CHAPTER -I

INTRODUCTION

This Dissertation entitled “The Impact Of The British Rule On The Economy Of Malabar, 1792-1857” mainly deals with the study of the changes that occurred in the Malabar economy as a result of the 65 year rule of the English East India Company (EIC). The aim of the study is to cover and focus on the various economic and administrative measures adopted by the company to augment their revenue and its socio-economic impact on the region, its people and the hardships suffered by the Malabar population as a result of the British policies. The objective is also to study the total revenue collected from Malabar especially the land revenue and indirect (non-agricultural) taxes during the aforesaid period. Malabar was an agricultural district where 75% of the population was involved in agriculture and land tax was the main source of revenue for the company. The scholar has also studied the condition of agriculture, trade in agricultural produce and the system of land tax administration during the period. The main motive behind the colonial economic and administrative measures was to generate maximum revenue with minimum charges without any consideration of its negative socio-economic impact on the people and the economy of the region. Malabar was officially annexed by the English East India Company in 1792, after the treaty of Srirangapattanam which brought the Third Anglo-Mysore war to an end. It was under the Bombay Presidency until 1800 A.D. After that it was brought under the Madras Presidency. Malabar forms the northern half of the geographical territory of present Kerala. The modern districts of Kasaragode, Connannore (Kunnur), Calicut (Kozhikode), Malappuram, Wayanad and Palakkad covers the geographical area of this study.
The present study covers a period of about 65 years. It is of great interest as no comprehensive study has been made on the socio-economic aspect of the British rule in Malabar during the period of study. The main objective of the researcher is to make a clear and comprehensive study and bring to light the impact of the British rule on the socio-economic scenario of Malabar. **Francis Buchanan**’s “*A Journey from Madras through the Countries of Mysore, Canara and Malabar, 3 vols. (1807)*” is one of the early works on British Malabar. This journey was undertaken as per the instruction of the government and could be considered as an official work. His study focused on the topography, social customs, cultivation, land tenures, trade, and population, nature of agriculture and agricultural productions of Malabar. Though it mentioned the economic life of Malabar it did not cover the land revenue system. Buchanan got most of the information from the Company’s revenue officers of Malabar who were not well acquainted with Malabar conditions. The most comprehensive and fairly independent and rational work was that of William Logan’s “*Malabar*” in 2 volumes. Logan’s direct contribution was confined only to the first volume. His work entitled “*A Collection of Treaties, Engagements and Other Papers of Importance Relating to British Affairs in Malabar*” dealt with East India Company’s treaties and engagements with Malabar Rajas and Chieftains which they had entered into before the third Anglo–Mysore war. The first volume was published in 1887. This could be considered as the most illustrative and unbiased early work on Company’s Malabar dealing with land revenue administration, agrarian relations and problems. It deals with Malabar geography, flora and fauna, population, religion, history, social customs and a detailed account of Malabar land tax administration under Mysore Sultans and under the Company. The topics covered are the principle and magnitude of assessment and land tax settlements in different taluqs, commutation rates, land relations and land tenures. Logan was the first administrator of Malabar who rationally tried to
analyze the factors responsible for the agrarian unrest with special reference to the Mappila revolts. He attributed the Mappila unrest to agrarian discontent and exploitation of the tenants by the landlords. But he did not mention the role of high land tax assessment in the agrarian unrest of the Mappila dominated Eranad, Walluvanad and Nedinganad taluqs. Sarada Raju’s book on the “Economic Conditions in the Madras Presidency 1800-1850 (1941)” also did not throw much light on the economic condition of Malabar partly because the author made only a casual study of Malabar conditions. Nilmani Mukherjee’s study entitled “Ryotwari System in Madras 1792-1827”, (1962) did not cover Malabar because of the latter’s peculiar land tenures and land relations. Dharma Kumar in her work “Land and Caste in South India” tried to study the agrarian background and agricultural caste in Malabar. But the work of course did not analyse the total impact of the British rule on the economy of Malabar.

