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CLASS – 11

ECONOMICS

Indian Economy Development

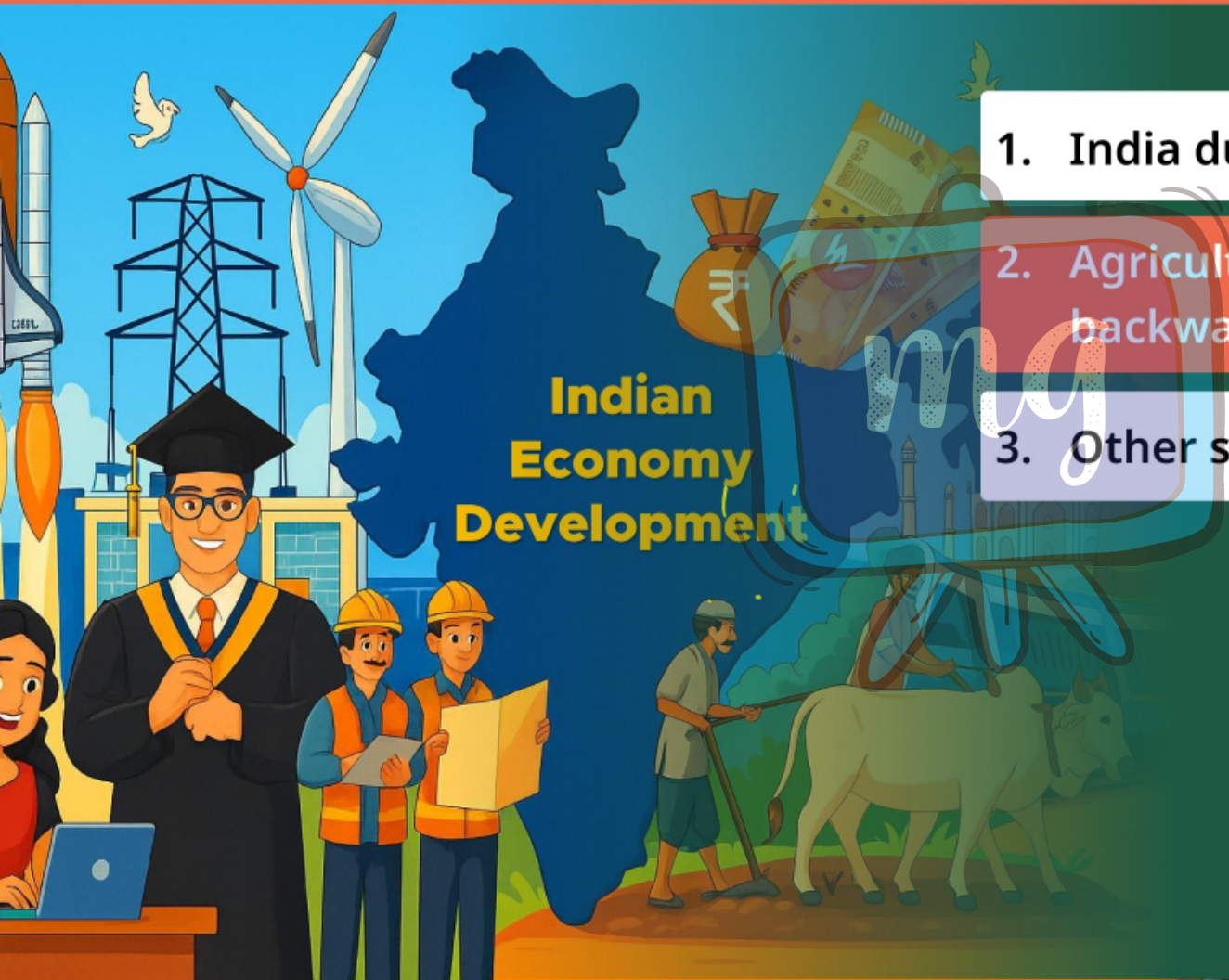
CH–1 : Indian Economy on the Eve of Independence

