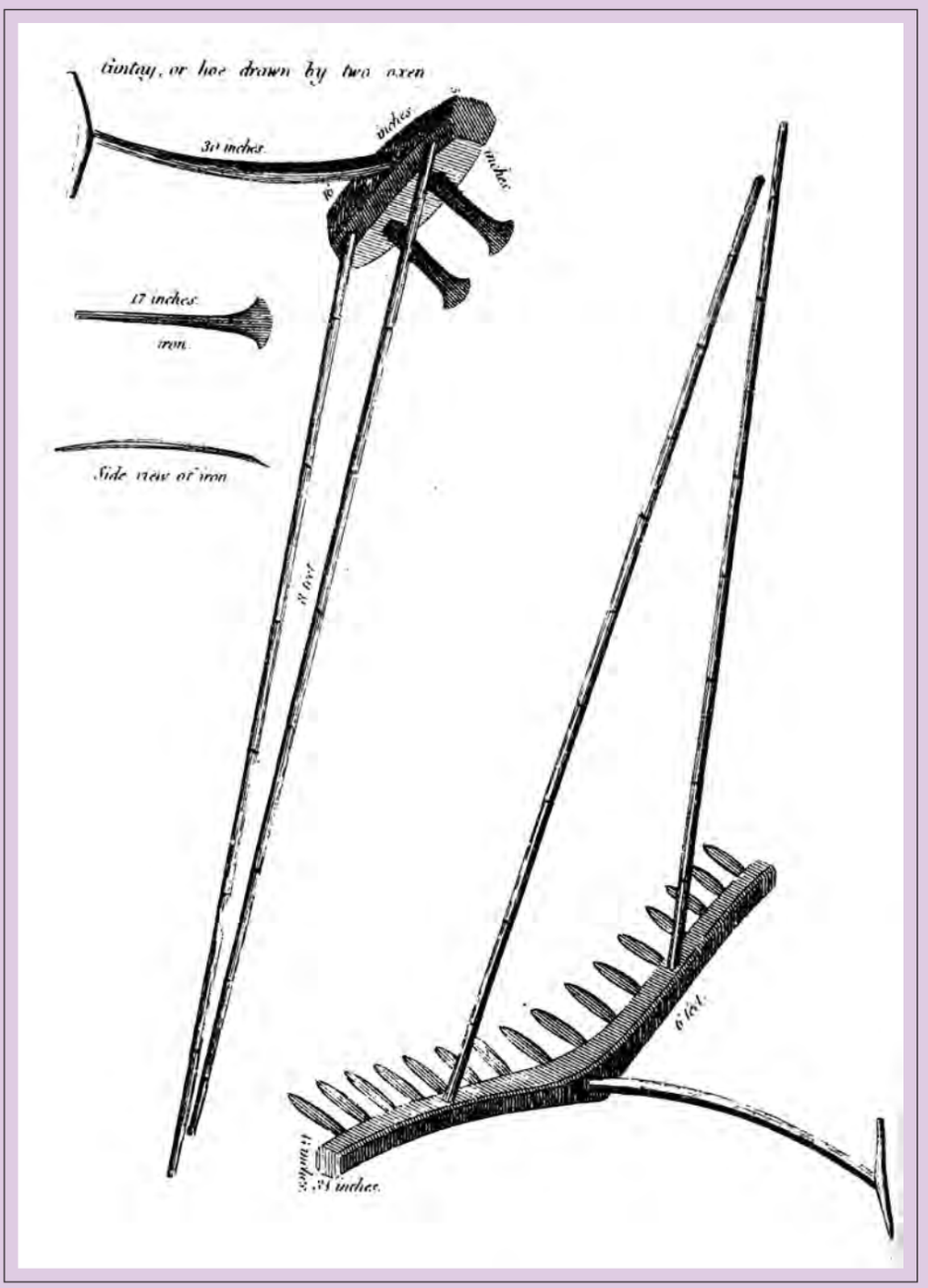
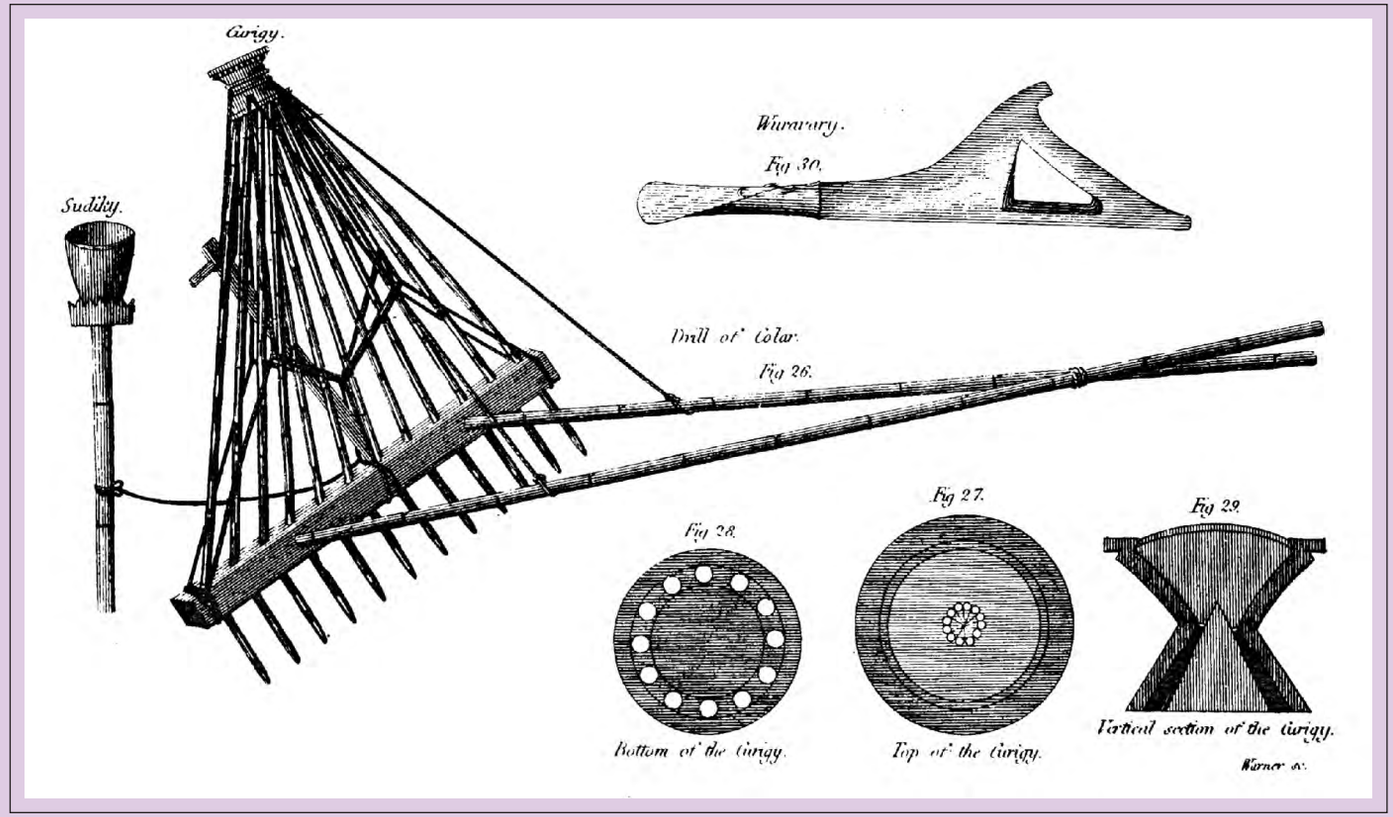
Chapter XI

ECONOMIC CONDITIONS

Haidar and Tipu's period is significant in the history of India, for they provided the economic base for the political activity of the late 18th century in the teeth of British imperialism. More than Haidar, it was Tipu who set ablaze intense economic development in a key State just at a time of British capitalism and colonialism. It was Tipu who assessed the trends of western political and economic development which aimed at subverting Indian economy to suit colonial interests. Instead of succumbing to foreign forces Tipu attempted to present an alternative model which was his own brain-child, and which given an opportunity to blossom forth might have yielded good results. This model was to be evolved by grafting the western mercantilism on the structure of Indian economy, by eliminating the harmful effects of indigenous feudalism, and by giving a



Agricultural Implements



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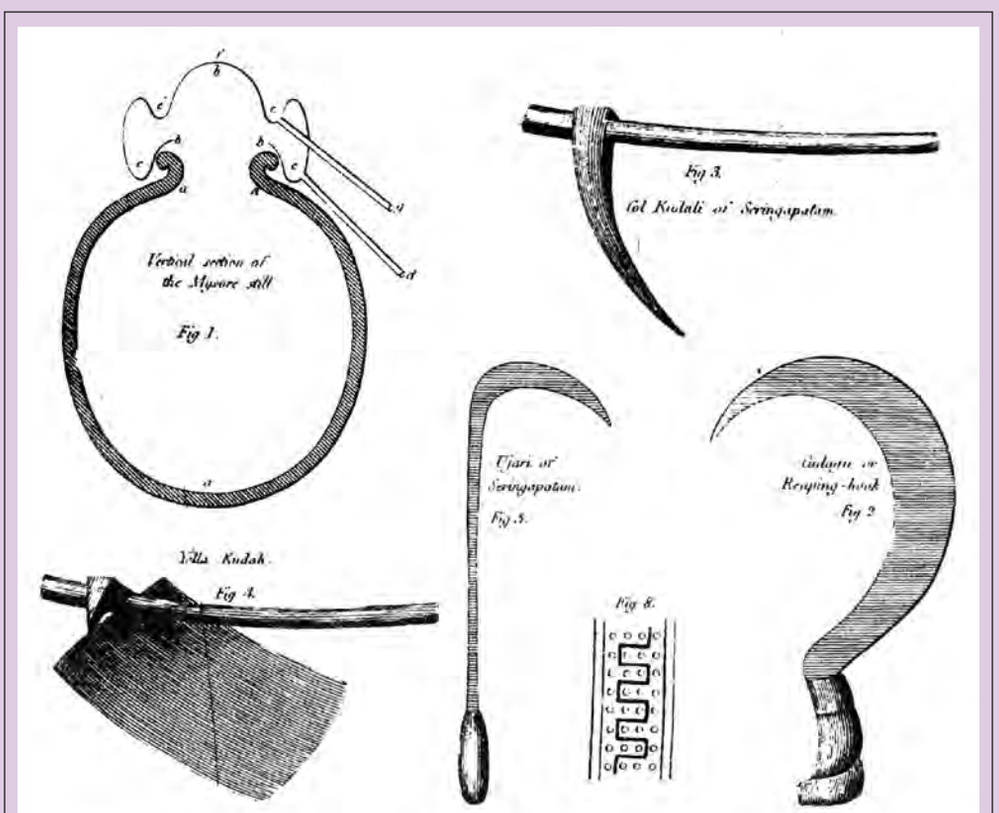

