provide advances to the weavers in making their cloth orders. The French Company in Pondicherry economically depended on rich merchants for the increase of trade-activities and the growth of the town. The role of French sub-merchants and agents in Pondicherry market was new to Pondicherry. They received the salary from the company and performed the role as company trade officers.

The Tuesday market or bazaar, took place every Tuesday, in Pondicherry. The French administration formed a new hierarchy of labourers. The recruiting system of employees was a major economic activity, which was new to Pondicherry. The contract system of labour to work in a foreign settlement originated in the colonial urban center. The cloth production created work opportunities to different types of artisans in Pondicherry and its hinterland. Passport was issued to travel outside Pondicherry.

The labour force that came from from neighbouring places was utilized for urbanization. When necessary, most of the labour power and materials were diverted towards the constructions for defence.

The collection of various forms of taxes and land revenues was necessary to settle the costs of administration. In the colonial Pondicherry, the administration minted the currency for circulation. Elephants, cinnamon bark, coarse cloths and silk traffeta were sold by auction.

4.3. MARKET AND URBANIZATION

This part of the chapter deals with the nature of the Pondicherry urban market and the role of the French administration to maximize the supply of provisions and sale for feeding the urban population. The administration was very much concerned in the procurement of grains for sale in the market. By the order of the colonial government, the cultivators were to sell half of their produce in the market. The French administration saw that that most of the provisions of the individuals were made available in the market. It maintained law and order in the market, so that the supplies of goods regularly arrived in
the market to meet the needs of the urban people. The Governor was apparently the
deciding authority of the price of agricultural commodities in the market. The
administration tried to regulate the sale in the market. It always took measures to keep the
shops open.

People brought their personal food grains into Pondicherry in 1746, which they
intended to use for private consumption. However, the government wanted them to sell
half of that quantity in the market. 146 The rice merchants were defrauded by under
measurements and by demands under the pretext of charitable contributions. The officials
misused the new sale situation in the market for their selfish ends. They under-measured
to the extent of about a fourth. In times of scarcity, they charged a premium of three
panams on each pagoda. The profits, thus made, was divided between the officer in
charge of the market like de Bausset and the accountants, in the proportion of 2:1.
Further, they took away a sack full of paddy, under the plea that it was a charitable
contribution for paupers and beggars.

The colonial administration directed the official accountants, measurers and all
other subordinates to use uniform measures and not make any deduction on account of
charitable or religious objects, unless the sellers, of their own accord, made a
contribution. 147 The administration stocked rice in the warehouse to use it in the period
of scarcity as a buffer stock. 148

The Governor was apparently the deciding authority of the price of agricultural
commodities in the market. The merchants bargained with the governor and fixed the
price of beetle and tobacco. In 1746, nine betel leaves were sold for one casu and twelve
and a half palams of tobacco for one panam. Nevertheless, in January 1747 the betel and
tobacco merchants here convinced the governor to accept an increased price, which was
five betel leaves for one casu and ten palams of tobacco for one panam. 149

When the supply was more, the price became less. Three or four hundred bullock
loads of paddy were coming in daily in November 1747. Since there was good harvest
and it was the time of peace, provisions flooded into the market. 150

When there was military movement near Pondicherry, the function of the market
changed. Government's direct procurement became necessary. When the Marathas were
moving towards south in December 1747, the administration tried to procure 400 garse of
paddy through its officers. The officers abused their power in buying paddy. Since the merchants opposed the move, the governor withdrew his support for procurement.\textsuperscript{151}

24 panams per pagoda was the regular rate of the Pondicherry panam, while the Madras panam was, 36 to 42 panams per pagoda. The following chart gives the relative price of different types of paddy and other food grains in January 1748.

Table: 29. Rate of sale of food grains in Pondicherry in January 1748.

<table>
<thead>
<tr>
<th>Name of the food grain</th>
<th>Rate of the grain in pagodas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw rice, Samba</td>
<td>From 84 ¾ to 90 the garse</td>
</tr>
<tr>
<td>Boiled rice, Samba</td>
<td>83 pagodas 1/8 panam the garse.</td>
</tr>
<tr>
<td>Boiled rice, Kar</td>
<td>71 ½ pagodas the garse.</td>
</tr>
<tr>
<td>Paddy, Samba</td>
<td>41 pagodas the garse.</td>
</tr>
<tr>
<td>Paddy, Kar</td>
<td>35 3/4 pagodas the garse.</td>
</tr>
<tr>
<td>Maize</td>
<td>41 pagodas 16 panams the garse.</td>
</tr>
<tr>
<td>Ragi</td>
<td>45 pagodas 11 panams the garse.</td>
</tr>
<tr>
<td>Millet</td>
<td>263/8 pagodas 11 panams the garse.</td>
</tr>
</tbody>
</table>

1 garse= approximately 240 measures.\textsuperscript{152}

Source: Diary of Ananda Ranga Pillai, Vol. IV., p. 299

The administration fixed the market price of paddy. It make a lot of efforts to procure paddy at the rate fixed by the Government. That paddy was sold at the Mirapalli bazaars to sepoys’ women and poor people at the rate of two small measures a head and three measures a panam. Mrapalli bazaar seems to have been a fair price shop to help sepoys women and the poor.\textsuperscript{153} Sometimes there was forced procurement to prevent hoarding. The officers entered the Tamils houses, left the owners a quarter of their stock of paddy, purchased the rest at the current rate, and sold it at the Mirapalli bazaars.\textsuperscript{154} The Government maintained buffer stock, but its effort was not effective. Therefore, there was scarcity of grains.\textsuperscript{155}

The military were the privileged people. They got paddy at a cheaper rate in the market. Concessions in price were given to soldiers, who were employed under the officers and captains.\textsuperscript{156}
The administration tried to regulate the sale in the market. When the bazaar merchants got only an unfair price for their commodities they closed down their shops. The administration made efforts through the bazaar merchants to open shops. The shopkeepers perhaps had a union mentality to express their common grievance, which was an urban phenomenon.