Part – 2

Agriculture Backwardness under British Rule

Vaishnavi Agrawal

OVERVIEW



1. India during British rule
2. Agriculture and Industrial backwardness under British rule
3. Other sectors under British rule

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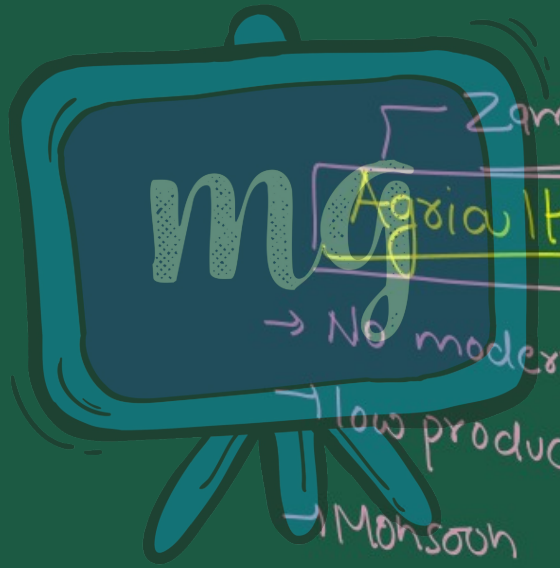

Zamindari

Agriculture

→ No modern technique

→ low production

→ Monsoon

→ Famine – Bengal.

→ Poverty.

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AGRICULTURE BACKWARDNESS

1. Dominance of Traditional Methods

- Farmers used primitive tools, wooden ploughs, and bullock carts.
- There was no use of modern technology like tractors, fertilizers, or irrigation systems.
- Low crop yield per hectare due to lack of innovation.

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2. Land Revenue Systems (Zamindari, Ryotwari, Mahalwari)

- Introduced by the British to ensure regular revenue collection:
  - Zamindari System (Bengal, Bihar) : Zamindars collected taxes, often exploiting peasants.

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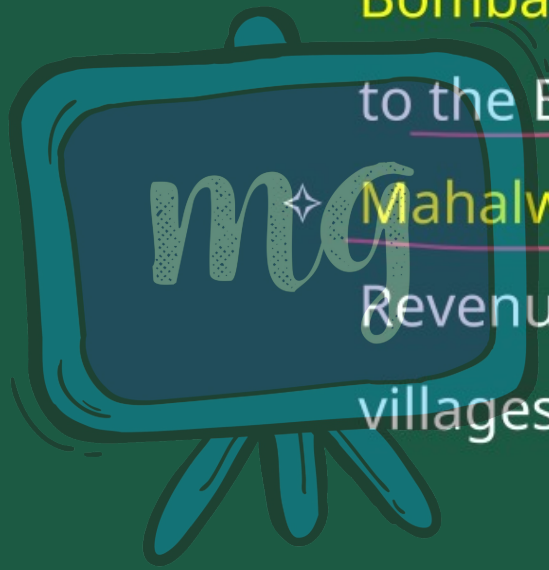
- Ryotwari System (Madras, Bombay) : Farmers paid directly to the British but faced high taxes.
- Mahalwari System (Punjab, UP) : Revenue collected from entire villages.



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☛ Result : Peasants were overburdened with taxes, often had to take loans at high interest rates, leading to indebtedness and landlessness.