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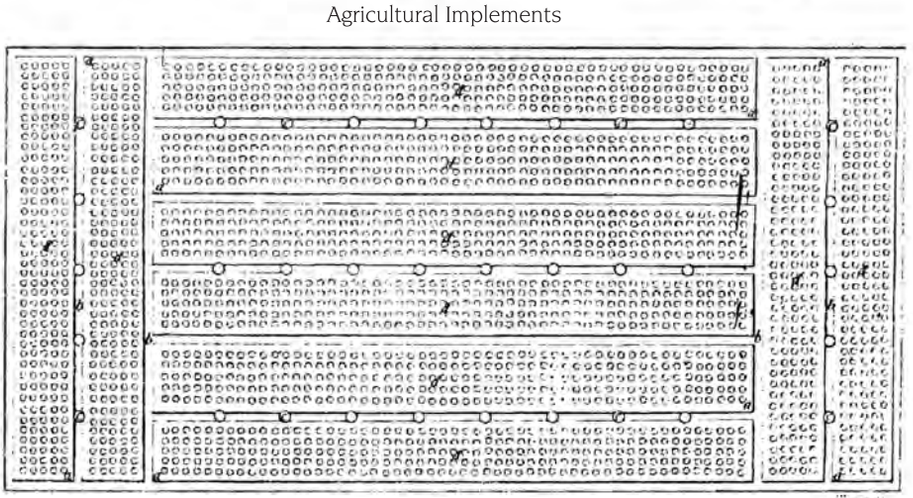
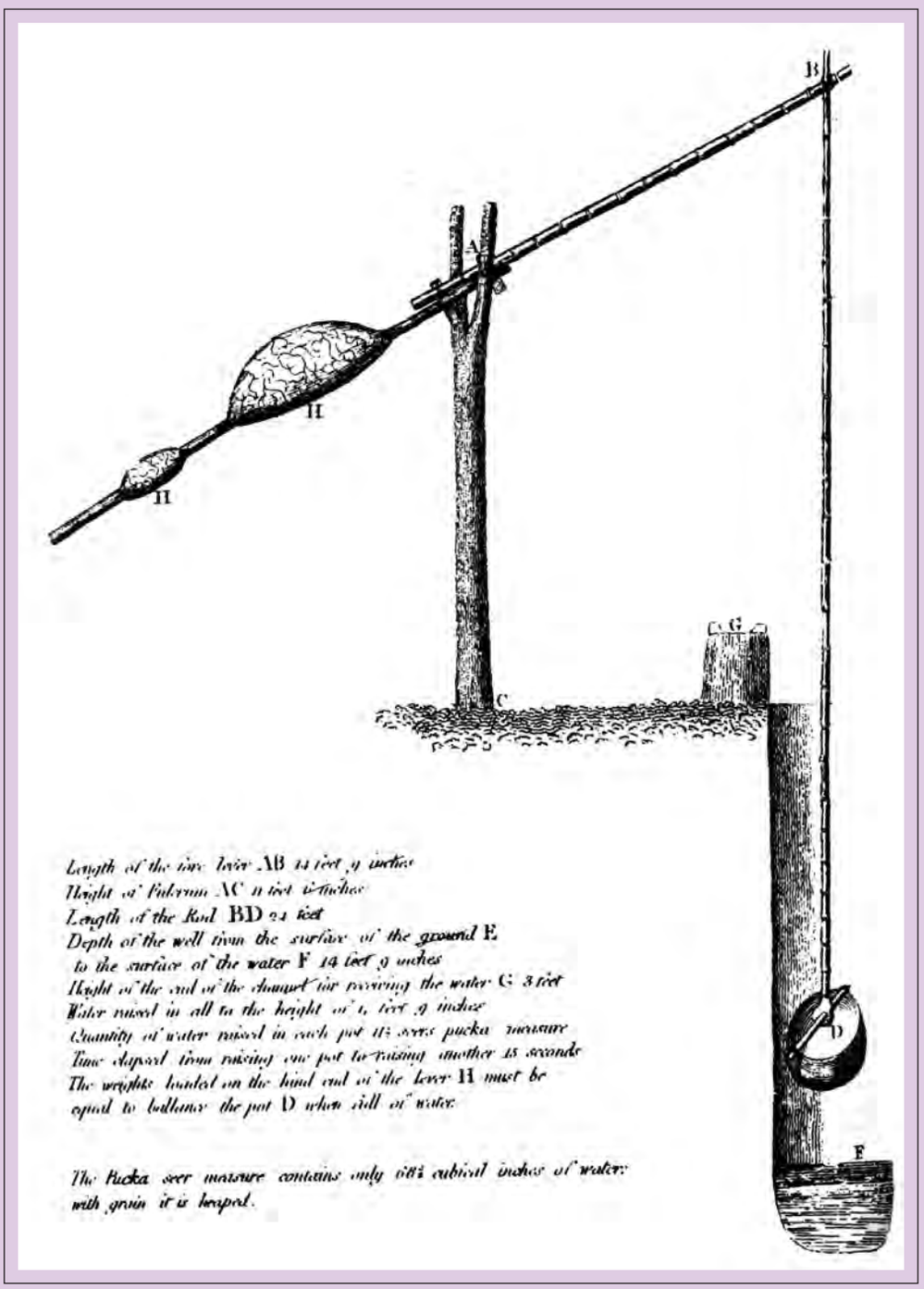
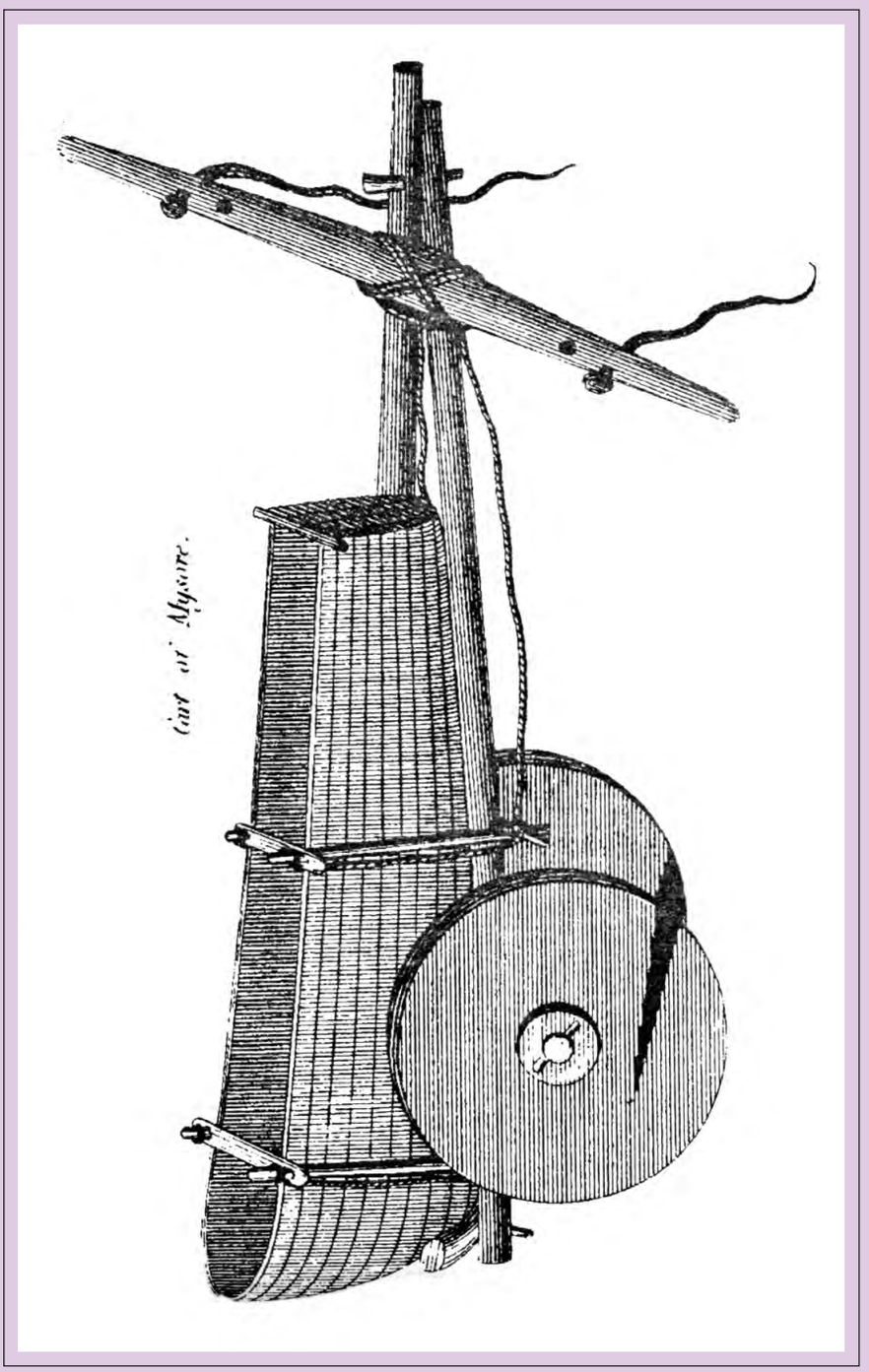


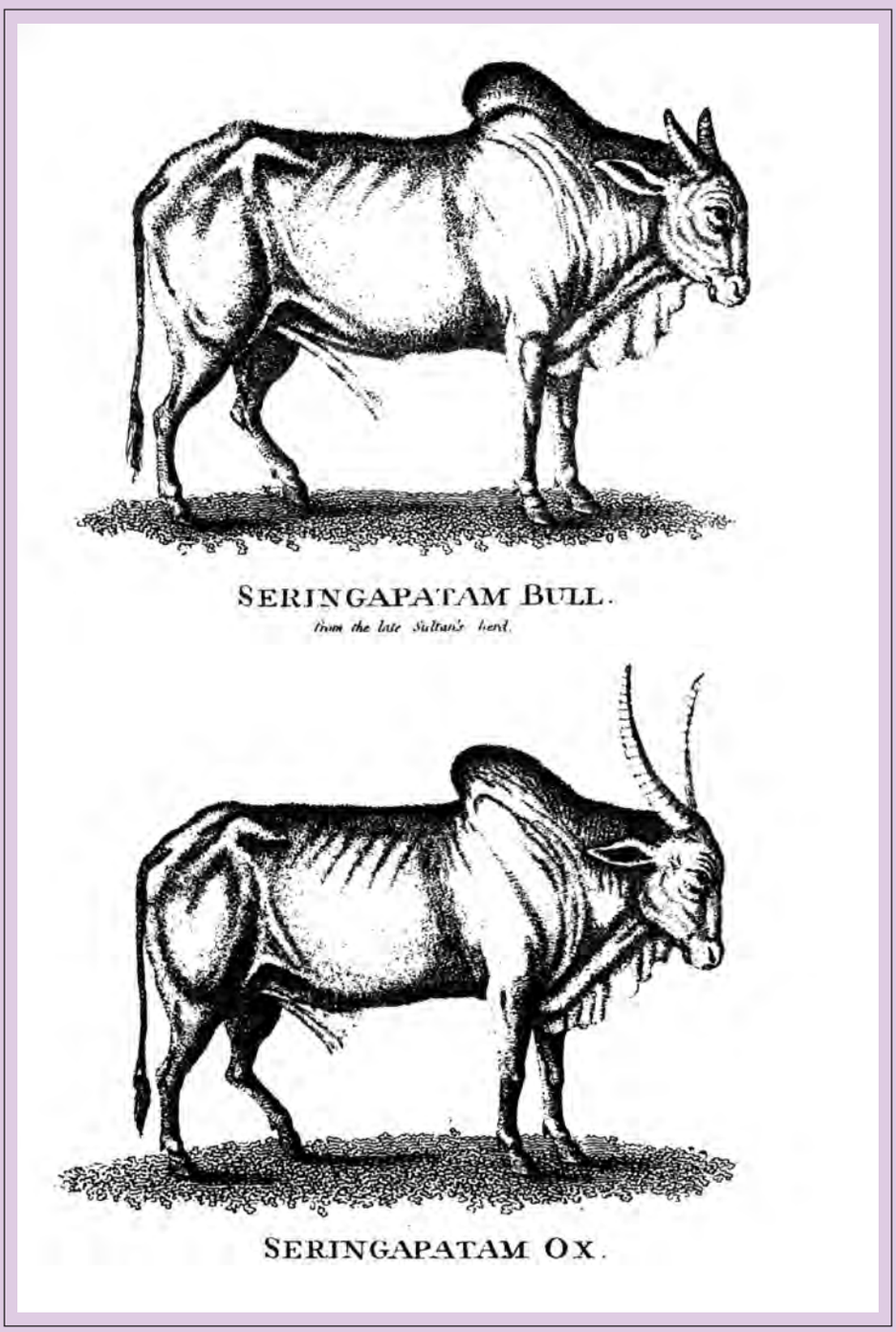
Sugar cane Field



Lift Irrigation



Cart of Mysore



SERINGAPATAM BULL.
from the late Sultan's herd.

SERINGAPATAM OX.

powerful push to the growth of Indian capitalism. It was in the sphere of economic policies and measures that Tipu's role came to be unique among Indian rulers. He went for a substantive change and improvement in all aspects of economy, whether agriculture, trade or industry.

It was agriculture that attracted his first attention. Land revenue was the traditional and major source of income to the State from time immemorial. The major change Tipu effected was to bring about a direct relationship between the Government and the peasantry, removing the intermediaries who were siphoning a good deal of State revenue. Traditionally the territories of Mysore had been held by a number of zamindars and palegars who used to exercise a large degree of direct arbitrary authority over their estates. There were no fixed rules governing the relationship between the palegars and the Rajas of Mysore. The palegars paid only a moderate tribute to the State treasury but extorted heavily from the peasantry. They were supposed to perform military service also to the centre. This duty of theirs was a good excuse to retain with themselves a good portion of the revenue they collected from the peasants. Besides, they were supposed to maintain law and order within their estates, and perform other civic functions which were the reasons for them to remit only a very small portion of what they collected to the State treasury. In other words the palegars formed a State within a State. They were both military chieftains and civil authorities within their own jurisdiction. The Raja was only an overlord receiving the revenue what they chose to pay, and exercising over them such control as his superior military and political ability would permit. Many a time they were turbulent, ambitious, aggressive and recalcitrant challenging the State authority, and asserting their independence. Moreover, their internal feuds among the palegars themselves was yet another cause for frequent break-out of law and order. Haidar was a strong ruler who had tried to crush these dangerous tendencies, but after subjugating them he would reinstate several of them on condition of paying an annual tribute. He had not attempted to bring about any radical change. He followed the established systems, making least changes in the existing rules and regulations prevalent in different parts and provinces of his State.

Tipu would not accept this position. He effected radical changes. The entire feudal machinery was overhauled. He took away from the palegars their right to collect taxes, their power to maintain law and order, and their privilege to enforce civil authority. A new system was introduced throughout his dominions, by which the palegars lost their power to collect land revenue, for which a new machinery came into force. In most of the cases the Government made its own arrangements to

collect the taxes directly from the peasantry, and only in a few case they entrusted this task to certain individuals, who were specially chosen by the officers of the government.