The colonial administration introduced the fair price shop, where the price of paddy was nominal, to help the poor and the needy. It bought paddy from big merchants like Ranga Pillai at 4 ¾ measures per pagoda. At that rate, one garse of paddy would cost 50 pagodas. The paddy was sold to the poor, not more than 2 panams' worth at a time, at five measures per pagoda.

The stolen articles of the neighbouring places were also sold in the urban market in 1758. The people, who went to Tiruppadirippuliyur, Pudupalayam and Manjakuppm, were selling the idols, vessels, cots, mattresses, knives, daggers, women’s cloths, chintz and other things, which they stole there. Certain articles that were sold in the market in 1759 were from the plundered store in Madras.

The government's orders were not sometimes effective as far as the market matters were concerned. The shops in the town, which sold rice, vegetables and other provisions, were closed, owing to the departure of the people in 1760. Europeans could not get rice or vegetables. Therefore, the Superior Council, on 8th March 1760 ordered the bazaar people to open their shops. However, there was only a poor response.

The provisions were sold at the following rates on 8th July 1760:

220
Table: 30. Rate of sale of provisions in Pondicherry on 8th July 1760.

<table>
<thead>
<tr>
<th>Name of the provision</th>
<th>Rate of the provision in panams</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rice</td>
<td>1 ¼ or 13/8 measures a panam.</td>
</tr>
<tr>
<td>Dhall</td>
<td>1 1/8 measures a panam</td>
</tr>
<tr>
<td>Pulse</td>
<td>1 ¾ measures a panam</td>
</tr>
<tr>
<td>Green Gram</td>
<td>1 1/8 measures a panam</td>
</tr>
<tr>
<td>Ragi</td>
<td>1 ¼ measures a panam</td>
</tr>
<tr>
<td>Black gram</td>
<td>1 ¼ measures a panam</td>
</tr>
<tr>
<td>Gingelly Oil</td>
<td>A seer for 3 panams</td>
</tr>
<tr>
<td>Castor Oil</td>
<td>A seer for 2 ¾ panams</td>
</tr>
<tr>
<td>Ghee</td>
<td>2 rupees and 5 panams a toookku (7 ¼ seer)</td>
</tr>
<tr>
<td>Tamarind</td>
<td>2 panams a toookku</td>
</tr>
<tr>
<td>Pepper</td>
<td>1 rupee and 2 ½ panams a toookku</td>
</tr>
<tr>
<td>Chillies</td>
<td>3 panams a toookku</td>
</tr>
<tr>
<td>Turmeric</td>
<td>1 ¾ panams a toookku</td>
</tr>
<tr>
<td>Mustard</td>
<td>2 ½ panams a toookku</td>
</tr>
<tr>
<td>Cumin</td>
<td>1 rupee and 6 panams a toookku</td>
</tr>
<tr>
<td>Fenugreek</td>
<td>2 ½ panams a toookku</td>
</tr>
</tbody>
</table>

Tookku=7 ¼ seer (a unit of weight)


The above table suggests that when compared to the price of rice, dhall did not seem to be very expensive. Similarly, when compared to the price of gingelly oil, ghee did not seem to be very costly. Of those provisions, ghee, vegetables, grain and oil were not available at all and the other provisions were available only in small quantities. Small quantities, which could be got as goods, were being brought in by stealth, in July 1760. 162. The military threat of the English was the cause for that situation. The price of paddy, rice, fowl, sheep, fish, etc. went up in September 1760. 163

Whenever English army entered the town, the bazaar was generally damaged. Therefore, merchants did not open the shops on 6th September 1782, because the English battalion was to arrive. However, they were asked to open and sell things except arrack, under the guarantee that those military men, who caused damage to the shops, would be hanged. Accepting that promise, some shops were kept open. 164

Transport dealings with the market were systematized and documented during the colonial period. Those, who wanted to sell goods, used Road Transpoters who helped to
transport materials from one place to the other. A record, which gave the details of the names of the seller and transporter, date of payment and the amount, was maintained.\(^{165}\)

The French administration saw that the provisions were made available in the market. In November 1788, there was scarcity of grains in Pondicherry. However, General Count de Conway forced people, including the white to declare their stock of grains in the police station and sell them in the market. The people responded positively. In this way, the food problem was solved at times, when there was lack of supply.\(^{166}\) The administration maintained law and order in the market so that the supplies of goods regularly arrive in the market to meet the needs of the urban people. In August 1794, the administration of Pondicherry appointed a ‘Kothawal’ to administer the Pondicherry market and settle disputes of the merchants.\(^{167}\)

The colonial administration directed the official accountants, measurers and all other subordinates to use uniform measures and not make any deduction on account of charitable or religious objects. It fixed the market price of paddy. When there was military movement near Pondicherry, the function of the market changed. Sometimes there was forced procurement also. The Government maintained buffer stock, but not effectively. There was a fair price shop to help sepoys’ women and the poor. The military people were the privileged people. They got paddy at a cheaper rate in the market. Transport dealings with the market were systematized and documented during the colonial period. All the efforts of the colonial government was intended to meet out the need of the urban population which contributed for thr the urbanization of Pondicherry.