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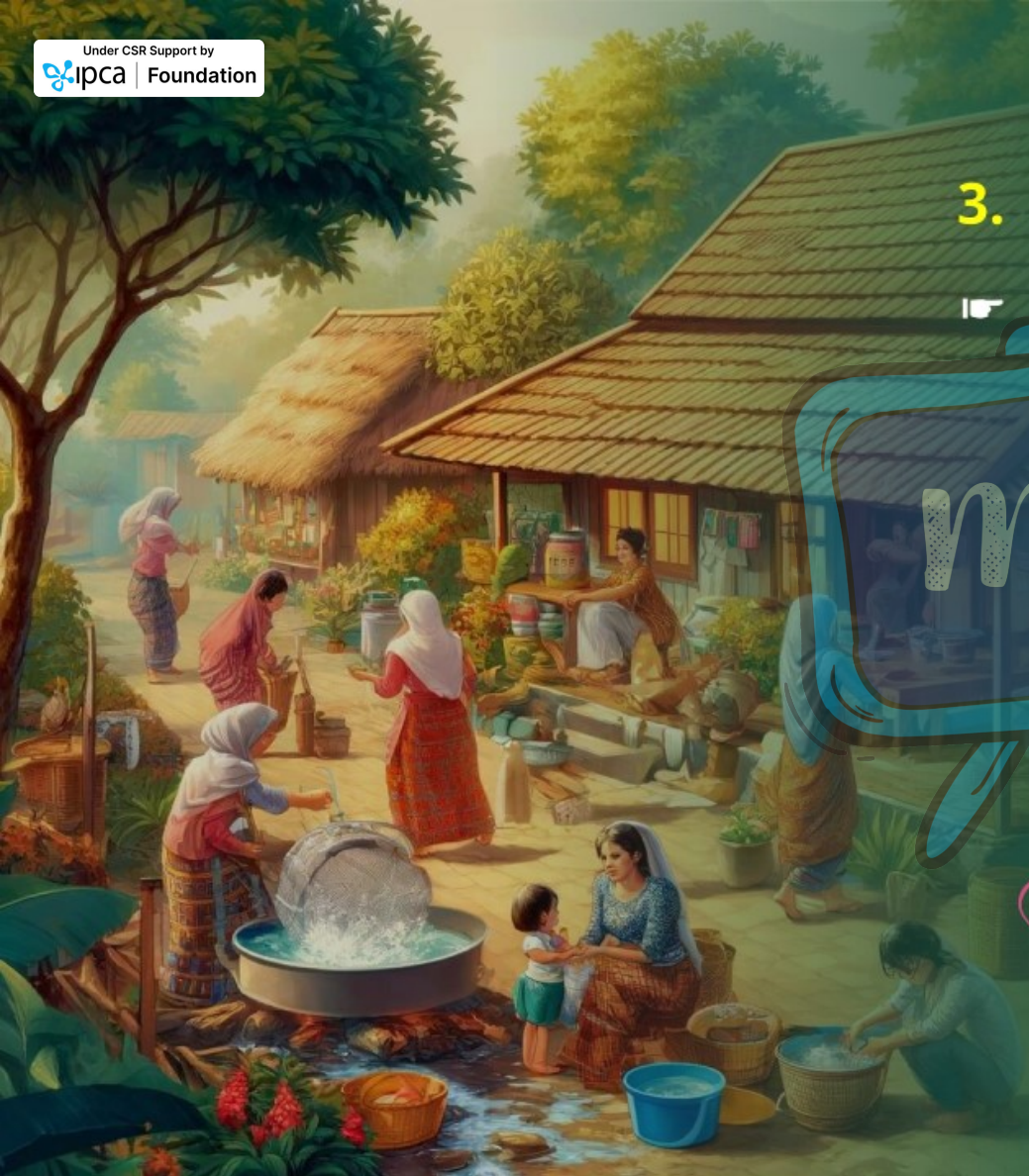

3. Low Productivity

☛ Crops had very low yield compared to global standards.

Reasons :

- Lack of irrigation
- No crop rotation or soil improvement
- Poor quality seeds

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4. High Dependence on Monsoon

- Most of Indian agriculture was rain-fed and monsoon-dependent.
- In years of poor rainfall, crops failed, leading to famines and starvation.

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5. No Investment in Agriculture

- The British made no efforts to:
  - Develop rural credit
  - Build irrigation systems
  - Provide education or training to farmers
- Instead, they extracted wealth from agriculture without reinvesting.