The whole State was divided into small units each yielding a revenue of 5000 pagodas. Each unit was called tukadi for the purpose of revenue administration. Each *tukadi* was placed in charge of one A*mildar,* one S*heristedar* three *gumasthas*, one *tarafdar,* one *shroff*, one *munshi*, one *golla* (headman) and six attenders or peons[1]. Over twenty or thirty tukadis, an asaf Kacheri was appointed with suitable staff, which in modern parlance was something like a district. Over all these was the Head Asaf who controlled the entire Revenue Department.

All this was conceived to evolve a system of co-operation between the Government and the peasantry, to remove the intermediaries, and to put an end to the pilfering of the State revenues. The most remarkable feature of Tipu's new system, however, was its enormous dependence on government servants to implement his ideas and to serve the best interests of both the State and the farmers. He removed altogether the intermediary strata of palegars and zamindars, who were the main beneficiaries of the old system. The old landlords lost their power and influence. Their estates were annexed by the Government which established a direct relationship with the peasantry[2]. This was a major reform of far reaching importance.

Only in rare cases Tipu retained the old system of revenue farming, where the lands were rented out to individuals by the officers of the government. But this system was greatly discouraged, and was not prevalent on a large scale. Further, certain measures were taken to minimize the adverse effects of this system. Firstly, farming rights were denied to principal government officers[3]. Secondly, no single person was permitted to have more than one *mauza* or estate as his own farm. Before farming out this estate, "an accurate list of all the old and new inhabitants and an account of the gross receipts, shall be made out, according to which the lease shall be granted and a M*ochulka* (security bond) be taken"[4]. The Regulations also provided for the protection of peasant interests against any oppression by revenue farmers. It was laid down: "Measures must also in future be adopted to

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1. B.L. Rice, Mysore Gazetteer (1897), Vol. I, p. 595.
2. Wilks, Report on the Interior Administration, Resources, Expenditure of the Government of Mysore (Calcutta, 1809), pp. 5-6.
3. Burrish Crisp, The Mysore Revenue Regulations (Calcutta, 1792), p. 52.
4. Ibid., p. 5

prevent any persons, from levying oppressive fines [if farmer neglects cultivation and allows lands to lie waste] from the Reyuts; and defaulters in this respect shall be made to pay the amount of such exactions, and be moreover fined themselves"[5]. In other words constant watch was to be kept over the farmers so that they would not neglect their duty to till the soil; if they did, they were fined. But the fine should not be an excuse to the officials to harass or squeeze the peasantry. The accountability was imposed both on the peasantry and the bureaucracy, each one of them was to be within their limits for rights and duties.

There were measures to devise the farming system as an incentive to improved cultivation. The policy was to encourage every one connected with the land to put in one's best efforts. If a mauza or unit of farm land was in bad shape and "ruinous condition", until it was brought to a flourishing state no tax was collected. It was only from the fourth year the revenue was fixed according to the produce of the land[6].

The principle of land tenure was that a tenant and his heirs occupied land so long as they cultivated it and paid the rent. But if they failed to fulfil these conditions, the government was entitled to transfer the land to other tenants. The right of the tenant to the land was conditioned upon his cultivating the land. In other words the land belonged to the tillers, who forfeited their right if they left it fallow. The cultivators of dry land which was irrigated only by rain paid a fixed rent calculated to be equal to one-third of the crop. Wet lands irrigated by tanks or river were charged a higher rent, which amounted to half the value of the crop collected in cash and not in kind. But this was not the principle all over the State. In certain provinces much less was charged. According to Munro, "… there was no instance in which the Sircar's share was more than one-third. In many it was not one-fifth, or one-sixth or in some not one-tenth, of the gross produce"[7]. It all depended upon the fertility of the soil, the nature of the crop, the rainfall, and the terrain.

Tipu enlarged greatly the extent of the cultivated area by giving lands to the peasants on favourable terms. Waste lands were free of rent in the first year; one-fourth was charged in the second year; and usual rent from the succeeding years. Again, concessions were shown for lands lying fallow for over ten years, for lands which were barren, mountainous or rocky, where full assessment was there only from the fourth year.

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5. Ibid., p. 6
6. Ibid., p. 10
7. Gleig, The Life of Sir Thomas Munro, (London, 1830), Vol. I, pp. 204-6.

Tipu took special interest in the cultivation of certain crops such as sugar-cane, wheat and barley, and the plantations of teak, saul, acacia, sandalwood, arecanut, and mango. The cultivation of poppy flowers (yielding opium or bhang) was strictly prohibited all over the Kingdom. Arecanut was greatly encouraged, and those who planted it got tax exemption for the first five years. From the sixth year, they were assessed only at one-half the usual rate. The cultivators of betel-leaves also enjoyed the same concession, as also those who planted coconut trees.

Being anxious to develop silk industry in Mysore, Tipu encouraged the mulberry plantation. His two gardens, Lal-bagh in Bangalore and the other in Srirangapatna were the nurseries in which the seeds and saplings from various countries of the world were obtained and planted. Tipu was very fond of fruit trees and pot-herbs, and his gardens contained mango, apple, orange, guava, figs, mulberry, indigo and cotton. He obtained from Cape of Good Hope seeds and saplings of pine and oak trees.

Sandalwood

Tipu took great care of the peasants. To tide over their financial difficulty in lean period, he introduced the taqavi loan system, or advances made for a short period. This loan was given to the poor peasants to purchase ploughs and seeds. They were protected from money-lenders and local officers. The patels were prohibited from employing the peasants without payment of wages. If they defied this order, their whole produce was confiscated[8]. The *Amildar* was instructed to see that the peasantry was not harassed by any local official.

8. Crisp, pp. 16-17.

Lalbagh - Bangalore

Land Rent was to be collected in three instalments, and no harsh method was to be used for the collection[9]. If it was reported that oppression was used by the A*mil*, he was fined 20 pagodas, if the victim was a rich peasant, and 10 pagodas, if he was a poor peasant. Peasants who had left the country were persuaded to return. If there was a failure of crops owing to scanty rainfall or other natural causes, remission of rent was ordered.

In 1788 a thorough revenue survey was carried out by which all unauthorized *inam* lands were confiscated, but authorized grants were left in the possession of their holders. Fresh grants were made to temples, mosques and Brahmins. Some inam land were given to officials, but a significant category of *inam* land was meant, to provide incentive for construction of irrigation canals and other useful infrastructure for cultivation. The Revenue Regulations stipulated:

"If any person shall, at his own expense, dig tanks, wells etc., throw up ramports, build small forts or bastions, or people a village, upon its being ascertained from the M*okuddams* (principal reyuts) and cultivators upon the spot, a quantity of ground (in fixing which you are to be regulated by the custom of place) shall be given to him as I*namkutcoduku* and if no such custom prevail at the place in

9 Ibid., p. 22, 28.

question, inquiry shall be made at the villages round about, and land be given to him as E*nam*, according to what may be found to be custom in those villages"[10]

Such *inam* lands acted as an effective incentive to the undertaking of important public works. This is confirmed by Buchanan's observation:

"When a rich man undertakes at his own expense to construct a reservoir for the irrigation of land, he is allowed to hold in free estate E*nam* and by hereditary right, one-fourth part of the lands so watered; but he is bound to keep the reservoir in repair. Such a proprietor is called C*arravacuttu* Codigy. The Tanks to which there is a person of this kind are notoriously kept in better repair, than those which the government supports"[11].

Tipu abolished the custom of giving jagirs to officers in lieu of salaries, which were paid in cash, but he retained two types of jagirs. One was called *tamgha* land, which were the hereditary jagirs, forts and castles; and the other was life-jagirs assigned for a stated term of period. The assignments were made as rewards for exemplary services.

It was Tipu after Akbar the Great who took great care in the assessment and classification of lands. Since eighty to ninety per cent of the people depended on land any measure taken to improve the condition of the peasant and the productivity of the soil was a major step in the prosperity of the people. Tipu took many steps in this direction; one of them was assessment and classification of land. His Revenue Regulations reveal his will and determination to make the assessment accurate and put it on a rational basis. The district officers had to bear a heavy responsibility for the fixation of rent and their realization. He laid down the procedure:

"The A*mil* of a district shall make a circuit through all the villages under his authority, and agreeably to the M*ochulka* entered into by him, distribute the assessment upon the R*eyuts* (farms) according to the produce raised; and if by such means he can collect sufficient to fulfil his engagements, well and good; but if, on the contrary, he shall farm out *ozas* to P*utteels* and others, and occasion deficiency, he shall make good such deficiency himself. If the P*utteels* and others should, by want of attention, fail to realize the distributed assessment, he shall inflict corporal punishment upon the P*utteels* and S*hambhoges* and oblige them to make it good"[12].

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10. Ibid., p. 21-22.
11. Buchanan, A Journey, Vol. III, pp. 453-54.
12. Crisp, pp. 6-7.

These Regulations brought out a few points. First, the assessment should be just and fair. Second, it should be fixed by spot inspection. Third, it should be reduced to writing in order to avoid later ambiguities and disputes. Fourth, the district officials were accountable for any laxity either in fair assessment or in full collection of revenue. Tipu was aware of the inefficiency and rapacity of the officials, and hence they were always kept on tenter-hook.

In case of deficiency in the realization of the stipulated revenue, new ryots would be procured and provided with taqavi advances to complete the cultivation so that the short fall might be made good. There was a ban on levying of fines and undue extortions. There was genuine interest to understand the problems of the ryots as well as the need to remove corruption. Every village had a Patel who was also accountable for his duties. If he did not discharge his duties properly, he was replaced by some one from amongst the ryots. Likewise, the Shanbhog, who was the accountant and other officials, were all answerable to the tasks assigned to them. They were to provide accurate data to the Amils and execute his orders promptly and fully.

Lands were classified into various categories and the modes and rates of assessment varied from one category to another. The ijra lands referred to those lands leased to ryots at a fixed rent. The hissa lands meant sharing the produce between the farmer and the government. In all cases the government was keen to keep the tenants happy and to help him not only to produce more but also to extend the cultivation. The Regulations stated:

"An equal proportion of lands which are dry or watered, and of those which are I*jra* or Hissa, shall be equally distributed for cultivation amongst the old and new R*eyuts*, and when a R*eyut* (farmer) sows one K*hundee* of seed in a certain quantity of I*jara* land, he shall sow one K*hundee* and eight K*uros* in the same extent of H*issa* lands. An account of the increase and deficiency of the produce shall be made out annually, and according to the C*owl* the revenue shall be taken in money; or where such shall be the custom, the half of the produce shall be given up to the Reyuts, and the other half shall be retained as the share of the sovereign. Care must be taken that the H*issa* land was well manured; and whoever cultivated a greater quantity of land of this description pursuant to this rule, shall continue to do so but if less he shall be compelled to cultivate the full proportion"[13].

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13. Ibid., pp. 2-3/

These instructions indicate that the State maintained a balance between the two types of land tenure, the I*jra* land (fixed rent) and H*issa* land (sharing of produce). However, the expectations were that the yield in the H*issa* land should be more, so that the State could get more. Secondly, not the produce but money was collected as the rent. Money economy, was brought into vogue. The tenants knew in advance exactly how much they owed to the government as an agreement or C*owl* was drawn up. Thirdly, even an implied aspect that the fertility of the soil should always be regarded as essential aspect through proper manuring was made explicit in the Regulations. Fourthly, such of the farmers who proved more efficient in production were allotted more H*issa* lands, and those who showed deficiency in this regard were compelled to come up to the minimum standard. Fifthly, a distinction was made between the dry and the wet lands, and the assessment was made according to their yield. Lands were classified according to the quality of the soil as well. Four grades were made on this score, the first, second, third, a fourth quality, and the rents also varied according to the different qualities of land. The rent of the land on the first quality of soil was four times higher than the rent on a land of the fourth quality.