The present researcher has kept in mind all these facts and has made a detailed study of the Malabar economy under the East India Company. The present work is mainly based on the data collected from the original sources like The Proceedings of the Board of Revenue (BORP), also known as the Consultations of the Board of Revenue and the Malabar Collectorate Records which are all in the form of manuscripts kept in the Tamil Nadu Archives, Madras. (Later most of the Malabar Collectorate records were transferred to Kerala Archives). The Proceedings of the Board of Revenue provide an inexhaustible mine for the study of the economic and social history of Malabar. The Settlement Reports of Malabar Collectors found in these volumes form the most important source of information on the economic conditions of the district. There are hundreds of volumes of Malabar Collectorate Records pertaining to the period of this study. Unfortunately Malabar Collectorate records are catalogued only up to 1835. However the scholar has referred to hundreds of volumes of the non-catalogued Malabar Collectorate records pertaining to the
period 1836-1857/58. This was a time consuming and tiresome exercise but on the whole the data collected with all efforts provided valuable information about the topic taken for this study. Malabar Collectorate volumes are composed of the true copies of letters on revenue and other matters written by district Collectors. They also contain annual revenue settlement reports prepared by various Collectors and sent to the Board of Revenue (BOR) of Fort St. George, Madras, which was the seat of administration of the Madras Presidency. These also contained communications from the BOR, Fort St. George relating to different revenue and other related aspects of Malabar received by the Collectors of Malabar at different periods. Another source consulted was the relevant volumes of Revenue Dispatches from England to Madras. The land revenue administration in the Madras Presidency was also influenced by the Home Authorities. To what extent the influence of the Court of Directors influenced the land revenue administration in the Madras Presidency can be studied from these records. General Reports of the Proceedings of the Board of Revenue (Original sources) are printed documents used for this work. These are printed sources and there are 55 volumes covering the period from 1798-1835. Information available in the Board’s Consultation is condensed in the volumes of these series. The reports of the Joint Commissioners, Second Commissioners, revenue and other allied printed reports prepared by different Commissioners and Collectors of Malabar under the instructions of the Board of Revenue provided vital support to this research study. The British Parliamentary Papers are also used as secondary sources in this work. The British Parliamentary papers (Collins East India, Irish University press, 1973) which are arranged in 24 volumes also give much information about the revenue, trade and matters pertaining to salt and tobacco monopoly and other indirect taxes. Most of the information was in the form of evidences given before different select committees by the former servants of the English
East India Company. Apart from the above sources, printed secondary sources and Journals, quarterly and periodicals are referred to pertaining to this research study.

In this study the scholar, in order to substantiate his points, has used several tables and graphs. Tables are prepared from scattered information spread over several years. Spread sheets are put under appendix.

Before the arrival of the Mysore Sultans, Malabar was a fragmented country divided among several Rajas and Nair Chieftains. Though the Mysore Sultans defeated most of the Malabar Rajas their rule did not last long. The period of study, 1792-1857, can be said to be a turning point in the socio-political and economic history of Malabar because for the first time in the modern period, Malabar was politically united and put under the central rule of an alien power, the English East India Company. Very soon the Malabaris started to feel the pinch of colonization. Several socio-economic changes occurred in Malabar during this period. The colonial economic policies were not meant for the prosperity of the area and the welfare of the people who lived there, and in fact all these policies were aimed at filling their coffers by increasing their revenue from different sources. It is axiomatic that the British rule had politically united Malabar and integrated it with other parts of India opening up new markets for its agricultural produce. It is also a fact that there were all round increased economic activities in Malabar under the English. It was not due to any of the constructive policies of the Company aimed at improving the living conditions of the people of the area but mainly because of the factors contributed by population growth and subsequent extension of agriculture and trade. The benefit due to increased economic activities did not reach the peasants and common people and the government never intended that it should also benefit the people. Extension of agriculture, increased agricultural production, and rise in prices of agricultural produce and general increase in the volume of trade facilitated the easy and enhanced collection of government revenue in the form of
taxes. All these aspects have been discussed in this work which has been divided into nine chapters.