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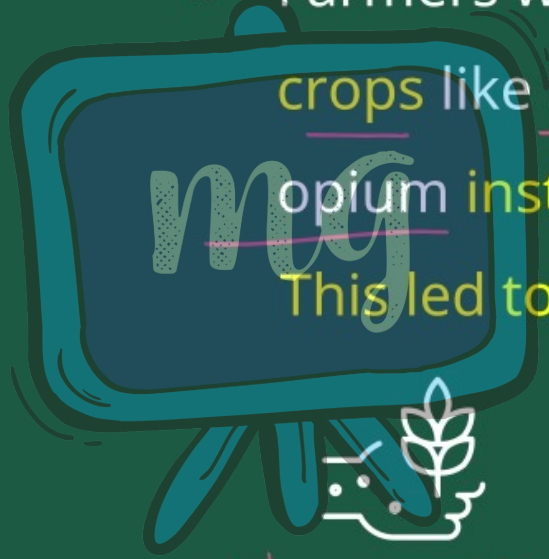
6. Commercialization of Agriculture

☛ Farmers were forced to grow cash crops like indigo, cotton, jute, and opium instead of food crops. This led to :



Shortage of food grains

Increase in famine

Dependence on imported food in some areas

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7. Famines and Food Insecurity

☛ India faced several major famines:

Bengal Famine (1943) killed 3 million people.

These were caused by :

- Poor food distribution
- British export policies
- No emergency relief systems

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INDUSTRIAL SECTOR DURING COLONIAL RULE

1. Decline of Traditional Handicrafts

- India was once famous for its handicrafts and textiles (especially cotton and silk).

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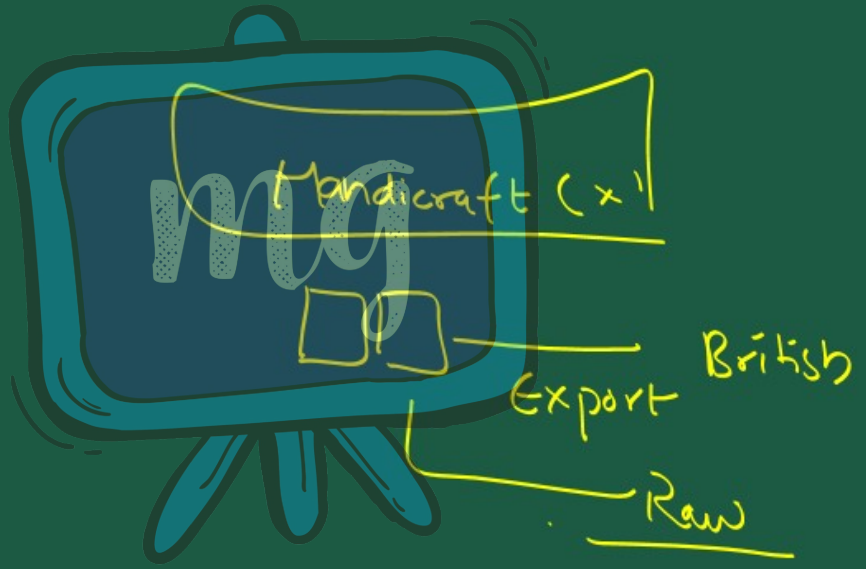