The District officers were required to carry out a survey of houses and lands and agricultural conditions before assessment was fixed. This survey was crucial which would reflect the conditions of the ryots. The instructions stated:

"An account shall be taken of all the houses of the R*eyuts*, etc., of all castes throughout your district, specifying the names of the villages, the number of ploughs, the quality of seed sown, and of land tilled; the number of workmen, their families and children; with their various castes and occupations. In forming these accounts great precaution is to be observed to prevent its creating any alarm amongs the R*eyuts*. Every year the increase or diminution of agriculture and population should be taken account of in the manner following. The S*hambhogas* of the village are to prepare and transmit the account to the S*impt* (the same as T*urruf* in Bengal) and the S*hambhoges* of the S*impt* are to form the complete account, and transmit to A*umil* of the district, who is to prepare one general statement, giving a full view of the population and cultivation of the country, and deposit in his C*utchery,* from whence it is to be forwarded to the H*uzoor*; and as the month of Z*eehuja* is appointed for the inspection of these accounts at the H*uzoor*, they must be deposited in the C*utchery* in the month of R*amzaun*. It will be proper when you commence the numeration of the houses and inhabitants, to give it out, that the purpose for which you are come to their houses is to see whose expenses exceed their means and to assist such

persons with advances of *Tuccavee*: in this manner you are to get the numeration effected"[14]

These instructions recall the statistics collected by Abul Fazl for his *Ain-e-Akbari*, and also what followed in the Census Reports of the late 19th and early 20th centuries under the Colonials. We are surprised at the minute details called for the number of ploughs, the quality of seeds sown, the strength of the labour force, their families and children, their caste and occupations, which would all give Tipu an exact idea of the social and economic conditions of his people. He regarded all his subjects as members of one enlarged family. Their protection and well-being was his main task, for which he laid down the procedure to collect the information every year and report to him promptly at a particular point of time. As per the Islamic calendar, *Zilhaj* is the last month of the year (as the month of March in the modern context is the closing month for accounts) when Tipu would himself scrutinize this data for suitable action. All this should reach his office in *Ramazan* which is the ninth month of the Islamic calendar. Every little administrative detail was carefully laid down in respect of obtaining full particulars of the ryots from every corner of his State.

It was further stipulated in the Instructions:

"... after the end of the year *Aumils*, *Sheristedars* and *Shambhoges* shall go through the district to every village, and shall take a particular account of the measurement of the lands by *derra Sultaunes*, specifying the quantity of land appertaining to each village and how many *lubs* (each lub containing 82 derrahs) have been sown by one *Khundee* of seed. Also the quantity of land covered by tanks, rivers and streams, together with the lands of the *Deaustaun* and the *Bramins*. The *Enaum* lands, public roads, garden etc., distinguishing the cultivated and the waste, the watered and the dry, as also the soil, whether of the first, second, third or fourth quality. Moreover, what quantity of grain is produced in each from one *Khundee* of seed, with a specification of the revenue, or the share of produce which it yields. This account is to be taken down in the presence of the Reyuts, from whom a *Mochulka* is to be taken; and agreeably thereto a general account of the lands of all the villages in the district, according to the standard of measurement above specified, is to be prepared, and every year transmitted to the *Huzoor* and to your *Cutchery*, and you are also to keep a copy thereof in your office"[15].

These instructions further illustrate the depths to which Tipu would go in getting a clear picture of every little detail in respect of agricultural community, the officials

14. Ibid., pp. 16-17.
15. Ibid., pp. 19.

involved in dealing with them, the nature of work expected of them, the extent of land under cultivation, and even how much of seed was required to sow a particular piece of land. Secondly, the classification of land was stressed whether it was irrigated by tanks, rivers or streams, or whether it was mountainous, rugged and rocky, and whether it was government land or temple land or land for the Brahmins. It was necessary to identify the fertility of the soil, and assign it to the suitable cateory of the four distinct grades of the land. Thirdly, a proper record was to be maintained of the yield of crop from each of these four categories, and the ryots be kept informed of each of these details. Thus, a full survey was ordered of every village in the district, and piecing that information together, a comprehensive picture of the overall position of the entire agricultural operation of the whole State emerged before the Sultan. No prince of his times took this much of interest either in knowing the conditions of land husbandry or in guiding them reap full advantage from the soil.

Apart from land survey, assessment and closer rapport with the peasantry, Tipu undertook a number of measures towards the improvement of cultivation of both food crops and cash crops. He adopted a system of force and inducement so as to increase the yield from the soil. The force was not on the peasantry but on the officials to know exactly the requirements of the peasants whether they had enough ploughs or not, enough seeds or not, enough funds or not for agricultural operation. The Amils were instructed strictly to remove all difficulties in the way of the farmers. The instructions stated, "... throughout the villages wherever there is ground fit for the purpose, the R*eyuts* etc., shall be urged to extend the cultivation of sugar-cane, and in such villages where the P*atteels* and S*hambhoges* from obstinacy fail to do so, they shall be subjected to a double tax, calculated upon the quantity of sugarcane which may have been produced in another village"[16]. Thus the force was applied on the officials, for Tipu was aware that those who laboured with their hands produced the wealth of a nation, and that they should be encouraged and protected at all costs. He was also aware that the officials were always tempted to do less than their duty and to expect more than their due. Hence force and pressure was exercised not on the peasantry, but on the officials who were asked again and again to be diligent in their work.

If force was applied on the officials the peasantry was offered inducements to work hard for the yield. They were shown different types of concessions. For the reclamation of waste land it was ordered:

16. Ibid., pp. 3-4.

"[Such lands] shall be delivered to R*eyuts* to cultivate, upon C*owl*, the first year they shall be exempt from paying any revenue, and the second year they shall pay only half of the customary assessment; but the third year the full amount thereof shall be collected from them. Land which is barren, mountainous and rocky, shall also be given to the R*eyuts* to cultivate; and the first year they shall be entirely exempted from the payment of revenue; the second year they shall be assessed at the full rate. The same rule is to be observed with respect to lands of the above description, the produce of which is shared between Government and the Reyuts"[17].

The idea of Tipu was to maximize the area under cultivation. It would not only engage the labour force in gainful employment but also enhance the wealth of his State. The farmer and the artisan were the only two sources who produced real wealth in the country, and both these received maximum attention and encouragement at the hands of Tipu. Similar concessions and encouragement were shown to the growers of cash crops such as arecanut, cocoanut, betel-leaf, and so on[18]. The facility of *takavi* loans (short-term loan) was provided to tide over the financial constraints of the peasantry. It was at the rate of three to four pagodas (every pagoda was equivalent to three rupees) for every plough, which was to be recovered within one or two years[19].

Distribution of Justice

If earning is one aspect of political economy, spending is another, which is more important. If what is earned with hard labour is squandered away in unproductive direction, one would soon come to grief. What is true of individuals is also true of the State, which should be careful not only in producing wealth, but also using it wisely. Just as in the case of individuals wants are unlimited and temptations are great, so also in the case of governments, the demands for money or wealth are unlimited and the temptations to spend it for wrong purpose is also great. Life is a gift of God, and good life is the gift of knowledge and skill. Hence, in the case of both individuals and States knowledge and skill, the combination of which is wisdom, are very essential both for the production of wealth and its wise utility.

Land was the main source of wealth in India, which sustained the life of her teeming millions from time immemorial. Over the ages Indian society had devised methods to so distribute the produce of the land that every avocation, every sect or

17. Ibid., p. 9.
18. Ibid., pp. 15-16.
19. Ibid., p. 2.

caste, rich or poor, was benefited. A principle of live and let live had been adopted which took into account the need of every one in the village, including the priest, the patel, the barber, the blacksmith, the washerman, the watchman, and all others who had a specific quota in the produce of the land. Tipu was aware of this distributve justice, which he did not disturb, but introduced such minor changes which made the machine work more smoothly. He was not in favour of any drastic departure from the customs prevailing in the various parts of his Kingdom.

The system of disposal of the produce was in accordance with certain norms of the community. Buchanan has given us very elaborate accounts of such systems of disposals. After the harvest the corn or the produce were put into heaps of a particular size of a definite quantity. Normally the measuring was in K*handakas*, about 1920 seers, in some parts of the country[20]. The process of division admitted various claims. The major share went to the Government, which claimed as much as half from the produce of wet lands. Before the Government quota was fixed, other claimants to the produce were the priests, the watchman, the *nirgunty* (conductor of water), the blacksmith, the pot-maker, the carpenter, the washerman and so on.

After taking care of the social and community services, the turn of the local officers would come. The Patel, the Shanbhog, the T*allawaro* (police-man) the Amildar's cutchery, would take away nearly one-tenth of the produce. Out of what remained the farmer and the Government equally shared half and half. The first demand was from the priest, who would appropriate enough not only for himself but also for the maintenance of the village temples, astrologers, mendicants, *fakirs*, and others. "The next claim was that of cultivators for their labour, the share varying between one-half, two-thirds, five-ninths, or three-fifths according to the amount of labour spent in cultivating the fields and in consideration of local variations in the conditions of farming."[21] Buchanan has furnished us an approximate share of the different claimants out of a heap of one K*handka* or 1920 seers, whose shares were:

(1) The Government's local authorities	=	192 seers
(2) The Amildar's office (for oil and stationery)	=	24 "
(3) Brahmins, Mendicants, Fakirs etc.	=	12 seers
(4) The Watchman	=	6 "
(5) The Measurer	=	6 "
(6) The Priest of the Temple	=	24 "

20. Asok Sen, "A Pre-British Economic Formation in India of the Late Eighteenth Century: Tipu Sultan's Mysore", Perspectives in Social Sciences, Edited by Barun De (Calcutta, 1977), p. 75.
21. Ibid., p. 75.

Village Officers

(7) The Patel	=	24 "
(8) The Shanbhog	=	24 "
(9) The Tallawaro (Policeman)	=	24 "
(10) The Nirgunty (Water conductor)	=	24 "
(11) The Barber	=	12 "
(12) The Blacksmith	=	12 "
(13) Government Share	=	768 "
(14) Farmer Share	=	768 "
Total	**=**	**1920 seers**

This would indicate that the farmer for all his labour would get much less than half the produce. Out of this he had to keep some share for sowing the seeds and other expenses of farming from the day of ploughing to the day of harvesting. The entire burden of feeding the community consisting of all sections of the society largely felt on his shouldes, including replenishing the State treasury. No doubt, he got the services of the artisans and other professionals who were helpful to him both for farming and his other social needs, but a good many others like the local officials, mendicants, priests, the Brahmins, the temple, the astrologers were all parasites who sucked his blood. The State under some plea or other knocked off a good share, and much of the wealth he contributed went into such unproductive channels as wars, conquest, and running of the huge administrative machinery. Therefore, the role of the farmers, who was the backbone of the economy, was crucial in sustaining the life of the society as also of the State.

Francis Buchanan

One justification for the State to have its lion share, particularly under Tipu, was his interest in improving their lot, in providing them more facilities of tanks, canals, and other water resources, in offering them scope for enlarged cultivation, in giving them bridge loan (*takavi*) to tide over their financial difficulties, in ensuring safety and security of their person and property from unsociable elements, in guaranteeing

them a fair price for their produce, and in preventing them from exploitation at the hands of money-lenders, zamindars and other intermediaries. These services were so great that the farmer could carry on his avocations unperturbed, for the confusion that prevailed before Haidar and Tipu, and also after the "restoration" was so disturbing that not a year passed when there was no revolt, no rebellion and no insurrection in some part or the other, which made the life of the peasants miserable.

The system of disposal which Tipu devised had certain advantages. First, it ensured the interest of both the government and the cultivator in the expansion and improvement of agriculture. Secondly, the mode of payment in kind for the social services he received removed the obligation of the cultivators to sell large quantities of crop immediately after the harvest. They avoided the hazards of selling the produce in conditions of depressing prices. Thirdly, the cultivators were protected against the liability of fixed rents even in cases of seasonal crop failure, due to unforeseen causes of drought, floods or famine. Buchanan rightly says, "If the rains do not come, the tenant cannot pay his rent and if they come in abundance, it is but fair that the government should reap a part of the benefit."[22] The only danger in such a system was the possibility of fraud and embezzlement. Dishonest farmers could cheat the Government, and that was the reason why Tipu was so particular in instructing his officials to be on guard. That was also the reason why Tipu had to maintain a large police force in every district.

Tipu showed concessions to the poor peasants in collecting the arrears of revenue. The Regulations states "… from those who have the means to pay, you are to enforce the payment of the full amount, and from such as are poor, you are to receive payment by instalments - R*eyuts* who have fled the country are to be encouraged to return, and the balance due from them are to be recovered by gentle means; and where balances are due from R*eyuts* who are dead, you are to recover it from their Z*indigee* (supposed to signify property or the means of subsistence) if they had any; and if not, you are to take a M*ochulka* (means here a certificate that the deceased left no property; or an obligation to apply the property that shall afterwards be discovered, to the liquidation of the arrears of rent) from the P*atteels* and R*eyuts* of the village and write them off in your accounts"[23].

This indicates that Tipu was not needlessly harsh, and would understand the plight of his subjects. The whole of revenue was collected in three instalments. He

22 Buchanan, Vol. II, p. 385.
23 Crisp, pp. 27-28.

paid particular attention to the interests and welfare of the ryots. He established direct relationship with the peasantry. The bridge loan or takavi was a source of great relief to them from the hands of the money lenders. As Islam did not sanction any interest, it is presumed he did not charge any interest on this loan. The District officers were specially instructed to protect the ryots from any oppression by local officials. The practice of exacting diet money from the ryots was discontinued. The Regulations stated that the cavalry and other wings of the militia were strictly prohibited from collecting straw or any other form of benefit"[24].

