The present study spans more than a century. The key processes that continue to form the subject matter in the state took shape during this period. The establishment of the Dogra rule was not merely a political change but a comprehensive transformation of the very character of the political structure. The new rulers did not arise from any established social setup of Kashmir. They were ‘strangers’ and with a military background having a mercenary character, whereas Kashmir was more or less a purely agricultural society. Being ‘outsiders’ the new regime initiated policies and followed principles of governance that upset the established agrarian order as never before. Like any other regime in the past the new rule was dependent on the taxation of agricultural production. However, it was also committed to ‘protect’ the industry and trade, which was beginning to play a major supporting role in the economy. With the further consolidation of their rule, inequalities grew and Kashmir’s economy was transformed into a virtual slave economy.

The central fact was the built-in tendency of the entire system against significant advances in productive technology and organization. It made the economic activity dependent on a very distant and unknown foreign market through a formidable chain of intermediaries. As a result the cultivating class of Kashmir was repeatedly made to bear the burden of widely fluctuating revenue system. However, what remained largely absent was any structural need to invest in direct agricultural production. There was little incentive to technological innovation given the existence of a numerous rural proletariat rendered abjectly dependent by a combination of pressures and indebtedness. Consolidation of feudal land relations was, therefore, the hallmark of the Dogra regime on the agrarian scene of Kashmir, where without investing anything in land and industry the landlord grabbed the lion’s share. It is to these social relations in agriculture that the thesis has attempted to go into in order to lay bare the driving forces behind the agrarian crisis.

The Dogra structure as a whole, to quote Daniel Throner, constituted a ‘built in depressor’ for Kashmir’s agrarian economy. Kashmir became a victim of the ‘unholy trinity’—to borrow a term from Sundra Patel—which consisted of ‘subjugation, ruralization, and retardation’. The Dogra Maharajas’ purchased notion of Kashmir
induced a forced and uncontrollable mechanism of tax collection and ensured a speedy
destruction of the handicrafts. In fact, rural labour and rural poverty represented a process
of politically induced economic impedance in a region otherwise capable for
industrialization and economic growth as per the findings of the various committees
revealed in chapter four.

This study has ventured to share a dialogue with the social structure without
necessarily sharing an ideology. The previous studies on the selected theme have
explored the economic cause, but have treated it superficially. Consequently, it was yet to
be explored in its profundity to produce a consistent story that can accommodate the
central tendencies as well as the variations within the economic structure to lay bare its
consequences. There was a general absence of the institutions with the means to enforce
rules or create an incentive structure that could encourage individuals to take certain
action in preference to others. Growth begetting rules reduce uncertainty, transaction
costs and encourage market exchange. Bad rules do the opposite. In a society where there
are legal safeguards against fraud and these are enforced properly, institutions encourage
more stable and mutually profitable economic exchange.

However, the cycle of extraction of surplus value intensifies class struggle, which
in turn threatens to destabilize the system. The dominating trend during the period was
total extraction of the surplus which led to what Andre Gunder Frank has called the
‘development of underdevelopment’—explaining the persistence of, and the origins of
underdevelopment in terms of transfer of surplus. In fact, the Dogra regime used their
political control to subordinate both agrarian and non-agrarian economy of Kashmir to
the needs of the minuscule population of their ‘own’. Special codes were formulated like
the Pratap Code and the usage of the variety of different modes of exploitation through
taxation, unequal employment distribution and the irrational use of the resources of
Kashmir. The collective monopoly of resources which became a striking feature of the
industrial and commercial life of particularly the urban economy of Kashmir led to a
strangulated economy.

The people of the state began the search to find a way out of the impasse. By the
turn of the twentieth century the Kashmiris were hit hard by rising prices, diminishing
employment opportunities in government services or professions and restrictions on sale
and mortgage of land. This helped to create a curious amalgam of radicalism and social inhibitions which formed the basis for the understanding of nationalism in Kashmir. The struggle for freedom was basically the result of a fundamental contradiction between the interests of the people of Kashmir and that of the Dogra autocratic regime. Kashmir during the period was economically regressed. The freedom struggle, thus, was a struggle for economic emancipation.

With the launch of the freedom struggle the people of Kashmir marched from the ‘realm of necessity to the realm of freedom’; 1931 was the culmination of that. The year marked a turning point in Kashmir politics breaking the past submissive approach of the masses of Kashmir to whatever was forced upon them. Despite all the slide-backs, limitations and contradictions, which at all, this amounted to was the irreversible historical fact of the entry of the masses of Kashmir into active political life. The year 1931 marked the transition point. The diminishing returns crisis in rural Kashmir broke out from the time of great depression. It was too powerful a phenomenon to be offset by the better performance of industry in the post 1931 Kashmir. The preceding decade had seen a rise in the tax rate in agrarian sector, marked by acute grain crisis and the artisan classes were hard hit by the slow growth and cheap marketing facilities, facing a large deflation, the already indebted classes and absence of rise of real wages squeezed the marginal peasantry hard. It was too powerful as the peasantry got exhausted and a rural crisis was about to break out. The previous year’s saw a strengthening of the four conditions that made the 1931’s such a setback- exhaustion of opportunities in agriculture, weakening of marketing incentives, relatively small growth of non-agricultural activities and demographic transition. All this entails a rather different narrative from what the mainstream historiography of the freedom movement in Kashmir has usually described in relation to the national awakening of Jammu and Kashmir.

The vision of the ‘National Movement’ in Kashmir, that the economy was to be developed along independent and self-reliant lines was combined with pro-poor, radical, socio-economic orientation that enabled the movement to base itself on the politically awakened and active people and to acquire the character of a popular people’s movement. It was the greater involvement of the middle class and merchant classes with the national
movement, along with the rise of the new leadership that the movement achieved the character of a mass movement with fairly clear economic roots.

An integrated analysis of the themes of agrarian and non-agrarian structures makes possible an assessment of their role as determinants of the people’s movement in Jammu and Kashmir. The state, in general, and Kashmir valley, in particular, underwent substantial change in the twentieth century largely as a result of human agency in the form of state interventions. Fluctuations in the economic system cast a stronger influence on the regional agrarian economy than movements of population. Peasants who had resorted to single crop economy were especially vulnerable to downturns and periodic crisis keeping in view the unregulated economic system. In the third decade of the twentieth century population increase generally provided a positive impulse to innovation in agricultural techniques but was blocked or aborted by social and political obstacles embedded in the complex layers of property and possessory rights to the land which underpinned the agrarian power structure.

The major types of social organization of production identified in this thesis did not display a remarkable degree of adaptability and resilience. The Dogra state concerned themselves with the stability of revenue receipts, armed the renter landlords with considerable legal powers of extra-economic coercion which laid the foundation of revenue and rent offensive. In the long run it facilitated the process of twisting agrarian economy and society to an export orientation. Two processes were particularly active: fragmentation of land and changes in occupation, a mix that drove a large number of general rural labourers into dependence of agricultural labour. Peasants turned into wage labourers on a large scale. Artisans lost livelihood and crowded into agriculture, adding to landlessness. That many artisans did lose their traditional living is beyond question. There can be two meanings attached to this trend: a quantitative one of a large decline and a qualitative one of a destruction of the potentialities to industrialize. Silk weavers, shawl bafs, English educated and religious class all discovered a convergence of interest in fighting the regime out. The decline in the economic activities of these classes had far-reaching consequences on the evolution of the social and political landscape of late nineteenth and early twentieth century Kashmir which the study has amply brought out.