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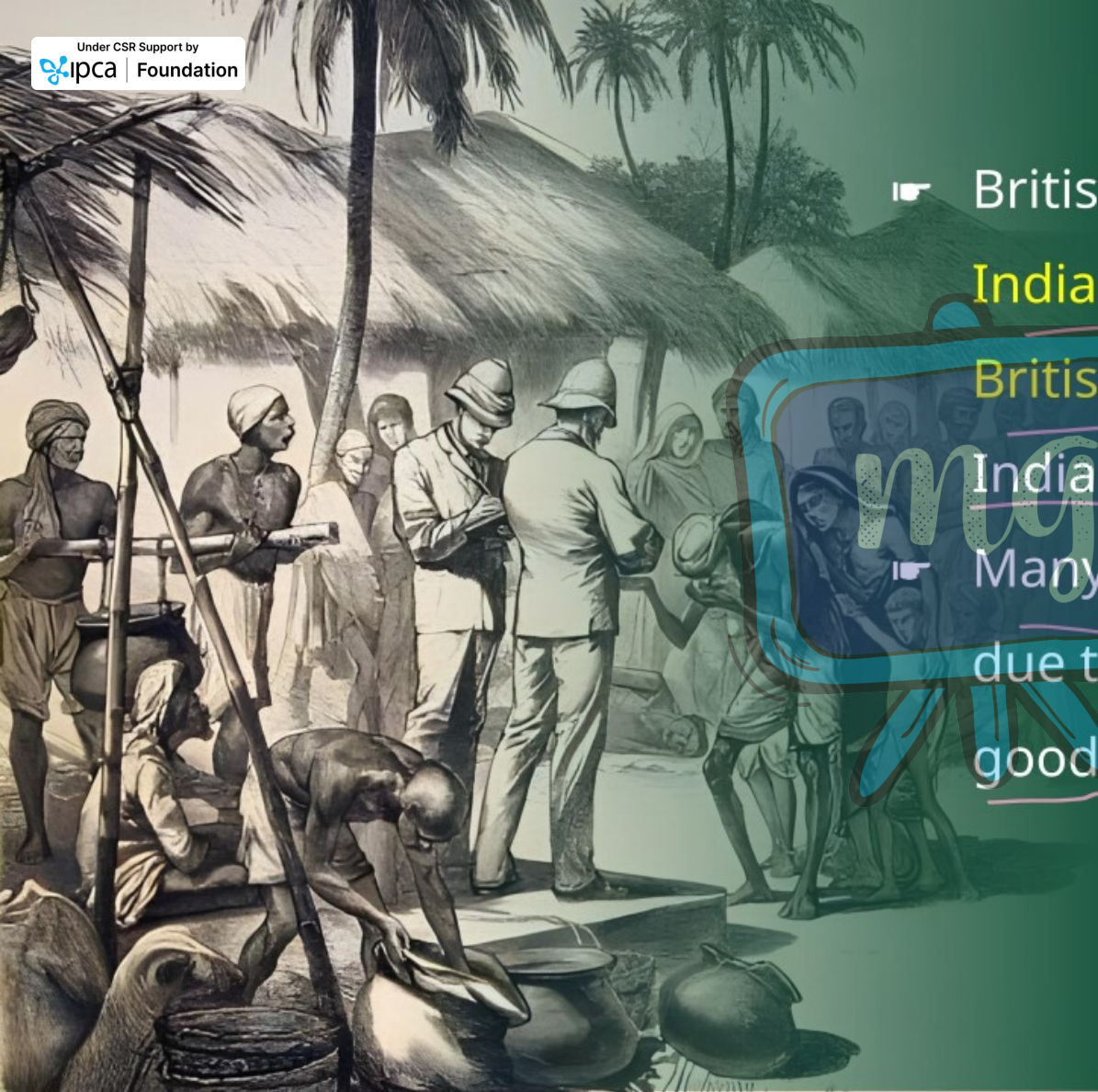

- British policies, like high tariffs on Indian textiles and free entry of British manufactured goods, ruined Indian artisans.
- Many artisans lost their livelihoods due to cheap, machine-made British goods flooding the Indian market.