Every important officer of the District including the A*saf* was required to take an oath, if he was a Muslim, on the Quran that he would not "allow the poor or the peasantry to be oppressed in word or deed"[25]. As a result of his salutary policy substantial expansion and improvements took place in the cultivation of sugar-cane, wheat and barley, and also of cash crops. These improvements prompted the Russian scholar, Chicherov, to observe, "… these enterprises formed the foundation for the emergence of the capitalist manufacture in sugar production… it is highly significant that the owners of the manufactures conducted intensive capitalist commodity agricultural production on leased lands which indicates the development of new capitalist relation in agriculture"[26].

A debate is now going on among the scholars whether Tipu paved the way for the emergence of a capitalist type of society in India, which on one hand increased the wealth of nation, and on the other, made that wealth fall into the hands of only a few denying its benefits to many. Capitalist society is stigmatized as exploitive society which thrives on the labour of many to make only a few very rich. This is the contention of the scholars from Russia, who are leftists. On the other hand, western scholars hold the view that Tipu's measures did not excite capitalism in the State, as he retained the traditional pattern where the wealth that was produced was distributed among all social segments in proportion to their social status and service, thus leaving no room for any surplus wealth to be accumulated for capitalism. Even Wilks has listed twelve different categories of people whose shares were admitted for the division of the produce from the land. They are Patel, Shanbhog, Taliary, Totie, Neerguntee, Jotishee (astrologer), Blacksmith, Carpenter, Potter, Washerman, Barber, and Goldsmith."These twelve officers, or requisite

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24. Ibid., p. 56.
25. Mir Hussain Ali Kirmani, Nishan-e-Haidari, Mile's translation (London, 1864), "The History of the Reign of Tipu Sultan", pp. 229-30.
26. Quoted in Asok Sen, p. 79.

members of the community, received the compensation for their labour, either in the allotment of land from the corporate stock, or in fees, consisting of fixed proportions of the crop of every farmer in the village"[27].

In reality Tipu's role was neither to sow the seeds of that type of capitalism which arose in Europe with the advent of Industrial Revolution nor in perpetuating the traditional pattern of economy, which was feudal. His reforms intended to evolve a new pattern of his own, which with increase of wealth would improve the conditions of the people, and yet avoid emergence of an exploitive society. His measures checked the oppressive aspects of the feudalistic society, removed the shares of intermediaries between the peasantry and the government who were brought closer together, and left the rural socio-economic structure remain as it was. There is force in what Munro wrote in 1806:

"Every village with its twelve A*yangadees* (social functionaries) as they are called, is a kind of little republic, with the P*otail* at the head of it, and India is a mass of such republics. The inhabitants during war, look chiefly to their own Potail. They give themselves no trouble about the breaking up and division of kingdoms, while the village remains entire, they care not to what power it is transferred, wherever it goes the internal management remains unaltered; the Potail is still the collector and magistrate, and head farmer. From the age of Manu until this day the settlements have been made either with or through the Potails"[28].

Thus the whole problem of appropriation of economic surplus was subject to distributive claims, which Tipu did not disturb and hence he did not remove those constraints that stood in the way of the formation of surplus wealth associated with capitalism. There was hardly anything left with the farmer to invest in something which in its own turn would earn something more, which was the pattern in Europe where Joint Stock Companies pooled extra wealth to carry on overseas trade. Out of what the farmers produced 60 per cent (1152 seers of produce out of 1920 seers) was taken away by the State as its share of revenue and also the share of its local functionaries. In the remaining, another 20 per cent (384 seers) was given away for social services he received in the village. Consequently, only about one-third of the produce remained as his share, which was hardly sufficient to meet his own requirements, and hence the question of surplus wealth for capital formation would not arise. Even the expectation that out of what the Government got, there could be some scope for capital formation, was not justified. In Tipu's period the Treasury was

27. Wilks, Historical Sketches, Vol. I, pp. 136-37.
28. Ibid., p. 139, Footnotes to some Notable Discussion", in Karl Polanyi, Conrad M. Arsenberg and W.H. Pearson (eds.) Trade and Markets in Early Empires (Illinois, 1957), pp. 227-28.

full. He had enough resources to fight his wars, and there were quite a few. His regime started in the midst of war and ended in the midst of war. He could clear the indemnity of crores within a short term, despite his loss of half of his kingdom. His numerous innovative measures were all cost-oriented, and he was able to meet their demand. Therefore, he evolved his own model of capitalism which was State capitalism different from western concept of capitalism. It came close to Russian concept of public sector enterprises, where the monopoly of trade, commerce and industry was in the State's hand. He did not live long to give a fair trial to his experiment, but he cannot be denied the credit for having launched something new. There is some truth in what Chicherov has said that Tipu was the first prince in India to conceive of a pattern of political economy which would have grafted the ideas of western capitalism to suit Indian conditions.

Indian ethos were quite different from those of Europe and Tipu would respect the Indian tradition which was a system to accommodate all. Walter Neale observes:

"… the function of priest, watchman, barber and carpenter were caste functions and it was by virtue of each member of the each caste within the village fulfilling his or her religiously sanctioned duties that the grain heap was there to be divided at harvest time. Cultivator-artisan relations may therefore be said to be both reciprocative and redistributive. The artisan was supplying the cultivator with his skills, and the cultivator in turn and regardless of specific services the artisan had performed for him, supplied the artisan with agricultural products… Whether any economic function was or was not performed by the authorities the division of the grain heap at the village level was the foundation upon which political authority rested"[29]

Thus the farmer was the pivot on which the whole machine, whether political, social or economic rotated and he was the pump to supply blood to all. The land as such in view of its heavy obligations would not permit enough, surplus to accumulate either in the hands of the farmer or the government which could result in capital formation. For that Tipu turned towards trade and industry which we will discuss presently in a different section. But agriculture was the nerve centre which was busy just in keeping the body-politic alive.

There was one more reason for Tipu not to imitate the western model in respect of capital formation. He was not for the competitive spirit or free enterprise which

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29. Quoted in Asok Sen, p. 80 (Walter C. Neale, "Reciprocity and Redistribution in Indian Village – Sequel to some Notable Discussion", in Karl Polanyi, Conrad M. Arsenberg and W.H. Pearson (eds.) Trade and Markets in Early Empires (Illinois, 1957), pp. 227-28.

are so essential for market economy. He could observe that even the globe trotters and world empire builders, the Portuguese, could not stand the competition with the Dutch whose market techniques elbowed them out from the trade of the east. Moreover, Tipu was saturated in the ideas of the east, whether Indian or Islamic, which would not permit the accumulation of the wealth in the hands of a few. "The grain heap" was the classical example of the philosophy of the east which believed in reciprocity and redistribution. There were overriding constraints of politics and religion which stood in the way of capitalist expansion. Asok Sen observes, "The preference of the farmers for the *hissa* system as such indicated that the agrarian economy yet lacked the conditions for the rise of a class that had the motive and the capacity to achieve complete autonomy of wealth-making along the lines of capitalist development"[30].

Thus the agrarian policy of Tipu Sultan consisted in bringing the Government in direct touch with the peasants in the abolition of the palegar or zamindari system, and in framing the exact rules that defined the relationship between the government and the peasants. He did not envisage any radical or drastic changes in the land system, which he did in respect of trade and industry. He was interested only in the improvement of the conditions of the peasantry, in removing the inhibitions that surrounded them, in extending the area under cultivation, and in collecting the land tax promptly and fully. For this he undertook an extensive survey of not only the cultivable land but also of all the villages in order to get an exhaustive picture of all aspects of the life of the people in the rural areas. This survey recalls to our mind what had taken place earlier under Akbar the Great and later under the colonials when Census Reports were prepared. The land revenue was fixed only after very careful assessment of the nature of the soil, its fertility and yield. The land continued to belong to the tiller of the soil, and it was marketable commodity, which the peasant could purchase or sell. They were no longer agraharas or the fiefs of the zamindars. The peasant's rights and duties were well-defined, and he knew exactly what he owed to whom and how much and when. Land tax was collected in three instalments, and the produce was shared chiefly among three groups. The farmer retained roughly a third of the produce; another third from the grain heap was given to the State, and the rest was distributed among those twelve units of social services who formed the rural community together with the local authorities. What Tipu did was to remove the confusion that prevailed in the complicated web of demands from various sectors, particularly from the intermediaries, the money lender and the

30 Asok Sen, p. 81.

zamindar, to provide the peasant all facilities to carry on cultivation unperturbed, and to liberate him from extortions and harassment at the hands of local officials.

Commercial Policy

Much more than in agriculture, it was in commerce and industry that Tipu evinced his great interest. Accumulation of wealth through agriculture is a long and hard job, but commerce and industry would yield quick results. The prosperity of a country would largely depend upon its trade and commerce, arts and crafts, and upon manufacture and industry. Fortunately Mysore was rich in commercial crops, and its long stretch of coastal line offered facilities for exports and imports. It was well-known for such commodities as pepper, cardamom, silk, sandalwood, arecanut, cocoanut, ivory, which were greatly in demand in the western markets. Tipu was interested that the trade of these should not fall into foreign hands. The State itself became the greatest exporter and importer of these goods, which were sent out and brought in other goods through Tipu's own merchant fleet. He carried on maritime trade in an organized manner, and on an extensive scale by establishing commercial factories and stationing commercial agents in those lands.

It should be remembered that Tipu in his correspondence with Turkey and other States took special notice of the trade and commerce which brought the colonials to India, and which ultimately paved the way for their political power. The inference was irresistible that flag followed the trade. He was also aware of the fact that it was the profit accrued through trade and commerce that increased the resources and enabled the foreigners to strengthen their war machine. The prosperity of Europe compared with India was largely due to commerce and industry, and not because of agricultural out-put, in which sector India had an upper hand. India possessed immense natural resources and produced all varieties of crops, and yet it was poor, because his nationals were not as resourceful in trade and industry as were the Europeans. Tipu desired to make amends in this direction.

For this purpose Tipu developed close commercial contacts with the neighbouring countries. He did appreciate the need for attracting foreign merchants to his State. He offered them solid concessions to open trade with the ports of Mysore. On 16th January 1787 he wrote to Yakub, an Armenian merchant:

"The duties upon (such) goods (as you may import into our dominons) are without exceptions (hereby) remitted. Bring, therefore, with entire confidence to our ports, and into our kingdom, either by sea or land (as you may think proper) your silk stuff and (other) merchandise, and there (freely) buy and sell. Wheresoever you

may (choose to) bring your goods, there a place shall be assigned for your residence; and if you should, at any time be in want of workmen or labourers, the same shall be furnished you, on hire, by our Talukdars"[31].

In a letter dated 28th January 1785 Tipu promised all kinds of facilities to yet another merchant by name Sheik Ahmed. Tipu wrote:

"On your arrival here you shall in all things experience our care and protection agreeably to your wishes, and be appointed to the charge of the mercantile concerns, etc. A proper place shall be assigned to you for a factory, and such advances of money be made to you as may be requisite for enabling you to carry on your trade (advantageously), all the profits of which shall rest with you for the term of two years, during which time also we promise to grant you exemption from all duties on your merchandise"[32].

Thus Tipu would provide all facilities and concessions to the foreign merchants in order to encourage exports. He would exempt them from the payment of requisite taxes, ensure them safety and security, offered them land for their factory and for their lodging, advanced them loans, and would wish them good business. All this was for two reasons. One was his expectation that similar facilities would be offered to Mysore merchants in their own country which would have good scope for business abroad for Mysore goods and secondly the colonials would be denied the privilege of carrying such trade in Mysore.

The implications of encouraging foreign merchants in Mysore were far reaching. It imposed vigorous blockade on British trade. The English who depended largely on Malabar pepper were hit hard. Much of the sandalwood was sent to China instead of to Europe. Cardamom which was in great demand in Europe for breweries and distilleries of Europe was diverted to Arabia and to the Middle East. The pepper trade which was of vital interest to the English caused great concern. Its prices soared high. To reap full advantage of the price rise even minor chieftains of Malabar like the Cherical Raja monopolized the sale of pepper[33].

Before establishing a trading centre in a foreign country, Tipu would first obtain the consent of the foreign authorities for such commercial contacts. An agreement would be drawn up stipulating the scope of such commercial contacts, and trade agents were appointed to carry on the transactions. Tipu wrote to the Imam of

31 Kirkpatrick, Letter No.425, p. 467.
32 Ibid., No. 76, pp. 103-4.
33 Nikhiles Guha, Pre-British State System in South India (Calcutta, 1985), pp. 56-57.

Muscat on 16th January 1786, "In consideration of the friendship subsisting between us, we have at this time, remitted half the amount of the duties heretofore levied in your ports on your ships and D*ows*, and have, accordingly, issued the necessary orders to this effect, to the governors of all our sea ports: do you therefore, continue constantly to send your ships and D*ows* laden with merchandise, to our port"[34].