CHAPTER 1 INTRODUCTION
CHAPTER 2 MALABAR POPULATION
CHAPTER 3 EXTENT OF AGRICULTURE
CHAPTER 4 TRADE IN AGRICULTURAL PRODUCE
CHAPTERS 5 LAND REVENUE
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The second chapter entitled, “Malabar Population” deals with the growth of population during the period of this study and the relevance of population in the growth of the economy of the region. The quantitative study of the economy of any region primarily requires the knowledge of the number of its inhabitants. Further the study of the population of a particular area (here taluqs) helps to find out per capita revenue collection from the people of that area. The data on population are also used to analyse the impact of the growth of population on government revenue collection. To a great extent the increasing population necessitated more food which in turn led to the expansion of the area under agriculture and subsequent increase in agricultural production. Increasing population also influenced the formation of urban centers, markets, price movements of agricultural produce, agricultural wages, trade and commerce which subsequently enabled the colonial government to enhance the direct and indirect taxes that were collected from the region. Therefore the scholar has taken up the study of Malabar population as the first chapter of this work. Vera Anstey and Kingsley Davis, two exponents of Indian population history, were of the opinion that wherever and whenever British rule was established, the order and peace it provided led
to a rapid growth in the rate of population. Malabar was one of the most thickly populated
districts of the Madras Presidency. The population of Malabar was growing very fast during
the 19th century. Long duration of peace, stability and tranquility, favourable climate,
adequate and timely rainfall, availability of large tracts of fertile and cultivable soil,
abundant agricultural production and absence of famine were some of the factors that
helped the steady growth of Malabar population. The absence of village-centered life, the
temperament of the people and pleasant life style were responsible for the near
homogeneous distribution of the Malabar population in all the taluqs of the district except in
Wayanad. In this chapter a clear study has been made about the growth of Malabar
population covering sex, religion, density and taluq-wise growth and distribution of the
population during the first half of the 19th century based on various censuses. The big
drawback with the censuses was that it did not give uniform information. Regular
information about the Malabar population was available from the 1830-31 censuses
onwards. For the first time religion wise information was given in this census. The census of
1832/33 provided religion and sex wise population of all the taluqs of Malabar. There after
censuses were taken every five years. The first information about the agricultural population
of Malabar like the percentage of agricultural and non-agricultural population in each taluq
was given in the census of 1856/57. As per the census of 1856/57 about 75% of Malabar
population was involved in agriculture. The absence of information about the agricultural
population in the previous census made it impossible to calculate the rate of growth of
agricultural population and agricultural workers. A brief study of the growth of religion-
wise population of Malabar based on different census helped to study the growth rate of
different religions and their distributions in different taluqs during the first half of the 19th
century.
The third chapter entitled, “The Extent of Agriculture” refers to the general condition of Malabar agriculture under the English East India Company. The nature of cultivation, crop pattern, different kinds of cultivation, difficulties in the calculation of the extent of cultivation of different crops, taluq-wise distribution of the number of agricultural implements (plough) and cattle according to different census, taluq-wise population plough ratio and its variations according to different census are focused. The increasing population demanded more food supply which necessitated and paved the way for the extension of agriculture resulting in more agricultural production (grains) during the period under study. Increasing population provided more cheap labourers which helped in bringing more land under cultivation. The growth of population also put pressure on agricultural land leading to extension of agriculture. Increase in price of agriculture produce from 1820s could be another factor which led to the extension of agriculture. During this period large tract of waste land was brought under wet and garden land cultivation. The government had exempted such lands from land tax for particular years. However in Malabar the government generally did not give any Tuccavi (agricultural loan) for improving agriculture.

The agriculture in Malabar, in the absence of artificial irrigation system, was purely rain fed. The wet land cultivation solely depended on the south west and north east monsoon. Timely and adequate rain assured sufficient production. The area under wet, garden and dry land cultivation increased during the period under study. Malabar which was a grain importing district during the last decade of the 18th century (early British period) started to export large quantity of agricultural produce especially grain from early 19th century and this trend continued throughout the first half of the 19th century with slight variations depending on external demand. Wet land cultivation was the major agriculture of Malabar mainly confined to South Malabar. This was the livelihood of the majority of the population employing more people, covering more area and generating maximum revenue.
for the government. This was followed by garden and dry land (hill) cultivation. In this chapter an attempt has been made to estimate the extent of wet, garden and dry land cultivation. In Malabar, the government did not maintain a record on the extent of wet and garden land cultivation because of peculiar land revenue system. However, there are clear data on the extent of dry land cultivation and it was given in cawnies (1 cawny = 1.3234 acres) and later from the middle of 1850s it was given in acres. And also a study has been made of the taluq-wise growth in the number of agricultural implements (plough), plough and population ratio and the increase in number of cattle as they were connected with the growth of agriculture and agricultural population. Even though there was an increase in the area under cultivation there was no proportionate economic prosperity for the peasants and workers, who constituted the vast majority of the Malabar population. This was due to the high land tax and non-agricultural indirect taxes which deprived the peasants and workers of their earnings.