4.4. DEMOGRAPHIC CHANGES AND URBANIZATION

This portion of the chapter deals with the nature of the mobility and demography of the population, which helped the urbanization of Pondicherry in the last quarter of the 17\(^{th}\) century and in the 18\(^{th}\) century. In Pondicherry, among the other things, existed a compact gathering of inhabitants within a delimited area, a centralized government organism and a system of procuring the manufactured products. Urbanization of Pondicherry faced that state of development. That was different from the rural society, which implied a dispersed population over a relatively larger area, a rather loose administrative set up, and cultivation as the principal productive activity.
The population in the colonial urban centre grew due to many reasons. The Europeans, who first settled here, intended to flourish in trade. They were the people of the company. They were in a foreign country, which had their ruler, and exercised paramountcy. As they were engaged in trade, they wanted military to protect their interests. Therefore, a lot of military personnel were brought here and settled. As their trade increased, the influx of the company people increased. Those foreigners were mostly men, not women. In the composition of the white population, the men were a sizable majority. There were marriages among the French and the marriages among the Europeans, such as the marriages between the French and the Portuguese. There were marriages between the Europeans and the Indians. The composition of the European society in Pondicherry characterised the social structure of the whites in the colonial urban centre. The pure White people were only the French. The Europeans did not mix freely with the Franço-Indians. The Europeans considered the Creoles and the Metis as people of the mixed origin, of inferior race.

The morphology of Pondicherry was another feature of this colonial urban center. The colonizers chose this place for settlement and localized their settlement here. They made it the core of the town. That part of the town, where they had their residence and officers was called as the ‘White town’. That part of the town, where the natives lived was called the ‘Black town’. The colonisers felt the need for ensuring their security. Therefore, they built the fort and the ramparts, encircling the white quarters and native quarters. The Black town and White town were situated separately, west and east of the town respectively. Beyond those settlements, the suburbs were situated. The White population socialized mostly among the whites. They jointly celebrated their festivals. They did not mix with the native population. However, they participated in the social functions of the families, when they were invited.

As a colonial city, Pondicherry was a major destination for national and international skilled migrant labour and a commercial center. The urbanization of Pondicherry was the consequence of internal migration and trading activities.

The special characteristic of the population of Pondicherry was the presence of diverse ethnic groups i.e. colonists and indigenous inhabitants. This aspect is discussed in the chapter titled ‘Urbanization and Social change.’ It is true that in Pondicherry,
exogenous groups were in super-ordinate positions and indigenous in subordinate ones. It was also a fact that in Pondicherry, state and municipal spending favoured the colonial elites. 169

The processes leading to the concentration of population were initiated by a different set of factors. Those set of factors were linked to the modes of production and economic integration, which were prevalent in the economy of Pondicherry. They were also connected to the ways, in which economic surplus was generated, appropriated and utilized in Pondicherry’s economy.

In Pondicherry, there was a Fort, a port, a Central administration, a few temples, a bazaar and a Mosque. It was believed that those factors were enough to found a town. They attracted villagers - with or without skill- from its vicinity, to move to town. The administration provided its inhabitants with water, housing, personal service and several other goods and services.

During the period of François Martin, the society in Pondicherry started becoming a complex society. The European population of the small settlement of Pondicherry consisted of two hundred Europeans, including soldiers and officers. The officers were two Lieutenants of ships. The Merchant community expanded in Pondicherry in the period of François Martin. Most of the merchants were from outside Pondicherry. Pondicherry gradually became a cosmopolitan society. The French merchants or the sub-merchants and some soldiers married to Portugese formed a similar society. 170 The Tamil population had its own composition. Due to Mughal threat, there was influx of population from the neighbouring places. François Martin followed the policy of neutrality. Under his protection, the village of fishermen, of weavers, of painters, of weavers, of the polishers of the Coral developed. That population increased due to the chasing of the Mughal and Maratha army. It was thus, in between the two arrivals of squadron of Duquesne, the Mughal threat brought more than twenty thousand inhabitants into Pondicherry. 171 The artisan population of Pondicherry and the villages increased.

The reverse happened due to Dutch fear. The inhabitants of Pondicherry, such as the masons, carpenters of Pondicherry fled away. They were followed by some lascarins. There were only two Brahmins, remained. 172 The population returned after the treaty of 1693. The Topas, the natives, and the people of the company, who were married to
Indian women, were permitted to remain. The women, who left Pondicherry, were permitted to rejoin their husbands. 173

The small fort wall built by François Martin guarded the entrance of the river, Oupar. That wall engulfed some vacant lands, which were meant for the return of the population and its increase. Nevertheless, the Pondicherry natives, who were refugees at Cuddalore, did not return. Besides, the Dutch bought from Rama Raja some lands and villages around Pondicherry, especially Ariyankuppam. On 3rd October 1699, the Dutch left the town. 174 Thus, the settlement of Pondicherry got extended.