Among the trade centres established abroad, those of Muscat were very prominent. There were two factories or trade centres in Muscat, and they were of the order of fifty and thirty five "*chashmis*", a technical term used to indicate the number of principal products sold in that market. Fifty "chashmis" meant fifty different products of Mysore were put out for sale. Tipu had appointed a permanent trade Commissioner in Muscat, who was Mir Kazim in 1785. When a Hindu merchant, Mayo Sait son of Rao Sait wanted to open a trade concern in Calicut, Tipu permitted him to do so. Rice was the main article of export from Mysore to Muscat, but this commodity was sold to Muscat on condition that it should not be re-sold without Tipu's permission to any of the European powers, whether Portuguese, Dutch or English.

This restriction indicates that Tipu's trade policy was not purely commercial, but it was blended with political considerations as well. His main aim was to hit the English both politically and commercially. He knew that the Company was in the hands of the merchants whose loss of Indian trade would partially hit their profits, and thus reduce their influence. He desired to restrict English trade not only in his territories but also abroad where Mysore products were available.

Tipu had trade relations with a number of other countries. He was anxious for China trade. He encouraged merchants to go to Chinese ports in Mysore vessels and bring "abundant supply of the rare productions of that region… the vessels so importing, and to be permitted to depart, whenever the owners of merchants please, and are to be safely conducted, under a proper convoy of our ships, to the borders of our dominions"[35].

On 22nd January 1786 Tipu wrote to the Raja of Pegu in Burma expressing his desire to build up closer commercial contacts. He sent two of his agents, Muhamad Qasim and Muhammad Ibrahim, to Pegu with costly gifts and letters inducing the Raja to come closer together to Mysore in trade. Tipu had very happy commercial

34 Kirkpatrick, Letter No. 207, pp. 241-2.
35. Ibid., Appendix E, pp. XXXVII – XXXVIII.

contacts with the Ottoman Empire. Taking advantage of the political mission he sent to Turkey consisting of four prominent diplomats, Gulam Ali Khan, Lutf Ali Khan. Nurullah Khan and Muhammad Haneef, he broached the topic of close commercial contacts with the Ottoman Empire. He instructed his ambassadors to obtain permission from the Sultan of Turkey to open trade centres at Basra, and in return he was willing to show same concession to them in Mangalore.

Tipu's interest in the trade of the Gulf area must be viewed in the light of what had happened there from early eighteenth century. First, Muscat had emerged as a regional commercial centre since 1719. Secondly, LaheJ and Aden had gained importance as supply depots since 1728 when Zaidi Yemen lost its political control over the area. Thirdly, Nadir Shah had attempted to unify Persia about 1747 which reduced foreign influence in the region. Fourthly, Kuwait was founded as a commercial centre under Al-Sabah by about 1752. Fifthly, Qasimis who surfaced in 1777 as a local power offered resistance to foreign influence. Sixthly, Bahrain also emerged as an important commercial centre by about 1783. Seventhly, the Wahhabi movement was also an important factor to check foreign influence. Lastly, Basra was conceding its commercial importance to Kuwait because of the sectarian wars between the Persians and the Ottomans[36].

Tipu was aware of all this political turmoil in the West Asian region of the Turkish Empire. He desired to take full advantage of the vacuum there to advance Mysore interests. His ambassadors to the Turkish Sultan were specially instructed to secure commercial concessions in the Gulf area. Moreover, the English had not yet become supreme in that area, as the Portuguese, the Dutch and the French were competing with them. In such a scenario Tipu also became one of the competitors, more to embarrass the English. With Muscat, which had become an important commercial centre Tipu developed good relations, because Muscat also was under British attack on the plea "the Arab pirates of Muscat were the worst offenders. They had become so strong that they were able to drive the Portuguese from Mombasa"[37]. Moreover, the shipping capability of Muscat attracted greatly the attention of Tipu. Keeping in view the crucial role the Gulf region played in the trade of the area, Tipu desired to make a detailed study of all dimensions, which would have an impact on his kingdom. The English agent at Basra, Samuel Manesty, wrote to the Court of Directors on 5th September 1786, "The *Wakils* want to obtain *firmans* to establish factories in Turkish dominions for selling the produce of his kingdom.

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36. A.K. Pasha, "Tipu's Response to British Challenge: The West Asian Factor" (An unpublished research Paper)
37. Quoted by A.K. Pasha, "Tipu and the Ottoman Empire" in Tipu Sultan (Bangalore, 1993), p. 226.

We think this is a circumstance very material for the Honourable Court of Directors to be acquainted with, as we apprehend it precludes all hopes of your servants at Tellicherry being able to provide pepper for your homeward ships"[38].

Moreover, Muscat was on friendly terms with the French also, which excited further jealousy of the British. It was reported that a large number of Tipu's vessels would call at Muscat, and that some of them would sail with Indian products to French possession in the area. Thus the Mysore goods had access to European markets through the Gulf area. Tipu set up trade centres not only at Muscat, but also at Hormuz, Aden, Basra, Bushire and Jiddah. Tipu's chief broker at Basra was a Jew named Abdullah. Tipu maintained cordial ties with the Imam of Oman, Imports from Oman were dates, horses, mules, silkworms, sulphur and pearls. Pearls could be bought more cheaply at Muscat than at Bahrain, which was the main market in the Gulf for pearls. Tipu encouraged Arab and Armenian merchants to come and settle in Mysore and gave them special privileges as they were seen as successful businessmen. Even though no treaty was concluded between Mysore and Oman, the ambassadors furnished Tipu a detailed report on opportunities of trade in the area. Thus Tipu was able to build very close trade relation with the Gulf area.

Mechanism of Commercial System

Tipu was very fond of innovative measures. His restless and fertile mind would think every time something new. He overhauled the entire department of trade and commerce, centralized its structure, and evolved a pattern of State trading system. We cannot say the whole machinery was very efficient, and that it pumped wealth into the land. But the basic thought process was sound that it was the marginal excess volume of exports over imports that was in the interest of his State. The series of depots and centres he wanted to open as outlets for Mysore goods in different parts of the Ottoman Empire, particularly in West Asia was an exceedingly good idea. But the problem with Tipu was that he wanted to achieve too much in too short a period. What Europe had gained the experience in centuries, he desired to have it in his own life time. Yet we have to appreciate his bold steps, which were unique in their own right.

The commercial factories he established in foreign ports had three types of functionaries. One was a commercial consul, called *Darogah* incharge of over-all management. He was supported by Accounts Officers, who would deal with all

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38. Ibid., p. 229.

financial transactions; and they in turn were assisted by commercial agents, *mutassadis*, who were the main link between the buyers and the sellers. What is surprising is the amount of interest Tipu took even in minute details of foreign trades, the elaborate instructions he issued to the commercial consulate, and the very ambitious expectations he had from his officials that they would discharge a variety of jobs. For example Tipu wrote to Meer Kazim, the Muascat Consul to load the vessels with rock-salt, instead of sapphires; to procure good ship-builders from Muscat, which was known for its excellent D*ows* and Dingees, and send them to Mangalore; to buy "all the sulphur you can, and loading it on your vessels dispatch the same from time to time"; "to sell the sandal wood, black pepper, rice and cardamoms belonging to us, to the best advantage; to procure saffron, the product of Persia, and send some of its seeds to Mysore; to collect silk-worms and also "persons acquainted with the manner of rearing them"; to procure some pearl divers from Bahrain and Armuz, and send them with their families to Mysore; and as if this list was not enough, Tipu added that he needed from Rustakh "five large assess"[39].

We wonder at the patience and labour of Tipu to indulge in instructions of such minute details, which at times demanded very strict compliance to his orders. He wanted the vessels from Muscat to be unloaded at Mangalore port of their merchandise of sulphur, lead and copper in two days. In case the time taken for this work exceeded four days, "*you shall be responsible for the extra expense… You must regularly report to us the day each vessel arrives at* Muscat, *and also the day it is dispatched from thence*"[40]. He instructed Meer Kazim on 17th November 1785 not to dispose of hastily or immediately the black pepper and sandal wood but to wait for a better price.

The Regulations of 1793-94 marked a big step in the expansion of foreign trade. Tipu set up a new Commercial Department; and called its members as M*alik-ut-Tijjar* (Lords of the Trade concerns). It was a sort of permanent Board of Trade consisting of nine members. They were put in charge of the exports and imports of various commodities, and also of inviting foreign merchants to Mysore through proper incentives and assurances. Care was taken to avoid fraud and mal-practice through warnings of severe punishment. The Board was to meet periodically and take decisions by consensus or by majority votes. The minutes of such meetings were recorded by each member separately, and filed in a confidential box which was forwarded to the Sultan.

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39 Kirkpatrick, Letter No. 155, p. 186.
40 Ibid.

The budget kept at the disposal of the Board for foreign trade was 400,000 R*ahities*, equivalent to £ 128,000[41]. With this money they were to make the necessary purchases of gold and silver bullion and articles for exports. Gold and silver were required for foreign purchases. The objectives of the Board were as follows:

(1) They were to procure articles of exports such as silken stuff, sandalwood, pepper, cardamom, cocoanut, rice, sulphur, "as well for importation as for exportation".

(2) To attract foreign merchants to Mysore

(3) To recruit suitable staff to the Board (M*utasaddies*, *gumastas* – accountants and agents) and post them to several factories.

(4) To supervise the transactions, to keep proper accounts, to prevent frauds and embezzlement both at home and abroad.

(5) To pledge themselves on oath to discharge their duties faithfully.

(6) To inform the Sultan the misconduct of any of the principal officers in order that he might be singally punished for the same and a useful example be thereby afforded to others.

(7) To deliberate jointly all matters concerning the trade, to record the proceedings in a book provided for it, to deposit the book in a box, to keep it under the seal for later reference, and to decide all issues by majority of votes.

(8) To report to the Sultan all their proceedings regularly.

(9) To personally hand over the proceedings to the Sultan in case of very important and large transactions.

(10) To put on all papers and H*ukumnamahs* issued by the Sultan his seal of N*abi* M*alik* (the Prophet is Lord) which should be deposited in a box and lodged in the treasury of the capital[42].

These instructions indicate the importance Tipu stressed on foreign trade, and the elaborate arrangements he had made to help the machinery work smoothly. A strict and regular system of profit accounting was specified. Altogether about seventeen factories were functioning. They were located at Muscat, Kutch, Kurnool,

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41 Asok Sen, p. 87.
42 Kirkpatrick, Appendix E, pp. XXXIV – XXXVI.

Madras, Pondicherry, Puna, Kurnool, Wyrang (near Pune), Pagarkote and Utmu (belonging to the Rastia), Maligmy, Hamnabad and Nandir (belonging to Hyderabad), Mahe and Raichur. The Board was authorized to open new factories if it deemed necessary. The Board was to credit to the State Treasury established duties on all articles in the same manner as were paid by the private merchants, for the State did not like to lose the revenues accrued to it through taxes.

Another aspect of his commercial policy was to exclude any transactions with the English. All trade with Madras was strictly prohibited. He discouraged contacts with Pondicherry as well because goods had to pass through the Carnatic. He frowned upon the Nizam as well, and hence there was not much of dealing with the Nizam's dominions proper, although depots were opened in territories depending on the Nizam. But it is the English who were the targets of his bitter resentment. He wrote to the Faujdar of Calicut on 2nd February 1787, "you must give the most strict orders to all the merchants and other inhabitants of that place (Calicut), neither to buy any goods of the English factor who is come thither nor sell grain, or any other articles whatsoever, to him. How long (in this case) in the above-named remain? He will in the end, despair of making either sales or purchases, and depart from thence"[43]. Political reasons prompted Tipu to order complete boycott of the English from all transactions, and this was also one of the reasons for the English to be so hostile towards him.

Inland Trade

Tipu paid equal attention to inland trade also. He set up numerous depots all over his kingdoms, which were thirty in number. The most important of these were at Srirangapatna, Bangalore, Kolar, Sathyamangalam, Mulbagal, Madanpalli, Guarramconda, Punganoor, Chitradurga, Bidnur, Shikarpur, Sunda, Mangalore, Khushalpur, Karwar, Bhatkal, Jamalabad, Calicut, Banavasi and Nandidrug. Elaborate instructions were issued for their proper functioning. Suitable staff was sanctioned to manage these depots. It was turned into a State monopoly, so far as wholesale trade was concerned. The retailers were there to meet the market demand, but the State also stepped in to control the prices and to enhance its own revenue by purchase and sale of certain identified commodities.

The Commercial Regulations of 1793-94 envisaged the conduct of inland trade on a very extensive and organized scale. They were related to the setting up of

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43 Ibid, Letter No. 432, p. 471.

commercial depots or marts, appointment of provincial factors, and assigning them suitable duties. There was no prohibition on subsequent rules of articles of home produce to private merchants of their trade and speculation. In case we wish to have a comparative picture of what Tipu planned to do, we may recall the functioning of the India Coffee Board until recently, which had the monopoly of procuring all the yield and then of distributing it to the retailers.

The Commercial Naibs were asked to purchase and sell many commodities except a few reserved articles like sandalwood and gold. The Government pursued a policy of wholesale trade in certain articles. But private traders were not debarred from participation in the subsequent levels once the Commercial Board sold the commodities to them. Considerable monopoly was there in the hands of the State only in respect of foreign trade, but the normal commercial activity to meet the needs of the consumers was all in the hands of the retailers.