The fourth chapter “Trade in Agricultural Produce” refers to the internal, coastal and overseas export trade in the agricultural produce of Malabar. Increased agricultural production made available surplus after local consumption, for trade which reached different internal and coastal markets. Statistics are not available pertaining to the volume of coastal trade even though extensive trade was carried on among several southern, central and northern ports of Malabar. Some scattered figures are available for few years but they did not support in making a complete study of the volume of coastal trade. Absence of well developed inland transportation system, presence of large number of ports and coastal markets and low charges of water transportation could be attributed to high volume of coastal trade in that region. Pepper, cardamom, ginger, paddy and rice, coconut, copra and beetle nut formed the main articles of export trade. Grains were sent from southern ports to northern ports in return for spices and garden produce. The trade in condiments and grains
was increasing during the period of this study. The volume and value of export trade in agricultural produce registered impressive growth during the period of study. Custom duty obtained from the export of agricultural produce was an important source of revenue that constituted non-agricultural taxes.

In this chapter the adverse effect of the East India Company’s economic and administrative policies on trade, particularly on pepper trade has been discussed. Company (EIC), failed attempt to monopolise the trade in pepper has also been discussed. The Company had imposed a high and discriminatory rate of export duty on pepper based on high tariff rate which was always higher than the market rate. This high export duty and tariff rate adversely affected Malabar’s trade in pepper as it had increased the price of Malabar pepper exported to the international markets. The decline of the dominance of Malabar pepper in the domestic and world market was partly due to wrong and unlawful economic policies of the EIC and partly due to the competition it faced from Eastern Islands.

The fall in price of pepper from the fag end of the eighteenth century and early 19th century caused severe economic loss to the Malabar cultivators especially to those of north Malabar which accounted for the major production of pepper. The increased production and subsequent increase in the volume of trade did not bring corresponding economic benefit to the cultivators due to the fall in price of pepper. Rather it was the government, by means of direct and indirect taxes, and the coastal merchants by the putting out (advancing) system and the Bombay merchants, who controlled the export trade of Malabar, who had benefited from the increased production and volume of pepper trade.

The fifth chapter entitled, “Land Revenue” deals with the land revenue administration of Malabar. In Malabar land revenue was the most important source of revenue for the East India Company. The term ‘Land revenue’ should not be
misconstrued as a government income exclusively from land. The British government collected several taxes under the head of Land Revenue and the land tax was the most significant one under it. Therefore this chapter is studied under the title of Land revenue and Land Tax. During the early part of the British rule land revenue contributed about 95% of the total revenue of the Company. Later with the introduction of non-agricultural taxes like salt and tobacco monopoly, *moturpha* and *Sayer* the share of the land revenue in the total revenue collection declined. On an average during the period of study the contribution from land revenue was 67% of the total revenue collected from Malabar. Land tax was the most important component of land revenue and on an average it formed about 95% of the annual land revenue collection. Wet land (paddy) cultivation contributed 65% of the land tax collection. Comparing to land tax other sources of revenue under land revenue was very insignificant. Therefore in this chapter more emphasis is given to the detailed study of the land tax administration particularly the measures taken by the government to secure their share of the agricultural produce i.e. the land tax. Moreover being an agricultural district the life of the people and economy of the area was woven around agricultural land and different forces operating on it. As far the government was concerned the collection of maximum land tax was its main apprehension and it was not bothered about ancient and established land relations, land customs and traditional sharing of the produce. This had created agrarian conflicts, social tensions and communal disharmony in Malabar.

Malabar land tax administration was very complex because of its peculiar land tenures and land relations which existed nowhere in British India. The government had spent much energy, time and resources to ascertain the actual agricultural produce of Malabar and the pattom received by the land lords. The government took a portion of the *pattom* (rent) as the government share of the produce (land tax). The government share of the produce (land tax) was assessed in kind and collected in cash. In this chapter the topics
discussed are the principle and magnitude of land tax assessment, commutation rates, mode of collection, total land tax demand, collection and balance of different years after remission. The land tax collected from wet, garden and hill cultivation (dry land) and taluq-wise land tax collection for few years and the agrarian conflicts are also discussed.

