CHAPTER IX
CONCLUSION

The British had always maintained good diplomatic relations with Maharaja Ranjit Singh. But after the demise of the great Maharaja, there was political instability in the Punjab for ten years (1839-1849). The Lahore Darbar turned into a hub of bloodshed and conspiracies. The British had been eyeing since long the province of Punjab. Following the two Anglo-Sikh wars, the Punjab was finally annexed into the British territory by the proclamation of 29th March 1849.

The occupation of the Punjab was a challenge for the British Government because the resources of the country were worn out during decade long strife and had to be developed. To maintain peace in the Punjab was not easy. The British had to face the challenge to disarm the Khalsa Army, had to deal with the dacoits and thugs who were raving the countryside and had flourished during the years of anarchy following Maharaja Ranjit Singh’s demise. Apart from these there were fierce and unruly tribes on the North-West Front and these people were really difficult to keep under control. Trade and commerce was hit hard due to unstability in the region. The agriculture was in bad shape and not on scientific lines. It was the mainstay of the people so agricultural prosperity was to be on priority. Agriculture was dependent either on monsoon or on the well irrigation so the work on the canals was to be accelerated. There was hardly any paved or metallic roads during the rule of Maharaja Ranjit Singh. Though there were some paved roads in hilly areas, they were meant for military purpose. The British had to introduce several economic measures to make the province of the Punjab a profitable possession for them and prosperous for the people.

The Board of Administration was established in April 1849 consisting of Sir Henry Lawrence as President, Sir John Lawrence and Charles Mansel as members. Henry Lawrence was responsible for political and military reforms. John Lawrence on the other hand was laying the foundations of a sound economic structure. He had to grapple with the intricacies of finance and land settlement. Charles Mansel had to look after judicial and other affairs.
After annexation of the Punjab, disarmament of the Khalsa Army was a priority for the British. It was feared that the delay might give breathing time to the people of Punjab and they could oppose the idea of disarmament. The Board therefore, issued a proclamation calling upon the people to surrender their arms and demolish all private fortifications and strongholds. Thousands of Maharaja Ranjit Singh's veterans were paid up their arrears and discharged. The disbandment of the Khalsa Army put an impact on the society and economy of the Punjab. Disarmament resulted in unemployment and it was feared that they might indulge in malpractices and criminal activities, therefore, the British Administration under the Board of Control offered lavish concessions to the people of Punjab in agricultural sector to woo them. Low rate of land revenue, improved irrigation system, land deeds and accelerated public works were initiated. The agricultural prices soon fell due to increase in the production and it was not possible at that time to export agricultural produce because there was lack of transportation. Moreover accessibility to the markets outside Punjab was not easy. This brought the British to face to face with worth of Public Works like roads and bridges to be developed.

The British Government paid attention towards the land revenue assessment. Prior to annexation, the payment of land revenue was in kind but the British made it compulsory that the land revenue be paid in cash. The Governor-General instructed the Board of Administration to win the goodwill of the people for the British rule. In the view of British administrators their rule depended on rural loyalty. A contended peasantry was necessary, so that their rural base had to be strengthened. They even reduced land revenue whenever it was required.

Henry Lawrence and John Lawrence were hardly unanimous in their decisions regarding the land revenue policy. Henry Lawrence sent his resignation to Lord Dalhousie, which was accepted and Lord Dalhousie thought it fit to abolish the Board of Administration. By the end of the period of the Board, it had laid a strong foundation for the British rule in the Punjab by its though limited economic policies. The measures taken by the Board from time to time for the welfare of the people and determined to win the goodwill of the people proved beneficial not only for the people of the Punjab but also for the British rule thus creating a loyal base for the British.

Sir John Lawrence was appointed the first Chief Commissioner of the Punjab.
The policies regarding public works, agriculture and land revenue settlement accelerated rapidly and it made the people think that the British rule was not for their exploitation rather it was to uplift their lives. The British carried out the policy of consolidation of British rule throughout the years of 1849 to 1857 and as a result, the most powerful princes of Punjab sided with the British during the Revolt of 1857. The people showed loyalty to the Crown because the British had not missed any opportunity to win over the sentiments and confidence of the people. They reduced land revenue whenever it was required, they managed to provide better irrigation facilities and loans for the peasants, non-interference in religious matters. They put every possible effort for the spread of education and maintenance of peace in the province.

Agriculture was the mainstay of the people of the Punjab so it was necessary for the British to develop it by making it less dependent on the caprice of nature. It was observed by the government that by judicious measures, the agricultural produce of the Punjab may be increased in quantity and improved in quality to the immediate benefit of the people and ultimate benefit of the British Government.

Under British rule considerable development was made in the agricultural technology. High yielding varieties of crops were either brought from other countries or were evolved on various research institutions in the Punjab and elsewhere in India. Some cash crops like tea, flax and indigo were introduced. These contributed towards enhanced income for the peasants and revenue for the British as well.