Thus the aim of State entry into inland and foreign trade was to keep the colonials away from the lucrative trade of valuable products such as pepper, sandalwood, cash crops and precious metals, and also to augment State treasury whose extra revenue could well be spent on the ameliorative measures for the people. From the eye-witness accounts of the unbiased observers of the time, we get the impression that the impact of his policy was quite good. There was all round prosperity in the State. Despite the numerous wars Tipu fought he did not feel at any time any difficulty for financial resources, which was the chronic problem of the Madras Government. When Tipu fell in 1799, his treasury was full despite earlier his loss of half of his kingdom and the payment of a huge indemnity. At a time all his neighbours whether the Nizam, or the Maratha or the English were ever in shortage of funds, he suffered no such problem. This was because his State generated several other sources of revenue than merely land tax. It was also not true that the local merchants and traders were completely denied of their traditional avocation. They carried on their business as usual and the entry of Tipu into their profession was only the addition of one more partner in the game. The State monopoly of goods was only in certain very restricted number of articles like gold and silver bullion, sandal wood and spices. The intention was more to deny the colonials to enter into the market than to curtail private enterprise, which might clandestinely involve them in trade.

No doubt the principal aim of Tipu's policy was to make his government "the chief merchant of his dominions", but not the only merchant. As the State had vast resources, it invested huge sums in trade which brought them profit, which was the

property of all citizens and not of only a few rich merchants. The real motive undoubtedly was to enrich State treasury. It is argued by some scholars that such a policy had subordinated trade and commerce "to the exigencies of a system of absolutist political power"[44].

The justification Tipu found for such a policy was the rapid expansion of both political and commercial forces across his borders in the Carnatic where more "absolutist" tendencies, which were more exploitive and more suicidal were raising their head. The profits he earned were not meant either to be dispatched to England or to be deposited into the private pockets of English merchants. Since Tipu had a very high moral sense of sovereignty that his power was only a trust from God to do good to the people, which came very close to the Hindu concept of "D*harma*", there was not much of a chance that his "system of absolutist political power" would be mis-used. On the other hand we have enough records to prove that he had very enlightened sense of service to the people, and he did much for their welfare.

Buchanan and other colonial historians have given us a very distorted picture of Tipu's commercial activities. We have to understand their motives, which were to serve the cause of their own nation and not of India. There might have been a few inconveniences experienced by unscrupulous local merchants, who would not relish the profits going to State exchequer, but these inconveniences were exaggerated out of proportion to depict his system as highly defective.

Even according to Buchanan the factories in Malabar would receive goods "at a certain fixed rate, and paid for the government, and were afterwards sold by the factors on its account, to any person who chose to export them. The price fixed on the goods at delivery was low. The factors for instance, gave 100 Rupees a Candy for pepper, and sold it for from 150 to 170"[45]. We can draw a few inferences from this statement. First, the State avoided fluctuation of prices. It had stabilized them, and people were aware what the price was. If the prices had not been stabilized, the growers might get a high price in a lean period, but would lose heavily in the harvest season when supply was abundant. The bulk of their crops would be pushed only at that time, and they would get much less on the average for their entire crop. If the prices are constant they would avoid this disadvantage and plan their budget accordingly.

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44 Asok Sen, p. 91.
45 Buchanan, A Journey, Vol. II, pp. 515-16.

Secondly, the State would pay them cash right on delivery, whereas formerly the merchants and the money lenders had a nexus in squeezing the farmers and the planters, who at times of need would borrow at very high rate of interest, and sell the commodities at low prices during the harvest. The advances made during lean period would be an excuse to exploit the farmers. The Government was not supposed to be rapacious or exploitive as the merchants were.

Thirdly, even the prices quoted by Buchanan for each *candy* of pepper do not suggest that the State was making huge profits. Even today it is customary that the wholesale prices are far higher than retail prices, sometimes even more than double, as in the case of perishable commodities. When pepper was bought by the government at Rs.100/- a candy and sold at Rs.150/- a *candy*, the margin of profit does not seem to be exorbitant, as we know European merchants sold spices in their markets at scores of times more than what they paid for them. As Tipu had to maintain a huge official machinery in the Commerce Department and also pay them cash for the commodities, the margin of 50 per cent profit does not seem to be exorbitant. Moreover, Buchanan was a traveler and not a merchant, and we are aware how prejudicial Europeans were towards Tipu.

We may agree with Asok Sen in his remarks that "the commercial system of Tipu Sultan was very much a creature of the financial requirements of the sovereign. In fulfilling those requirements, the system mainly depended on the State control over the sources of supply and on ceaseless application of the principle of buying cheap and selling dear through the use of monopoly power"[46]. One may ask what is wrong with such a psychology? Which government is not interested in replenishing its treasury? Which merchant is not desirous of buying cheap and selling dear? Why should we point a critical finger at Tipu, particularly we who live in an enlightened age when State Trading Co-operations are not unheard of?

Asok Sen further observes, "It is noteworthy in this connection that the commercial regulations also provided for the constant purchase of the ryot's share of articles of produce like sandalwood and black pepper, probably the most important commodities under state monopoly. All this must have resulted in a kind of vertical integration of the revenue and commercial systems of Tipu Sultan, a framework wherein the largest share of the economic surplus was garnered by the State for the finances of absolute sovereign"[47].

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46 Asok Sen, p. 93.
47 Ibid., p. 93-94.

This statement hints both positive and negative aspects of Tipu's commercial policy. The positive aspect is Tipu's efforts to help small investors with a higher rate of profit for their deposits in a banking system, which will be presently elaborated. The negative aspects are acknowledged by Dr. Asok Sen by profusely quoting Buchanan how the local merchants suffered at Tipu's hands, and how "under his government the greater part of them were ruined"[48].

There are some contradictions in this approach. A sovereign is always absolute. We do not have less absolute and more absolute sovereigns. Sovereignty implies absolutism of highest order, unquestioned, inalienable, supreme and sublime authority, and hence there is no need to qualify Tipu with "absolute sovereign". Secondly, one sided reports of Buchanan and Wilks that under Tipu's government the merchants of Mangalore "suffered terrible oppression"[49] are to be accepted with some reservations, firstly for their subjectivity and secondly, for wrong motivations of those merchants. On the entire Malabar coast, including Mangalore, the disturbing English factor in exciting the people against Tipu was rampant. The Nayars of Malabar were not reconciled to Mysore rule, and the merchants in Mangalore were hands in glove with the English. Hence, there were certain political reasons why Tipu was harsh on certain merchants, and those instances alone were quoted by the foreign reporters to malign Tipu. Hence the critical remarks of Asok Sen, although well-researched, must be viewed in their correct perspective.

The positive aspect which Asok Sen touches deserves to be elaborated. Tipu devised a novel scheme of commercial deposits. Article VI of the Commercial Regulations stated:

1. All praise and glory to the most high God, who breathing life into a handful of clay … has raised some chosen individuals to rank and power, riches and rules, in order that they might administer to the feeble, the helpless and the destitute, and promote the welfare of their people.

   In pursuance of this duty we now decree as follows:

2. That whosoever shall deposit with you any sum, from five to five hundred I*mamies*, for the purpose of being employed in traffic (on his account), such person shall be entitled to receive at the end of a year, together with the principal amount of the mid deposit, a profit or increase of half an I*mamy* on every I*mamy* so deposited or advanced.

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48 Ibid., p. 93.
49 Ibid., p. 93.

3. That whosoever shall make a similar deposit of five hundred to five thousand I*mamies*, such person shall in like manner be entitled to receive at the end of a year, together with the principal amount of his advance, a profit thereon of a quarter I*mamy* on every I*mamy* so deposited.

4. That for every sum exceeding five thousand I*mamies* which shall be so deposited, the person making such deposit shall be entitled at the end of a year to receive together with his principal, a profit or increase, to be calculated at the rate of twelve I*mamies* on every hundred I*mamies* of such principal"[50].

Here we may observe that the rates promised varied from 50 to 12 per cent, according to the amount of the deposit. The highest rate was received for the smallest deposit. Kirkpatrick commented that even in the case of richer depositors, the rates paid were highly profitable, and that it would rarely be possible to invest their capital in more profitable assets. This was to suck the savings of the people in a State pool which could be used for better purpose. Here the word "interest" is avoided, and the words "profit" or "increase" are used, which is because of the Islamic sensibility of Tipu, who reconciled the un-Islamic concept with Islamic concept of profitability. Secondly, the State was the guarantee to the depositor for their increase of their money, irrespective of profit or loss their investment brought to the state. Thirdly, the egalitarian concept was injected that poorer section or small depositor should receive higher benefit. That might promote thrift habit as well. There was no compulsion for any deposit, as the entire scheme was voluntary. The aim was to mobilize resources from the base by offering attractive rate of profit to the small depositors.

In short the mercantile economy of Tipu aimed mainly at the combination of the functions of the merchant and the sovereign. This inevitably involved the entry of bureaucracy into the system which sometimes affected adversely state interests. The officials are not supposed to be as efficient as the merchants. Another criticism of Tipu's policy is that economic activity was subordinated to political and economic interests, and that such a policy was not conducive in the long run to the growth of market economy and capitalism[51]. These points are valid in their own place, but must be viewed in a different context. Tipu's strategy was more political than commercial. He desired to play the role of merchants for his double purpose of distressing his enemies, whose activities too were both political and commercial. In fact he wanted

50 Kirkpatrick, Appendix E, pp. XLIV – XLV.
51 Asok Sen, p. 95.

to pay them in their own coin. They came as merchants and became masters, commerce seemed to him the key to their success. If they could move up to the top of political power with commerce as their aid, why should he also not do the same? Again, his level of thinking on commerce was different from that of western Europe. The importance he attached to foreign trade is clear from the two passages of the Holy Quran he quoted in the beginning of the Commercial Regulations of 1793-94[52]. They refer to the significant role of maritime trade in promoting the prosperity of the people. Therefore, his approach to commerce was quite different from others, where profit was the main motive, where capital formation was the main purpose, and where self-advancement was the ultimate goal. As against these objectives, he was saturated in oriental ethos where profits of the state were subordinate to social justice, as the Islamic ethics spoke of equality of human race and unity of man. We would be unfair to Tipu if we judge him from the western standard of profit and loss.

Secondly, any system as such is neither good nor bad. It is the functioning that makes the difference. In the worst of us there is a lot that is good, and in the best of us there is lot that is bad. Hence, before declaring a system either good or bad, one has to look into its intentions as well. Judged by this standard Tipu's commercial policy was not bad in itself. It might have been wrongly implemented. His subordinates might have failed him. His rivals might have obstructed its functioning; but the system itself might not have been defective. Nationalisation of the railways or the health scheme might be a success in England but a failure in America. That would not entitle us to pass judgment on the policy of nationalization itself. So also the commercial policy of Tipu should be judged in the perspective of his over-all state policy, which in nut-shell was liberty and dignity to his people.

Industrial Policy

Tipu's greatest creativity was displayed in the manufacturing sector. If his innovative spirit was quite good in agrarian reforms, and much better in trade and commerce, it was at its best in the industrial and manufacturing field. If the farm yielded the resources, manufacturing should transform them into saleable goods. The process between the two would not only provide gainful employment to the people but also would enhance the wealth of the State. Infact, it is the farm and the factory that are the only two real sources of productive wealth, for trade and commerce which are merely the delivery pipes or the distributive system, would not generate wealth, but would only suck wealth produced by the labour of others.

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52 Kirkpatrick, Appendix E, p. XXXIII.

Therefore, Tipu being a reflective person paid great attention to the manufacturing industry of his State.

Although the main occupation of the people then as now was agriculture, Tipu left no stone unturned in promoting manufacturing industries in Mysore. He did his best in securing craftsmen and technicians from abroad. Every letter he wrote to foreign dignitaries, whether of Paris or Constantinople, or Tehran or Muscat, carried a request for skilled workers and technicians. He evinced so much interest that he compelled even the captive Englishmen and deserters, if they knew any art, to teach and train his countrymen. His first embassy to Turkey in 1784 was instructed to bring home men trained in ship-building, and in the manufacture of guns, glass and other articles of utility. He was the first prince in modern times to build a merchant navy. He took great interest in silk industry, in textile industry, in pearl industry, in iron-melting and casting, in muskets and cannon making, in tanning, in paper-making, in sugar manufacture, in oil extraction, and in the manufacture of a host of other articles. His interest in arts and crafts, and in manufacturing industry made Mysore a very prosperous and progressive State of the late eighteenth century India.