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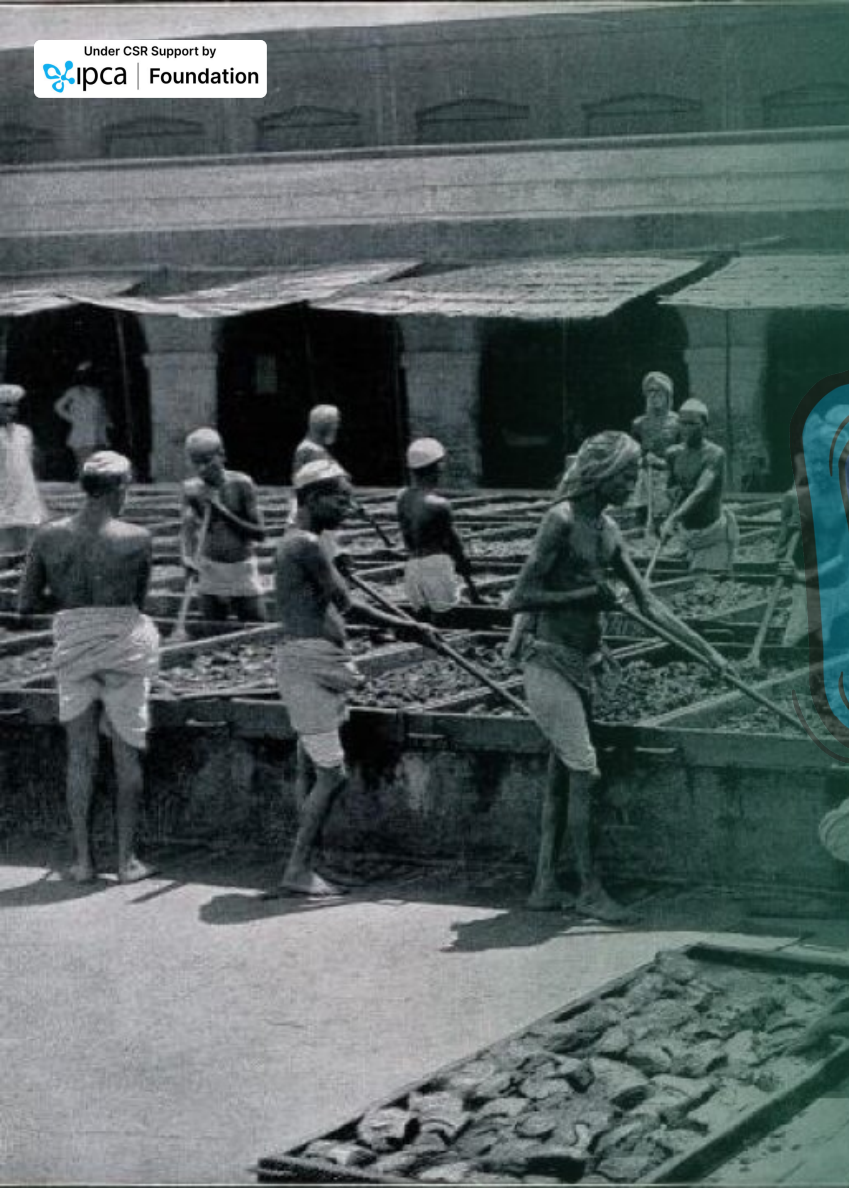

2. Limited Development of Modern Industry

- The industrial revolution in Britain was not extended to India.
- Very few industries developed, mainly:
  - Cotton textile mills in Bombay and Ahmedabad.
  - Jute mills in Bengal.

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- Some iron and steel works towards the late 19th century.
- These industries were mostly British-owned and focused on exporting raw materials and finished goods.

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3. No Capital Goods Industry

- India lacked industries producing machines, tools, and other capital goods.
- This meant India had to import machinery from Britain, perpetuating economic dependency.

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4. British Policies Discouraged Industrial Growth

- Tariff policies favored British goods and discouraged Indian entrepreneurs.
- Lack of financial support and infrastructure for Indian industry.
- Profits made in Indian industries were repatriated to Britain.

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5. Industrial Concentration in Few Areas

- Industrial activities were concentrated in urban centers like Bombay, Ahmedabad, Calcutta, and Jamshedpur.