The expansion of the means of irrigation and technology brought a considerable waste land under the plough, increased the productivity and the total agricultural production of the Punjab. The means of transport and communication commercialized the character of the village economy. The wheat from the Punjab found ready markets in Europe. Its commercial success brought economic prosperity to a considerable number of land-owners of the province. Relative success of different crops played a decisive part in the cropping pattern. The province began to grow crops based on their relative profitability in markets, far and wide, rather than on the more immediate needs of personal consumption for subsistence.

The establishment of canal colonies was one of the most notable achievements and turning point in the economic history of the Punjab. The area which before
colonization could not produce enough grain for its population became exporter of large quantities of grain. This was a feat in British economic policy in the Punjab.

The colonization led to urbanization. New urban centers came into being. These new found urban centers like Lyallpur and Multan became producing, collecting and distributing centers of furnished and specialized goods and varieties of commodities for national and international markets. The economy of the province improved and contributed towards higher standard of living and gradually there was every sign of better living standard and prosperity. The people once described as pastoral, became industrious agriculturists and residents of well-planned houses. With the passage of time, the colony villages no longer looked like the rough camps of pioneers but acquired the appearance of well-ordered villages in a prosperous province.

Another important factor that put an impact on the Punjab economy was army recruitment policy of the British. The British wanted to make it sure that the army remained loyal to them. This led them to pursue a relatively benevolent policy when dealing with militarized men or with militarized region. The government initiatives were aimed to protect the interests of recruited groups and enhanced their local standing. The British knew it very well that the Sikhs were brave and they had recognized the high soldiery qualities of the Sikhs during the two Anglo Sikh Wars so after annexation, the Punjab Irregular Frontier Force with Sikh recruits was being formed as local body. Next to it, a police force was established with a view to strengthen the executive power and suppress internal disturbances.

Following the Revolt of 1857, the administration of Punjab came under the Crown as anywhere else in India. In February 1858, a major administration change was made when Delhi was transferred from North-Western Provinces and placed under Punjab administration. Under the Crown army recruitment from the Punjab increased largely from rural areas. An understanding of the relationship between the colonial state and the new army is crucial not only in understanding the nature of imperial rule but also the economic aspect of the army recruitment. Army played vital role for the Imperial expansion. The British got first rate soldiers from the Punjab for the salaries that were fixed in India. Punjab soldiers especially Sikhs fought for the British everywhere in the British Colonies, in Central Asia, in Afghanistan and elsewhere during the period under
study. It later on played a major role in World Wars I and World War II as part of the army of Allied Powers. Thus the Sikh recruits served their purpose well as they were first rate soldiers. No doubt, the economy for the British was not only to make money but to get army and funds to fight wars or their behalf too. There was certain and fixed salary in the British army so almost every Jat village used to send recruits in the army. The proportion of Sikhs increased in Bengal and the Sikhs used to send money to their families in Punjab which was utilized for paying the land revenue that was in cash and to add to the living standard of their families.

The British Army became the largest source of employment in the Punjab at that time. The army helped the British to conquer, subjugate and control the empire. It simultaneously provided a regular and significant source of income to its soldiers. Many Punjabis went overseas to serve in the military and police. Most of these men were drawn towards such employment by pay scales substantially in advance of those available in the Indian Army. The service in the Indian Army secured for its soldiers benefited back in India, as the pay of the soldiers was invested in land and jewels. Many retired soldiers took up their residence in Canal Colonies because they received land grants. One source of the Punjab’s enduring prosperity throughout the late nineteenth century is surely to be found in its position as a vast recruiting ground for the Indian Army. Therefore, both in terms of large percentage of serving troops and recruits and in terms of military expenditure, Punjab was the subject of an abnormally high level of resource input.

The recruited peasantry of the Punjab benefited from the army recruitment policy of the British because the pay and pensions bolstered economic capability, close interaction with the British raised social standing and the policies of the government strengthened the economic position of the people of the Punjab. The greatest help by the peasantry was in supplying men. They fought bravely and many were rewarded with military decorations. Many people who served in the Indian Army, settled abroad and all that gave stimulus to their economy and hence of the province.

With rapid industrialization of England, need arose for new sources of raw materials and new markets. Being a part of British India, the Punjab was thought to be a potential source. The chief handicrafts of the province were those of weavers, the shoemaker, the carpenter, the potter and the craftsmen in brass and copper.
The slow decline of the village industries was largely due to the nature of village community itself, where each clan, if not each village, was relatively an independent economic unit. The artisans served the village society according to their specialised skills under the arrangement generally known as *sepi* system. They shared with land owners the mutual obligations for work and payment. The remuneration of artisans for these services was determined by the local customs. They were paid in kind by a fixed share of the produce from land. The relatively self-sufficient organisation of the village community helped the village industries to survive the foreign competition. The British did not disturb this as their products were for major cities or to be transported to Central Asia through Punjab.