Pondicherry contained a pluralistic society of Europeans pursuing different occupations. The French officers in Pondicherry did not mix freely with the Portuguese workers. Some French lived in the houses nearer to the sea. They did not live in the fort. The small number of workers of the company, interpreters, painters, and packers were generally Portuguese. Many officers, who had their room in the fort, had also a house in the town. Some cultivators from the colonies, who were well settled in India, also lived in the fort. Some officers, who were injured so severely that they could not take up a journey to France, were also there. Some deserters of crime also came to join the French in Pondicherry, as the King promised them pardon. There were also some parents and friends, who were asked to come by those engaged by the Company. 175 Thus the European population of Pondicherry was constituted of different classes and categories of people. In Pondicherry, there were 700 Europeans, 300 Topas and 30,000 natives, of which around 2000 were Christians in 1706. 176

There were some slaves, who served as bonded laboures or servants to the Europeans, Tamils and Muslims in colonial Pondicherry. Slavery seems to have existed in Pondicherry. Parents sold the children willingly, especially during famines. Europeans put them into their service. Although some slaves were sent to the Island of France. One or two attempts to trade slaves were severely punished. To give an idea of the price of the slaves, in 1704, two girls were estimated at 10 pagodas in 1719 five women slaves were sold for 17 to 18 pagodas. The Europeans tried to teach them the Christian religion and, more often, set them free at least by a testament. They organised marriages between the slaves. 177
The European society in Pondicherry became a cross-national society. Some soldiers or married officers were living outside the fort. The Portuguese orphans of the King were the first of those baptized at Pondicherry from 1653 to 1727. Although Portuguese women were often half-caste, new cross-race children were born and brought up in Pondicherry. A part of the European society in Pondicherry became a multinational society. There were many couples purely French. Peons came from Tranquebar and Paliacatte, to get married and settle down here. Later many came from China, Pegu, Cape Vete and Manila and settled here. 178

The skilled persons, who came to Pondicherry, were profitably employed in 1736. An expert goldsmith Potti pattan, who came from Alamparai, was allotted half of the goldsmith's work in the Mint in December 1736. 179. It was customary sometimes to call a person along with the name of the place from where he came, like Wandiwash Rangappan who, accompanied by a drummer, read and explained the orders of the Supreme Council. 180

The natives of the neighbouring places found Pondicherry safe and they sought protection here in 1740s. The Muslims and Tamils threatened by their enemies, Mughul Army, asked asylum in this town. It provided security, thanks to the fortress, walls, and bastions. Artillery protected it. Such refugees arrived in large numbers, about thousands a day. However, there was not enough shelter for the refugees. Twenty more police officers were appointed to maintain law and order. They were paid by a tax levied on the refugees. 181 Armenian merchants also settled in Pondicherry. After the siege of Madras, certain number of Armenians settled down at Pondicherry. 182

As the French company established its trade in Pondicherry, it attracted considerable immigration. The migrants were priests, weavers, merchants, financiers, intermediaries, entertainers, potters, joiners, smiths, and other artisan groups. They settled in different localities. The streets in those localities bore the name of the caste group, which resided there even today. The richer sections of urban society maintained class and status distinctions. RangaPillai claimed that he had the right and privilege to travel in a palanquin with men carrying torches, even before he was offered the post of Dubash. That must be so, as Ranga Pillai gained considerable wealth and influence before he became Dubash. That gave him the necessary qualifications for the post.
The oil pressers known as 'Ennaivaniyans', a section of Pondicherry's urban society became wealthy and wanted to express their new-found-wealth through symbols of prestige. Due to their occupation of extracting oil from seeds and coconuts, that group was rated as low in the Hindus religious hierarchy. They accumulated wealth as they sold oil to the growing urban population. Being rich, the Ennaivaniyans insisted on traveling in the palanquin, a privilege reserved for those, who were socially and politically high. Acknowledging their new economic status, the French rulers granted to Ennaivaniyans the privilege they asked for. 183

The Arcot people took refuge in Pondicherry owing to the troubles in Arcot in 1740. 184 In May 1740, Safdar Ali Khan advanced with troops, which frightened the people of the region. Merchants from various places came and settled here. On 16th May 1740, more than hundred people flocked into Pondicherry. They were Brahmans, who came from Vellore, Arcot, Wandiwash and other places. From 17th May, people took refuge in Pondicherry. They brought with them much treasure. The inflow of people continued till 19th May. By then 2,000 or 3,000 people had come into Pondicherry with their entire valuables. 185 Thus the people of various castes, mostly rich, came and settled in Pondicherry in 1740.