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LEARNING OUTCOME

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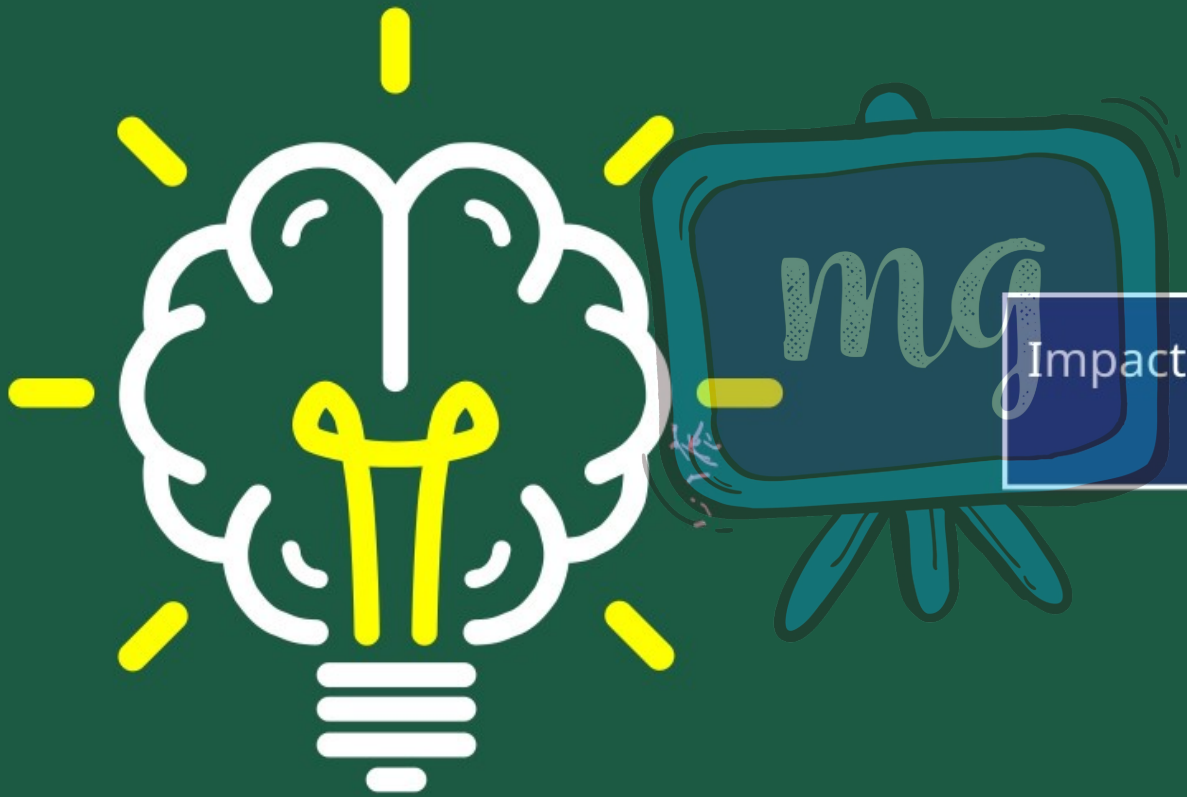

Impact of British rule on Agriculture and Industrial Sector

1 What was the effect of British rule on India's handicraft industries?

A They flourished during British rule

B They remained unchanged during British rule

C They declined significantly during British rule

D None of the above

2 Why did Indian agriculture remain backward during British rule?

A Lack of irrigation facilities

B Lack of modern technology

C Colonial exploitation and lack of investment

D All of the above

3 What was the impact of British land revenue policies on Indian agriculture?

A It led to agricultural growth

B It led to agricultural stagnation

C It had no impact on agriculture

D It promoted agricultural exports

4 Why did the British government not invest in Indian industries?

A Lack of funds

B Lack of interest

C Colonial economic policies prioritized British interests

D All of the above