The very character of the artisans was another reason of the slow decline of the village industries. Though the cottage workers were well aware of the competition with machine-made goods, they were unwilling to give up their hereditary occupation due to hard conditions of the factory work. In the Punjab, particularly in small towns, the artisans clung to their traditional professions because the manufactured goods from outside were slow to reach the small towns of the Punjab. The demand for certain local handlooms like *khaddar*, *durries* and *khes* continued. The British had realized that it was not necessary to force their products on the local people at the village level. So economic policies in the Punjab were not to yield profits by force but to convince the people and make larger gains in this frontier province.

Public works accelerated rapidly during the period under review (1849-1901). The G.T. Road, starting at Calcutta, ran through Northern India to Delhi, Ambala, Ludhiana, Jalandhar, Amritsar, Lahore, Jhelum, Rawalpindi, Attock and ended at Peshawar. Road from Karnal to Ludhiana was opened in 1852 and Beas to Lahore in 1853. The opening of Grand Trunk Road also led to the growth in trade. The development of railways, roads, post and telegraph received considerable attention from British Government. The railways received priority because for the British Government, the benefit and revenue from river transport and roads was not as much as that of railways.

The introduction of roads and railways was to strengthen the British control over the country by enabling rapid movement of troops and trade. The aim of British
administration was the continuation of British rule which required the maintenance of law and order and safeguarding of the established rights besides generating road and post cesses. So in order to consolidate their control, the necessity of assembling villages and towns into single administrative system stimulated the development of transport in the Punjab. The British Government knew that only good means of transport would strengthen their control over the Punjab. The Government was focused to develop the railway lines in India because the problem of recurring famines was a challenge for the government and railways promised to be of greater benefit against natural calamities than any length of metalled roads. Another reason for paying more attention towards the extension of railways by the British was the British manufactures that reached more quickly to the interior of Punjab and could collect raw material like cotton and wheat thus making double profits.

The introduction of Post and Telegraph by the British was a milestone for communication. It made administration more efficient besides the stamp duty, the parcel fee and telegraph cost open to public, all made it a good source of revenue. Telegraph offices were opened at five important stations viz. Amabla, Jalandhar, Lahore, Rawalpindi and Peshawar. This system proved to be efficient and well organised. The telegraph communication proved extremely beneficial for the British during the Revolt of 1857.

In order to fulfill their imperial policies, the British accelerated the public works. The old roads were repaired and the new ones were built, the railways were introduced and attempts were made to improve river navigation. The development of the public works proved beneficial for the British Government and for the people of Punjab as well. The development of the public works stimulated the trade of the Punjab and it provided employment to the people of Punjab. The British earned revenue through trade related taxes, tolls and from travel. Some aspects of public works like dispensaries and hospitals were however, not a part of economic policies, these were welfare schemes.

The rural indebtedness was a problem faced by whole of the agricultural community during the period under review (1849-1901). The large number of petty land holders, tenants at will, agricultural labourers and rural artisans whose incomes often fell short of consumption needs, for them it was necessary to borrow for subsistence. Above
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all, the land revenue was to be paid in cash. The clever usurer encouraged borrowing in order to secure control of the production besides heavy mortality amongst cattle which drove the cultivators to borrow from moneylenders. They took loans both in kind and in cash at exorbitant rates of interest which soon compounded into impossible sums. The need to replace old animals or those lost because of drought or disease was a recurrent phenomenon and the expenditure involved was considerable. Before the British rule, although the debt was a common feature but the moneylender was not so powerful as he subsequently became. This was because of existence of a vigorous village community which kept the moneylender in partial check. As the problem accelerated during British times they promptly introduced legal system to check it.

The peasant proprietors of the Punjab had to face several challenges because people from non-agriculturist castes especially Banias were grabbing land. One of the much thought over economic policy was the Punjab Alienation of Land Act of 1901 that prohibited the transfer of land from Punjab agricultural tribes to non-agricultural tribes and money-lenders. This nipped the problem in the bud and saved the backbone of Punjab economy-the agriculture and thereby the peasantry.

The economic policies of the British Government were focused on making the province of the Punjab self-sufficient. It was clear from the very beginning that the British did not want the Punjab to become a burden on their exchequer. After introduction of the policy of decentralization, the economic policies of the British were placed on a strong foundation. They knew it very well that the province would give them revenue only if its resources were developed. The Punjab was a frontier province so the British were fully aware of its strategic worth. Money was always spent on the maintenance of the frontier-the North West Frontier. The western part of the province otherwise being a wasteland, they knew it shall yield good income once the irrigation system was improved. The classic case of Canal Colonies shows that investment in agriculture and irrigation was a good economic policy that paid off later. They spent on public works and invested in army recruitment. During the period under review, the province of the Punjab showed not only economic stability but also became a major strength for the British and by 1901 when North West Frontier Province was created the Punjab was even spared the economic burden and to protect and maintain the notorious
The British found it difficult to submit even till the end of their rule in India. The Punjab that was added to the British Indian possession in 1849 was chaotic, strife ridden, economically hollow but the Punjab in the year 1901 was stable, organized and self-sufficient. The British economic policies in the Punjab were to serve their own interests, to have a strong defence on the frontier but the people also progressed under peace and organized economic policies of the British in the Punjab.