The East India Company did not introduce any reforms in the principle and magnitude of land tax assessment. The Company simply adopted Mysore Sultan’s principle and magnitude of land tax assessment and commutation rates without any substantial change and enforced it with vigor with the backing of the British force and Judiciary. Right from the beginning, starting with the first joint commissioners, the Company’s revenue officials were ignorant of all matters pertaining to Malabar land tax administration. They were unaware of the actual settlement made by Arshed Beg, Amildar of Tipu in South Malabar. They were also ignorant about Malabar land rights, land relations, land tenures, land holdings, actual produce of the land and customary sharing of the produce of the land between the tenant and land lord (pattom). Very often, in the beginning of the Company’s rule, European administrators were misled by the landlords and agents of the local Rajas. Tipu informed the British that he had lost all Malabar land settlement records and provided only records about the total revenue collected from Malabar. The local Rajas and Chieftains were reluctant to reveal to the commissioners about the actual assessment and collection made by the Mysore Sultans from their regions and the actual pattom (rent) received by the land lords from the tenants. They supplied fabricated accounts of Tipu’s land assessment and settlements to the first joint commissioners. However the joint commissioners claimed that they had obtained from Jinnea, a Brahmin accountant of Tipu, a statement of land revenue account claiming to give details of Arshed Beg’s settlement of the southern portion of the district for the year 1784-85. Based on this the joint commissioners proceeded to discuss the principles on which the settlement was based. The problem with Arshed Beg’s
settlement was that it never ascertained the actual quantity of seed sown, actual produce and actual \textit{pattom} (rent). Every thing was estimated and this was the beginning of the agrarian problems of Malabar. Based on this estimation assessment was made and taxes were collected. The result was unequal and unjust assessment and unequal tax collection. There was no proper survey under the Mysore rule and the British. This assessment continued to operate during the entire period of the Company’s rule leading to agrarian problems. The problem was further aggravated by corrupt native revenue officers of the Company who were directly responsible for the implementation of government orders. The native revenue officers who made the early survey and the settlements under the Company had favorably assessed the lands of those who bribed them and heavily assessed those who did not bribe. Even though the Colonial government was aware of this anomaly it did not take any step to correct it. This was because the government did not want to alienate the powerful land lords who gained from unequal assessments. The land tax was assessed in kind and collected in cash based on a commutation rate fixed initially by the Mysore rulers, which did not undergo much change under the Company. In fact the peasants of Malabar had to pay a higher tax than what was fixed because the commutation rate was very often higher than the actual market price of grains. The commutation rates varied from taluq to taluq and sometime a village had different commutation rates. This irrational commutation rate compelled the peasants to sell more produce to meet their tax obligation. This often consumed the peasant’s share of the produce kept for subsistence and to meet the expenses of cultivation. Further the corruption of the revenue collectors, jugglery of the \textit{shroffs} (money changers and some time money lenders) and fluctuating exchange rates had enhanced the land tax to be paid by the peasants by 4-6%. The government did not take any step to remove the anomalies in the land tax assessment. Taluq-wise study of the land tax helped to demonstrate that the principle and magnitude of land tax assessment was not
uniform. Several Collectors of Malabar had reported about this anomaly and recommended re-survey and a new assessment but could not succeed. The land tax was paid by the cultivating peasants where the assessment was unfavorable and by the landlords where land was favourably assessed. It would be interesting to note that the available data show that the government was able to collect the exorbitant land tax from Malabar without arrears and sometime the arrear was less than 1% of the total assessment of these taluqs. This proved that even though the land tax was high in the Mappila taluqs they promptly paid it. British economic policies were aimed at increasing the government revenue and never intended to safeguard the interest of the common people and peasants. The land revenue system and judiciary worked against the interest of the peasants whose land tax formed the bulk of government revenue. The government did not give any impetus to the economic growth of the region.