At the time of the Maratha troubles, the people of Arcot, for a hundred miles round Pondicherry, came to Pondicherry and settled. 186 Due to the incursions of the Marathas, Arcot dealers, Komuttis, Guzeratis and others had fled to Pondicherry. 187 Chanda Sahib also had come to Pondicherry on 30th March 1741 to reside. Manila Malaiappan settled in Pondicherry. 188

The average death of the Europeans was around two hundred per year till 1746. Even in the year of siege, there were not more, but it increased later heavily. The ships left here many sick, who died later at Pondicherry. The increase of military element explained also the increase of the number of deaths, which went up to 375 in the following years. 189

The communal structure of the society of Pondicherry was changed because of religious conversion during the colonial period. Conversion was insisted by Ordinance. Mostly the poor were converted. One sixteenth of the population of the town was Christian. The Pariahs, domestic servants and beggars were converted. An Ordinance of
12th February 1747 ordered all those, who had the slaves in their houses, to educate them in Roman Catholic Religion and to make them administer the sacrament of baptism within one year. The Tamils of superior caste hated to embrace Christianity. In September 1747, the Christians formed only a sixteenth of all the people in Pondicherry. Here, the Christians meant the converted Christians. The Tamil Society was consisted of various caste people, who were not considered equal socially. There were high caste and low caste people.

The administration took steps to enable the merchants to settle in Pondicherry in February 1748. The Company wanted the merchants, who had fled to bring back their goods and families. It promised to pay them 19,200 rupees at Madras.

During August 1748, some poor people and Brahmans left the town. Some women, born here, but married to men elsewhere, had gone also. During the siege of the English, the population of Pondicherry decreased. The siege did not assure them either work or even security. The weavers, Merchants and Washer men of clothes left the town to look for job and security. During the siege, the administration was concerned with the security of life of the Europeans but not for the Tamils. The situation became so bad that on 30th August 1748 all the women, Christian and Tamil left the town with all their goods. All the people, who still remained, flocked together into Mirapalli bazaar.

The administration took a census of the houses, whose inhabitants had fled away. There were 166 brick houses, without counting the huts. The brick houses were to the value of 20 pagodas each. Only Brahmins, who had not fled away, were permitted to reside thereafter in the town. Vacant houses were sold by auction.

The weavers settlements were promoted to boost cloth production. The administration asked the Company’s merchants of other places in September 1749, to send for Kaikollars, Sedars, Seniyars and other classes of weavers to resume production and trade. The administration gave 10 pagodas a loom, to build houses and weave, to weavers, who agreed to settle as weavers in Villianur. The idea of settling weavers, who worked for the company within its own territory, was old. In 1742, the Madras Council had tried that. Dupleix succeeded much better at Vuillianur, when 1,200 families of weavers were settled until they were chased away by the war in 1752.
The Company's merchants sent for weavers from Udaiyarpalayam, Chenamayakapalayam, Conjeevaram and other places to promote weavers' settlements as in Villianur. The governor chose the sites. In order to increase influx of skilled population, the French administration gave concessions to them on the economic front and followed tolerance in the religious policy. Indeed, it was a change in the policy previously followed by the French, including Dupleix himself.

Between 1748 and 1750, a major part of the population of Pondicherry was tossed from Pondicherry to other places, and from other places to Pondicherry. The mobility of the population was significant and both ways in that period. During the threat of the siege, all the Brahmans had fled to Wandiwash and Tiruvannamalai; but the Sudras and fishermen went to Marakanam and Alambarai. They returned, when the English had retreated. The Brahmans returned in January 1750. After the siege, in 1750, the town again became crowded. In Pondicherry, there were about a hundred Brahmans serving Chanda Sahib and each of his Jamadars. Many more served Muzaffar Jung. Besides, there were about 30,000 Mohammedans and Northerners. Topasses, Europeans, Pariahs and others lived in the town. There were three houses belonging to the barbers.

In 1750s, the native people, who lived on the beach or elsewhere formed groups of same caste and resettled in streets, which was called by their caste name. The Chetties and others, who had lived on the beach, had moved to the street by the Valudavur gate on the west in 15th July 1757. That street was later christened as Chetty Street.

Outward-inward-outward, double-swing mobility process of population began again in the period 1759-1760. Obviously, it damaged the urban process. Most of the people of Pondicherry were afraid of a war between the French and the English in 1759 and moved out. In February 1759, the wealthy people in the town, including the Christians, sent their goods to Nagapatam and Tranquebar to move there. The Tamils went away on the pretext of visiting Ramesvaram. Many had gone to Tirupathi on pilgrimage, many Brahmans unusually, had gone to bath in the waters of the Cauvery. A few had gone to Wandiwash taking advantage of the troops there. Three quarters of the people of the town had gone out by November 1759. For fear of tax due, those, who still remained
in the town, Christians and others, left it on May 1760. There had been good eye doctors here. They had gone out owing to the troubles.

The French government threatened the population to bring them back into the town. The Company warned the people that unless those, who left returned, they would be fined and their houses seized by the company. Therefore, the people returned. About 5,000 people came into the town from Muttiyalpettai, Karuvadikuppam, Pakkamudaiyanpattu, Saram, Nellitope, Ariyankuppam, Villianallur, etc., places. There were another 4,000 or 5,000 people, who were residents of the town – 10,000 in all. Besides, there were about 5,000 Pariah men and women in the town. However, in September 1760 a war was expected. Therefore, almost 4,000 or 5,000 inhabitants left the town on September 15, 1760. The Thathans set out northwards for Tirupati a few others went with them.

Le Gentil gave the revised figure of the population as 1000 to 2000 Europeans and around 60,000 natives in 1767. In October 1767, the Muslims and the Marathas ravaged the region. The Indians took refuge in the town. Their number was so big that they could not be lodged on the locality of the garden of the hospital.

In the period of Law de Lauristain security and commerce attracted merchants to this place. The Memoir of Law de Lauriston states that the favourable conditions of the surroundings of Pondicherry and the troubles created in all the area belonging to the English, made Pondicherry more populated by 'fugitives', among whom there were merchants and bankers. However, they wanted to return to Tanjore to be more secured. They dared not establish in Pondicherry, which was exposed to attack though they were attracted by the commerce there. So they waited for peace. However, new settlements were promoted. The north west of Pondicherry, the villages of Secanderabad by Delarche, and Lauristonabad, by Governor Law were established in 1769.

The figures of the number of livestock and population on record were very less in 1777. Bourcet noted the following figure in his records: Oxen and kids were 1139 and 678 respectively. The native population, which till 1770, was of around 56,000 souls, fell to 27,273 in 1777. That exodus was due to the misery of the colony. Law de Lauriston gave for the same year the figure of 26,386 Muslims and Tamils. Those estimated figures were not close to reality. The number of Europeans was 1132 and topas 803.
However, by 1778 Pondicherry had returned to normal times, about 80,000 inhabitants lived in Pondicherry and the French regions annexed to it. Treaty was signed on October 17, 1778 between the English and the French. The English would not harm Indians, irrespective of any caste or religion. However, the English ravaged the population in Pondicherry during 1781-1782.

The population of Pondicherry came from the nearby villages into Pondicherry in 1790. The inward mobility of population started from that time. Those, who came into Pondicherry, registered their name in the Police Station. In December 1791, there were 600 whites and 7000 Tamils in the town.

The population started increasing in the villages of Pondicherry. Medical facilities were given to the incoming needy people. The administration arranged for adequate military protection for them. Since, the horsemen of Tippu Sultan ravaged the villages of the English, a lot of people from the other villages came into Villianallur, Bahore and other 80 villages belonging to Pondicherry in November 1791.

There was outward mobility of population from Pondicherry due to military trouble in 1793. When the trouble ended in 1794, inward mobility started. During the military trouble of 1793, several families left Pondicherry. But in 1794 women and live-stock sought the permission of Kenworthy, the English colonel, to return to Pondicherry.

The Chetties moved out of Pondicherry due to the illtreatment of the English in Pondicherry. The English military personnel treated the people so harshly that some left Pondicherry in 1794. Colonel Nickson gave his judgement in favour of the practices of the Right hand caste people. Left hand caste people like Udhaya Chetty and his caste people challenged his decision. The colonel imprisoned them. Udhya Chetty gave the colonel ¼ ‘varahan’, a gold coin, to get pardoned and released. Fearing such situations some chetties moved to Cuddalore and Chidambaram.

The English Census of 1796 furnishes the following figures; including the women and the children 823 Europeans, 93metis, 313 Topas, 423 domestics and slaves for the former, 331 for others. In 1796 the European population and indigenous population in Pondicherry was at it's lowest. The wounded refugees had come to Pondicherry and their wounds were dressed in the Anbu Pillai Hall.

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4.5. EMPLOYMENT CHANGES AND URBANIZATION

This portion of the chapter deals with the nature of employment opportunities, which were available in Pondicherry in the colonial period. There were employment chances in the administration wing of the company, cloth production, trade, mint, military, Port, construction of the Fort and buildings, private works of the urban population and domestics. There were broadly two categories of employees: European employees and native employees, or Company employees and private employees. All the categories of people, who were employed, contributed to the urbanization of Pondicherry.

The French officers recruited the French workers. Every year for the appointment of specialized works, artisans were brought from France for 700 livres. They were the joiners, house carpenters, lock repairers and edge tool makers.228

The French servants, high and low, enjoyed good emoluments. The administration specified the hierarchy of government servants. That structure of officials of the Company, on one side ensured devolution of power and at the same time offered a strong head in the post of the governor. Power sharing was different in the traditional monarchy. It seems that they could lead a decent life with that amount of salary, which was as follows: After the Governor, who held the first rank, came ‘the second’. Then, there were five actively employed Councillors and two super numerary Councillors. After them came the Clerks. A register of 1747 gives us the following names and appointments. Dupleix, Governor, drew emoluments of 15,000 pounds and Legou (the Second) First officer, 3000 pounds (and 10000 pounds of gratuity due to long service). Councillors Duval d’ Espremenil, with expectative of the First officer received 1500 pounds, Dulaurens, guard of Gold and silver materials, and Sub-inspector of visit (search) 1500 pounds plus 1000 pounds of gratuity. White merchants were paid 1000 to 1500 pounds, six clerks of first order 800 pounds, six clerks of second order 700 pounds, sub-clerks 600 pounds, usher in the court 500 pounds, Harbour-master 600 pounds, Chief Engineer and an employee of works 600 pounds. That was the list of staff of the French of French India. In addition to those emoluments, the Company provided a certain quantity of wine and mineral water to its civil and military servants.

The French merchants operated on behalf of the company and tried to do trade and commerce profitably, besides their own profit. They enjoyed the intimacy of the
Governor. They were the agents of trade of the company. The Councillors and the Merchants were of mediocre recruitment. Many were the sons of the government employees like Miran, Boyelleau and Legou; others were the sons of French India i.e., born of a French father and a woman of the country like Delarche de Flacourt. Their promotion was always arbitrary. The main aim of the Merchants and the Councillors was to make fortune either by business of India in India, or even by reselling their purchases to their own company.