The sixth chapter focuses on “Non-Agricultural or Indirect Taxes”. Different kinds of non-agricultural (indirect) taxes were collected by the British from Malabar. The English East India Company on realizing that it could not further enhance the land revenue started to search other areas from where it could augment its revenue. The result was a massive shift from direct to indirect taxes like (salt and tobacco) monopoly taxes, Sayer (miscellaneous taxes), abkary (tax on spirituous liquors), sea customs and moturpha (professional tax). This transferred the fiscal burden still more on to the shoulders of the poor. Very often these taxes were more oppressive than the land taxes and brought almost the entire population of Malabar, irrespective of their affluence and social status, under its purview. Next to land revenue, non-agricultural taxes were the highest source of revenue for the English East India Company. Under the system of monopoly, the manufacture and first sale of salt was the monopoly of the Company. Before the introduction of the monopoly Malabar produced adequate salt for internal consumption. After the introduction of salt monopoly, the
manufacture of salt was stopped in Malabar and salt requirement was met through import from Bombay, Goa and sometime from Arabia. Peasants and labourers who were formerly employed in the manufacture of salt were deprived of their source of income and employment. The monopoly had increased the consumer price of salt by 600-800% and this tempted the people to consume illegally manufactured unhygienic salt. Salt was one of the main articles of Malabar’s overland trade with Mysore, Coorg and Coimbatore and the monopoly had interfered with this trade. Similarly the first purchase and sale of tobacco was put under government monopoly. Before the monopoly tobacco needed for Malabar was imported from Coimbatore at a very low price. The monopoly had enhanced the prices of these essential articles by 600-700% and this had resulted in severe economic strain on all those who consumed it irrespective of their socio-economic status. Apart from the monopoly, the sayer was another indirect tax (miscellaneous) collected in the form of transit duty. This was a great clog to Malabar’s internal and overland external trade. The ferry tax was another most obnoxious tax imposed on the common man of Malabar. It was a tax collected from all those who were ferried or who crossed a bridge. The common man and poor labourers suffered the most from this collection of tax. Another important source of indirect tax was Moturpha (Professional tax). This was collected from self employed people and their tools except coolies and as such a professional tax which was very oppressive in nature. This was another loathsome tax which drained the meager income of the poor workers and petty traders who belonged to the lowest strata of the society. House tax, which was a part of moturpha was collected from all those who possessed house above a stipulated value, irrespective of their affordability. This was a source of perpetual complaint.

The seventh chapter entitled, “Price of Paddy and Rice,” deals with the price of grains (paddy & rice), during different years of this study. The price of paddy and rice is studied because Malabar was predominantly an agricultural district and the price movement
of paddy and rice had direct influence on the economic life of the people like the landlords, peasants, agricultural and non-agricultural labourers and the government revenue (land tax) collection. Moreover rice was the staple food of the people of Malabar and paddy (unhusked rice) was the major agricultural produce and revenue-generating commodity. Further majority of the people were involved in/connected with the wet land (paddy) cultivation either as landlords or as tenants or as agricultural workers and traders. Therefore the price fluctuation of rice and paddy had great influence on the earnings and the livelihood of the people of Malabar. There was no famine in Malabar during the period of study and the price movement was very often influenced by production and external demand. The study of annual prices of grain is also relevant because the land taxes were assessed in kind and collected in cash based on a fixed commutation rate, fixed long ago by Tipu’s revenue officers. The commutation rate was often higher than the market price of paddy. When the market price of paddy was lower than the commutation rate, then the taxpayer had to sell more paddies to raise adequate amount to pay the land tax. This was tantamount to collecting excess land tax above the already settled tax from the cultivating tenants. Available data on annual price of paddy would help to evaluate the excess tax collected from the peasants due to difference in the commutation rate and the market price.

In Malabar at the close of the 18th century and at the beginning of the 19th century the price of paddy and rice was high. This could be attributed to natural calamities that occurred in Malabar and in different districts of the Madras Presidency at the end of the 18th century and lack of good production. From the middle of the 1st decade of the 19th century the production increased and the price started to fall when compared to 1790s. However the increase in production did not drastically bring down the price of agricultural produces, particularly grain. This was due to increased export of rice and paddy. This is a clear indication that price movement was controlled by supply (production) and demand
External or export demand above a particular point (in excess of the available surplus) had always increased the prices. Increased production and lack of internal and external demand would have further pushed down the price. The integration of Malabar with British India had connected it with the network of Indian trading centers. As such the excess of production or lack of production in those areas or neighboring districts or other districts of the Madras Presidency had also affected the price movement of the agricultural products of Malabar. The excessive export of grains from Malabar, at times, increased the prices of grains in the domestic markets. As a result the ordinary people and labourers faced untold sufferings. As long as the production and export maintained a balance it did not disturb the price of grains in the Malabar markets.