The Governor like a King enjoyed a team of servants. The domestics were another category of workers. The upper class French people employed them. Among the white, the chief cook was Dumoulin, Balu was the Headwaiter and Demouresne was the steward of the Governor. There were also some servants like Lorenzo, Topas of Chandranagore. He was a musician to his master Dupleix. 229

Armenian businesspersons were another segment of the society. Finally, after the siege of Madras, certain number of Armenians came to settle down at Pondicherry, who carried on business. They were Coja, Elias, and Isaac, who belonged to the third order of Sr. Francis. 230

There was a lot of discontent in the recruitment and maintenance of French officers. There were around eighteen officers. There was nobody like ‘the officers of the company’. Bussy was named Lieutenant Colonel only very late in 1753. The salary was a little raised. The promotions were slow and the retirement was more uncertain. The officers were always subordinates to the council. Perhaps because of their poor treatment they were prone to make money by false means, as from the paddy merchants in measuring paddy.

For promotions among the French employers, generally, seniority was taken into account. 231 Capacity and the interest shown in the work were also taken into consideration. Transfer was used as a punishment on those, who abused their authority, behaved insincerely and disobediently. 232 Usually, when the company’s servants were found guilty of a professional error, they were punished, dismissed and restored. 233

There were French physicians in Pondicherry. They were not popular. The surgeons did not seem to have been eminent in their profession. According to the record of 1747, there were three surgeons in that period.
The economic condition of the soldiers was not satisfactory. However, they were the symbol of defence, which invited people from Carnatic, when there was war or fear of war in Carnatic. They were just breadwinners. If the work was very difficult, insufficient fares, or irregular pay, they shifted their camps many times. Payment to the soldiers was both in cash and kind. The amount of the sepoy's usual batta included money and rice. It was at the rate of 3 panams, a measure of rice for each trooper and, one panam and a measure of rice for every foot soldier per day. Each Trooper received 12 annas in 1758 and it reached one rupee in 1759. Creole and volunteers or slaves were enrolled in Lally's army.

There were plenty of new job opportunities for the natives in Pondicherry. Therefore, a lot of local people had chances of new jobs and a good number of people came into Pondicherry from other places also and contributed for the urbanization of Pondicherry. The company employed the natives in various capacities to promote production and trade network in India, to build and to preserve the infrastructure of Pondicherry. Hence, those employments initiated the urbanization of Pondicherry. The company employed the chosen natives as the Dubash of the company, like Kanagaraya Mudaliar and Ananda Ranga Pillai. They were intermediaries, supervising the manufacture of clothes, warehousing, and export of merchandise. They were great merchants themselves. The natives were employed as the Nainard or provost of Police, whose charge was hereditary. Under Dupleix, it was Vira Naikar successor of Perumal Naikar. He had the supervision of peons and prison near the Court. On the whole, he was the inspector general of Police. The natives were inducted into the service of the company as accountants, customs officers, police, messengers and menial services, besides as the brokers or courtiers. On cloth production indirect contract, the company employed weavers, dyers, bleachers, washers, printers and spinners. They were also employed in the company ships as native captains, super cargo and sailors in French trading activities.

The French administration availed cheap native labour in Pondicherry. They easily found servants. Many people came to serve for one rupee, which had a value of 28 souls. The servants served with fidelity.
The natives called peons became the police and they were in charge of security. The number of police was increased from 105 to 120. They were in charge of the maintenance of law and order in the town. They were under the supervision of Nainard, the head of police. They would wear a shoulder strap, which possessed a lily flower in copper in order to recognize them. Those identification marks were colonial urban phenomena. 239

The Pondicherry society of that period was characterized by the birth of the middle class. They helped the administration to handle the native relationship problems, which enabled the company to consolidate the settlement and improve correspondence. The middle class thrived by virtue of the closeness to the governor. It included those, who, availing the company, were not absolutely appointed by it. Those middle class people, who were always at the disposal of the Governor, did varieties of work. The middle class people were more or less crossed. Some of them were the lame Portuguese, who served as Interpreter to Madam Dupleix, a Persian Interpreter, Haji Abdullah, who spoke many languages. Many others prepared the letters in Telugu, Hindustani, Maratha and Persian for the governor. Some of those people spied, translated, carried letters, played as ambassadors, linked or delinked the line of diplomacy.

Several people were employed in the mint of Pondicherry. The director of the mint was a European. The employees in the mint were the changers, who had to convert the materials of silver into rupees, two writers and one entrepreneur for refining. The minting gold smiths were divided into old and new. The latter came from Alambarai. There were four chief verifiers of gold, bleachers, the markers and a chief engraver. The labourers or the ones contributed for the production of coins in the mint of Pondicherry were not given a regular fixed salary. The remuneration of the labourers was subjected to the amount of production. It paved way for the piece-rate contract of production followed in the present cottage and small scale Industries.