The price movement was erratic and it reached its lowest ebb during the period of study in 1815/16. Therefore the price of grain (rice) during 1815/16 was taken as the base year price. In order to understand the price movements the base year price was compared with price of succeeding years and the percentage of difference in price was calculated. The price increased very rapidly between 1831/32 and 1834/35 and again from 1852/53 onwards. Between 1851/52 and 1857/58, a short span of 6 years, the increase in the price of rice was 101%. The government was happy with the increase in price as it facilitated the easy realization of land tax and was not concerned about its impact on the peasants, the working class and the poor. As the Malabar agriculture was purely rain fed a brief study of the rainfall is made. The south west and north east monsoon watered the first and second crops reaped in the months of August/September and January/February. Good harvest depended on the availability of timely and adequate rainfall. Excessive or lack of rain or untimely rain had on many occasions adversely affected the production leading to short supply of grains which increased the price. Even though timely and adequate rain helped in getting a good harvest, it had only limited control over the price movement.
There was regional and seasonal variation in the prices of grains. The price of grain was high in the coastal markets and port towns and low in the interior taluqs. The low price was due to non-availability of markets and lack of transportation to the coastal markets. Similarly in north Malabar the price of grain was very high and in south Malabar the price was comparatively very low. This could be due to the fact that most of the paddy fields were in south Malabar and garden lands were mainly in the north. The price was also high during the monsoon season. The price was low immediately after harvest. This was mainly because that all the tenants rushed to the markets to sell their produce (paddy) to pay the land tax. Surplus supply dampened the market and the traders determined the prices. In fact the rise in production of grains benefited the traders rather than the cultivators.

The Eighth chapter is entitled, “Malabar Currency System”. Malabar currency system was confused and complex because of the presence of large number of gold, silver and copper currencies of different countries. Tipu’s revenue officer Singam Pillai in 1792 informed the members of the Joint Commissioners that during Tipu’s period there were 120 coins in circulation in Malabar and was used as typical medium of exchange. However Malabaris had special infatuation for indigenous coins of Malabar the “Malabar fanams” (this terminology is used to differentiate it from other fanams current in the Madras Presidency). Coins indigenous to Malabar were tri metallic in nature; first gold fanams (old and new), current in south, secondly silver fanams current in the north and thirdly copper cash (kasu) in the south west Malabar that is Palakkad region. All these coins were not current in any other places of the Madras Presidency except Coimbatore and South Canara. This was because of the former’s proximity to Malabar and the latter’s extensive trade with them. However the most prevalent coins of Malabar were gold and silver fanams.

The present study focuses on the history of the currency system of Malabar. It also throws light on different kinds of metallic coins in circulation, the problems created by
the presence of numerous coins and the harmful effects of the presence of several fake Maratha coins. The scholar has also studied the pernicious results of the government policies of suddenly enhancing the government rate of exchange of current coins and the sudden withdrawal from circulation of coins particularly gold and silver coins including the indigenous gold and silver fanams of Malabar. These coins were remitted to Bombay from late 1830s and early 1840s and all these measures had led to the shortage of gold and silver coins in Malabar and artificially increased its value in the domestic markets. The scholar has also discussed the injurious practice of the arbitrary fixation of a high price(rate) of value on currency in which the merchants had made the(advance) payment for the produce they purchased especially pepper and cardamom from the cultivators, the nexus between the shroffs (money changers) and the taluq revenue collectors and treasury officers in fixing a low value, lower than the market value, for the coins in which the land tax was paid by the peasants. This very often forced the cultivators to pay more as land tax, some time 4-6% more than what was assessed. All these had an adverse effect on the material life of the people of Malabar as they had to pay more to meet their tax obligation. This was in addition to what they had paid in excess due to irrational commutation rates. Other important issues discussed in this chapter are the government and bazaar rate of exchange that prevailed in Malabar and the loss suffered by troops and other government employees due to the difference in the government and bazaar rate of exchange for the same coin in which the salary was paid. The money changers and local bankers (Shroffs) exploited the people because of the daily changing bazaar rate of exchange which the illiterate peasants were unable to understand. Ignorant peasants who could not identify the fake coins suffered the most as these coins were not accepted in the treasury for the payment of land tax and they had to approach a shroff to exchange it at a high discount.
In the absence of banks in Malabar the task of issuing Bills on distant places was carried out by government treasuries. Bills were drawn on government district treasuries and the district Collectors made the payments. Usually Bombay merchants got their Malabar bills issued either on the principal treasury of Calicut or subordinate treasuries. The district Collector made the payment on bills and it took 15 days for the realization of funds. In order to reduce this time factor and save the bill charges some Bombay traders used to send their funds to Malabar in their *Pattamaras* (big trading boats) which took 8-10 days to reach Calicut. Usually fake and worn out coins were changed at a discount varying from 1-5 %. Similarly currency which was in demand bore a premium.

Finally in the ninth chapter entitled “*Summation*” the Scholar has summed up the findings of the previous chapters.