The people, who were employed in the mint, used to look forward to the arrival of the ships, which brought silver. There was the limited issue of the Company’s coins, during 1738. Therefore, the people employed in minting coins were out of work. 240 When the ships brought silver, they utilized silver to mint rupee coins. The company used that capital, gave it to the cloth production contract, invested in trade, and gave employment
and payments. The new hoard of coins increased the circulation of money in Pondicherry. In the month of June – July of 1747, the mint of Pondicherry produced coins to the extent of eight lakhs rupees. 241

In the mint of Pondicherry, for every thousand coins minted, an allowance of Rs.16 was distributed among the following people, who had contributed for their production. The beneficiaries were: the goldsmith, the stamper, the mint master, the Chief Dubash, the chief of the police and for charity. 242

It seems that a vakil, advocate, used to earn about three and half times more than a guard of roads. The salary of vakil Subbaiyan was six pagodas in March 1747. It was increased later to 10 pagodas a month. Shaikh Ibrahim, who used to guard the roads, was paid a salary of 10 rupees per month. 243 Lespinay recruited even native soldiers in 1673. 244 The Muslims were employed as sepoys. The development of the body of the sepoys had improved the Muslim quarters at the south of the town.

The Koravars belonged to a gypsy tribe with Criminal tastes. They used to make baskets and their regular pay was a panam a day. Nevertheless, they wanted a panam and a half and that was refused. 245

Skilled artisans from the Coromandel coast—builders, stoncutters, joiners or unskilled slaves were employed and were sent to Bourbon also. Indian slaves came back and forth, in small numbers. 246 Indenture labourers, who were freemen from slavery, were engaged in French India on contract, generally for the period of 3 years, to pursue various buildings constructions – masons, brick makers – and other specialist skills – black smiths, roasters, seamen, and backers. 247 As noted before that type of employment helped in the construction of the town and the Fort of Pondicherry.

The income of the Shroffs was decided in a different manner. There were Shroffs, who used to receive one percent of the value of golden jewels or coins appraised by them as income. Merchants paid them batta. They wanted their batta revised. The Shroffs, who used to appraise the touch of the panams etc. demanded batta at 1 ½ percent of the value produced. 248

It seems that labour contract system was used in 1756 for earth diggers. In that period, the labourers were able to ask for better wages and get it. The administration engaged earth-diggers at three-quarters of a panam per yard length of land. The earth
liggers demanded more wages. Therefore, the administration granted them four casus more a yard. Therefore, they were paid 11/16ths of a panam. The Pondicherry casu passed at 64 to the panam.\textsuperscript{249}

Marawars or Kallars were fetched from the South at six rupees wage each per month. The coolies were collected from the villages. They were used to carry canons and pull down barriers.\textsuperscript{250} To attract coolies from the neighbouring villages the rate of daily wages for them was raised. Hence, coolies population increased. La Selle paid the coolies two panams a day each besides half panam for batta; so many coolies came of their own accord into the town in 1758.\textsuperscript{251}

The availability of the labour population changed from time to time based on the war factor. The company attempted to divert the service of the labour population into the company’s work in 1760. The palanquin bearers and coolies were rarely available in the town. Hence, the available workers in the town were ordered to opt to work for the company first. The palanquin and dhooli bearers in the town, the coolies and the men in the bound villages of Olukarai, Ariankuppam, Alisapakkam, Singarikoil and the surroundings parts, had to work for the Company.\textsuperscript{252}

The natives’ artisanship in weaving cloths was highly appreciated and rewaraded in France. Some Tamil weavers were taken to France to teach the mechanics of weaving and other allied techniques. 50 Kaikolas including husbands, wives and children had gone with De Souprene to France in 1785. They returned and landed in Pondicherry along with him in 1788. He, with his own expenditure, had taken them to the island of Mattre to teach the citizens not only the techniques of weaving cotton sarees, but also to educate them. They went on a contract for three years. They were brought back to Pondicherry at his expense. Tamil weavers of Kaikola caste were so skilled that the islanders of Mattre learned their skill of weaving and the allied works. The kaikolas had come to Pondicherry from outside. They did not have means to earn their livelihood here. When Souprene was looking for artisans, the above said labourers, who had preferred working elsewhere, accepted to go abroad.\textsuperscript{253}

Company’s Tamil servants had to discharge their duties effectively. It seems to be the prerequisite to continue in company’s service. There were retrenchments of company servants including the Dubashes also. From among the four Dubashes, the ‘Interprete de
la Chauderie, (translator of the court) Annasamy Pillai son of Chinna Parasurama Pillai, Thiruselvaraya Muydali, the grand son of Louis Pragasa Mudali, Annasamy Mudali son of Dhairianatha Mudali and Subramania Pillai, Thiruselvaraya Mudali and Annasamy Pillai were detained in the job and the other two translators were retrenched in 1789.  

There were mainly two categories of employees: European employees and native employees, or Company employees and private employees. The French servants, enjoyed good emoluments. The structure of officials of the Company, on one hand ensured devolution of power and at the same time offered a strong head in the post of the Governor. The French merchants operated on behalf of the company and tried to do trade and commence profitably. There were French physicians in Pondicherry. The economic condition of the soldiers was not satisfactory; however, the security they were expected to ensure, drew people from neighbouring places. A good number of people came into Pondicherry from other places also and contributed for the urbanization of Pondicherry.
CHAPTER IV
ECONOMIC CHANGES AND URBANIZATION
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