The importance of iron factories can be assessed both from the District Administrative Rules of 1785 and from the official correspondence. Iron smelting and casting were done at various places such as Madhugiri, Channarayadurga, Hagalvadi, and Devarayadurga. But Srirangapatna was the main centre which produced guns, muskets, canons, knives, scissors, cutlery and watches. The gifts manufactured in Mysore which were sent to the Turkish Sultan were greatly appreciated. In recent times when the history of rockets was traced, it was acknowledged that Haidar and Tipu were the pioneers in that field. The contemporary historian, Kirmani, writes that the Srirangapatna Iron Factory was well-known all over the country, and that the articles it manufactured compared very well with those of Europe. Tipu had named his iron factories as *Taramandal*, which were four in number, at Srirangapatna, Bangalore, Chitradurga and Bidnur, and they were in that order of importance. At Srirangapatna there were five units to convert iron into steel, Channapatana also had an unit of casting and smelting.

We have some evidence of the working of a big government iron manufacturing unit in Mangalore. Tipu wrote to Raja Ramachandra on 13th June 1786:

"You write that eighty smiths are required in the musket manufactory at Khankhanhally; and that having made an application for this number to the A*umils* of

the surrounding districts, they had answered, that the R*yots* themselves from furnishing them just now, on accounts of its being tillage time.

It is known, as the tillage of the land does not depend on blacksmiths, we write to desire, that the most pre-emptory order may be issued to the A*umils* within your jurisdiction, and enforced by bailiffs, for providing (immediately) the requisite number of these artificers"[53].

The techniques and skills used in the manufacture of guns, muskets and daggers were of very high level. Kirmani says, "… his workmen cast guns of a very wonderful description, lion-mouthed; also muskets with two or three barrels … also a kind of shield woven and formed so as to resist a musket ball"[54]. The guns and musket were made on the European model, particularly of the French design. Monsieur Lafolie was the chief designer, who had served Haidar as well[55]. On 2nd April 1797 Tipu issued the instructions to bring more technicians from France:

"… Ten cannon founders, ten ship builders, ten manufacturers of Chinaware, ten glass and mirror makers, ten makers of ship clocks (literally wheels) and wheels (or engines) for raising water, and other kinds of wheel-work and workemen versed in fine gold plating are required in Khoodad Sircar. You will state to the French Sirdars, that they are to consider the desire to manufacture these articles, as arising from the friendship and attachment of the Khoodad and Sircar, and as a means of promoting their interests and to request that they will therefore send ten artificers of each sort. After obtaining these people, you will fix suitable wages for them before you leave the place"[56].

Moore found in Bangalore a machine of very simple construction which could be worked by a pair of bullocks, and it "bored at once 50 muskets and a gun"[57]. Another contemporary traveller observed that this machine bored 130 musket barrels at a time[58]. There were machines which bored cannon as well. Buchanan observed, "A French artist had prepared an engine, driven by water, for boring cannon"[59]. As Tipu was constantly at war, he needed arms and armaments, and hence he was on extensive search for iron ore, lead and silver. Buchanan gives us very detailed

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53 Ibid., Letter No. 294, p. 316.
54 Kirmani, Nishan-e-Haidari, Miles Trans. P. 286.
55 Diron, p. 183.
56 Asiatic Annual Register for 1799U, Vol. I, State Papers, p. 97.
57 Moore, p. 479.
58 Quoted in Asok Sen, p. 97.
59 Buchanan, Vol. I, p. 70.

accounts of the flourishing conditions of iron mines and work at iron ores. On the basis of these records, the Russian scholar, Chicherov observes:

"… that enterprises possessing a number of features typical of capitalist manufacture developed in Mysore in the second half of the 18th century. But typical of those manufactures, and of the iron industry as a whole, was a very low technical level; the output of the individual workshops was small, and the workshop often did not own all the instruments of labour. In some workshops the division of labour was poorly developed and the labourers continued to be linked with agriculture"[60].

We may agree with Chicherov with one reservation. He imagined Mysore had become Europe. Until mid twentieth century even a pin had to come from Sheffield. Europe woke up in the 15th and 16th centuries, and India that was under slumber even in late 18th century would not stand comparison with the level existing at that time in Europe. Despite the numerous handicaps what Tipu was attempting was to wash off the lethargy of the past and catch up with the west. A child learning to walk would not win a running race with an adult. What surprises us most is that this child filled the gap of centuries so fast that Chicherov watched the performance whether this child could win the race. In the evening of India's dark days, if Tipu had lit a candle, that cannot be compared with the bright lamp of Europe which had been blazing for quite a long time. The very thought that the goods manufactured in Mysore under Tipu stood well in comparison with those of Europe was glorify enough for Tipu. The question is under what conditions the goods were produced and what the quality of those goods was.

The point to note is that Tipu did all in his power to encourage manufacturing. Buchanan is on record, "… according to the iron smelter's own account the Sultan gave them a high price for their iron, and by his great demand afforded them constant employment. It is probable, however, that he compelled them to work much harder than they were inclined to do, and that they were defrauded by those who were entrusted with the payment"[61].

Tipu encouraged ship building industry. His fleet of merchant ships was helpful to him for maritime trade. He ordered in 1793 the building of 100 ships, and named two of them as *Khizri* and *Ilyasi*. He decreed that all material for ship building such as iron, timber, ropes and so on should be purchased locally. Timber was sent from Calicut to Mangalore, where he established a ship building yard. Apart from

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60 Quoted in Asok Sen, p. 97.
61 Buchanan, Vol. I, p. 180.

Mangalore in two other places. Sadashivgarh and Bascoraji, ship building activity was going on. Thirty ships were assigned to be built in these two yards. Other merchants could also use these ships. He desired ship builders from several places abroad. He wrote his agent at Muscat, "We need ten technicians who know ship building. Apart from these a hundred more technicians are required who know this job. They will be given higher position when they come here". He wanted the bottom of the ships to be coppered. Kirkpatrick acknowledged the fact that the ships built in Mangalore were known for their strength and durability.

Tipu made a deep study of the Portuguese, the Dutch, the French and the English naval system, and was able to attract technicians from these countries, but the naval system he built was a product of his own mind, and not a copy of any alien brand. Tipu organized a Board of Admiralty. He had about 10,000 men manning a variety of ships[62]. His ships of war were 40 in number stationed in three ports, Calicut, Mangalore and Sadahivgarh.

It was Tipu who promoted silk industry in Mysore. He introduced the culture of silkworms within his kingdom on an extensive scale, and this was also one of his most favourite areas of interest. In the midst of war with the Marathas and the Nizam, he wrote a letter to the commander of Srirangapatna fort on 27th September 1786 that Burhanuddin and Kasturi Ranga, who had been sent to Bengal for bringing

Mulberry Plantation

62 Raj Kumar, "Naval Adventures of Tipu Sultan", Tipu Sultan (Bangalore, 1993), p. 156.

Silk Industry

silkworms, were returning home, and that they should be preferably taken care of. He could find time to issue instruction in the midst of a war. He had established twenty one centres where silk-rearing was carried on[63]. Silk worms were obtained not only from Bengal but also from Muscat. The weaving of silk cloth was in the hands of two communities known as P*atwegars* and K*hatris*. They used to weave exceedingly nice cloth which was much in demand, Buchanan wrote that Bangalore weavers excelled all others in this craft. The entire raw material for silk was locally reared. After Tipu's fall the weavers were reduced to such distress that Buchanan appealed

63 Kirkpatrick, Letters; No. 155, 159, 375, 186, 188, 418.

to the authorities in Calcutta to relieve the distress of these unfortunate weavers, and added that the mulberry trees that remained in Tipu's garden were in excellent shape suggesting "how well the plant agrees with the climate"[64].

Textiles industry was yet another unit that was greatly encouraged by Tipu. His looms produced very fine cloth. Kirmani observes that Tipu "instituted manufactures for the fabrication or the imitation of cloths of all countries, such as shawls, kimkhab (cloth of gold) broad cloth (European) and he expended thousands of pounds in these undertakings"[65]. Even fine Indian muslin was produced in Mysore. Bangalore was the noted centre for textile industry. A section of the Muslim weavers known as P*atwegars* excelled all others in this art. Sidlghatta, not far from Srirangapatna, was an important textile centre, where a variety of cloth known as S*ada shillay* was produced. Gubbi was known fro saris. Sathyamangala had as many as 800 looms. Coimbatore was yet another centre of importance for textiles where there were 46 looms; it was known for very fine cloth which looked as fine as silk. Kerala districts of Tipu's dominions were famous for long cloth. Salem was yet another noted place for textiles. Harihar was famous for yarn.

Tipu tried to improve the conditions of the weavers through advance of loans. Otherwise their normal position was depicted by Buchanan thus:

"… native merchants frequently make advances for the cloth intended for country use. These persons endeavour to keep the weavers constantly in their debt; for, so long as that is the case, they can work for no other merchant, and must give their goods at a low rate. When a merchant wishes to engage a new weaver, he must advance the sum owing to the former employer. With this the weaver buys goods to fulfil his old conduct; but then he becomes equally bound to the person who has advanced the money. A few weavers are rich enough to be able to make cloth to their account and of consequence sell it to the best advantage"[66]

Tipu took interest in promoting other industries. He was very fond of pearl industry, and wrote to his trade agents in Muscat to procure at any cost ten divers who were required to find pearls on the western coast near Mangalore. When no one was available at Muscat he demanded that a search for such persons be made in Bahrain and Armuz. Tanning was done in several places. Oil extraction was common. There was a paper factory at Srirangapatna. Murthody and Channapatana produced

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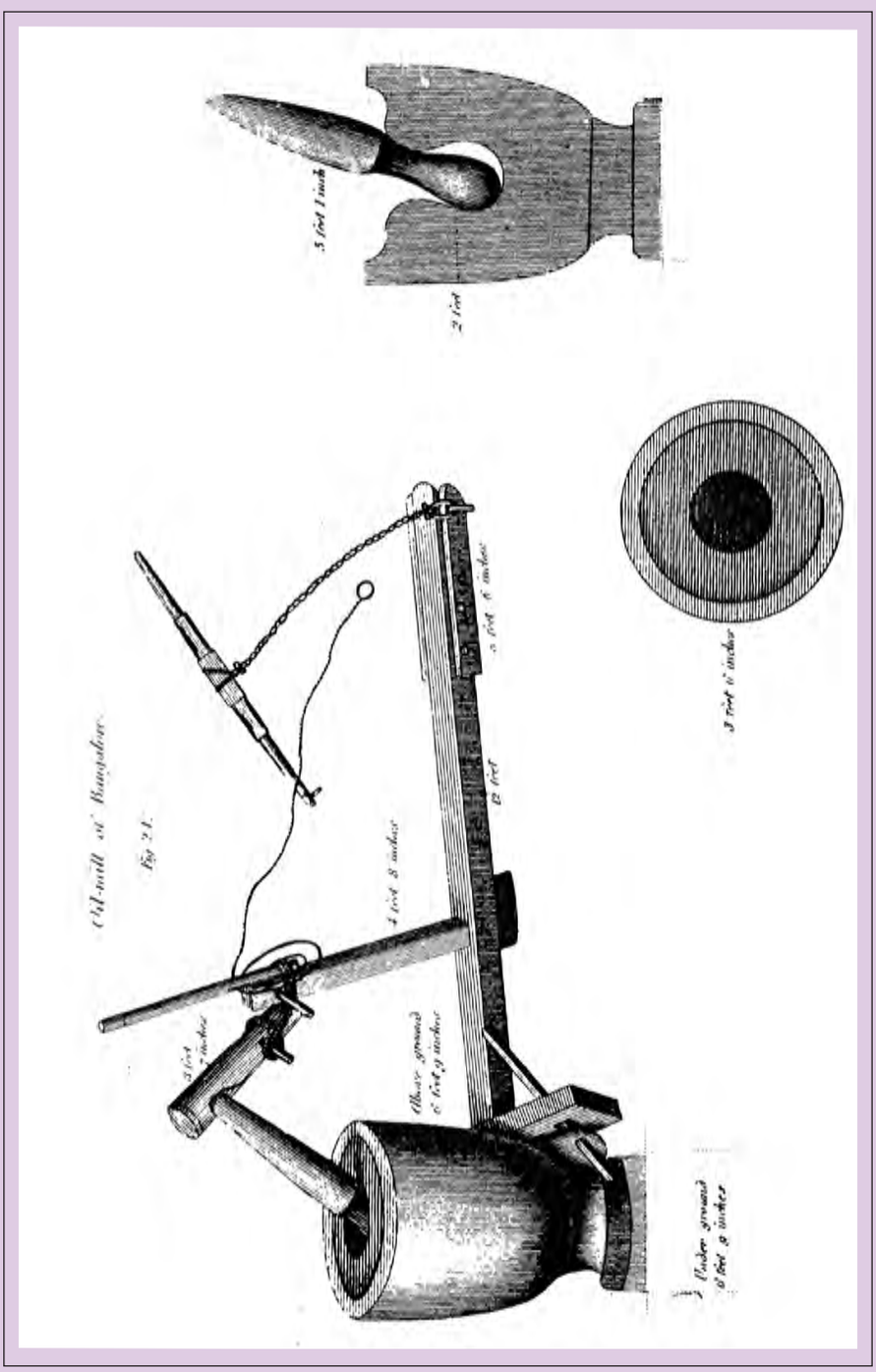
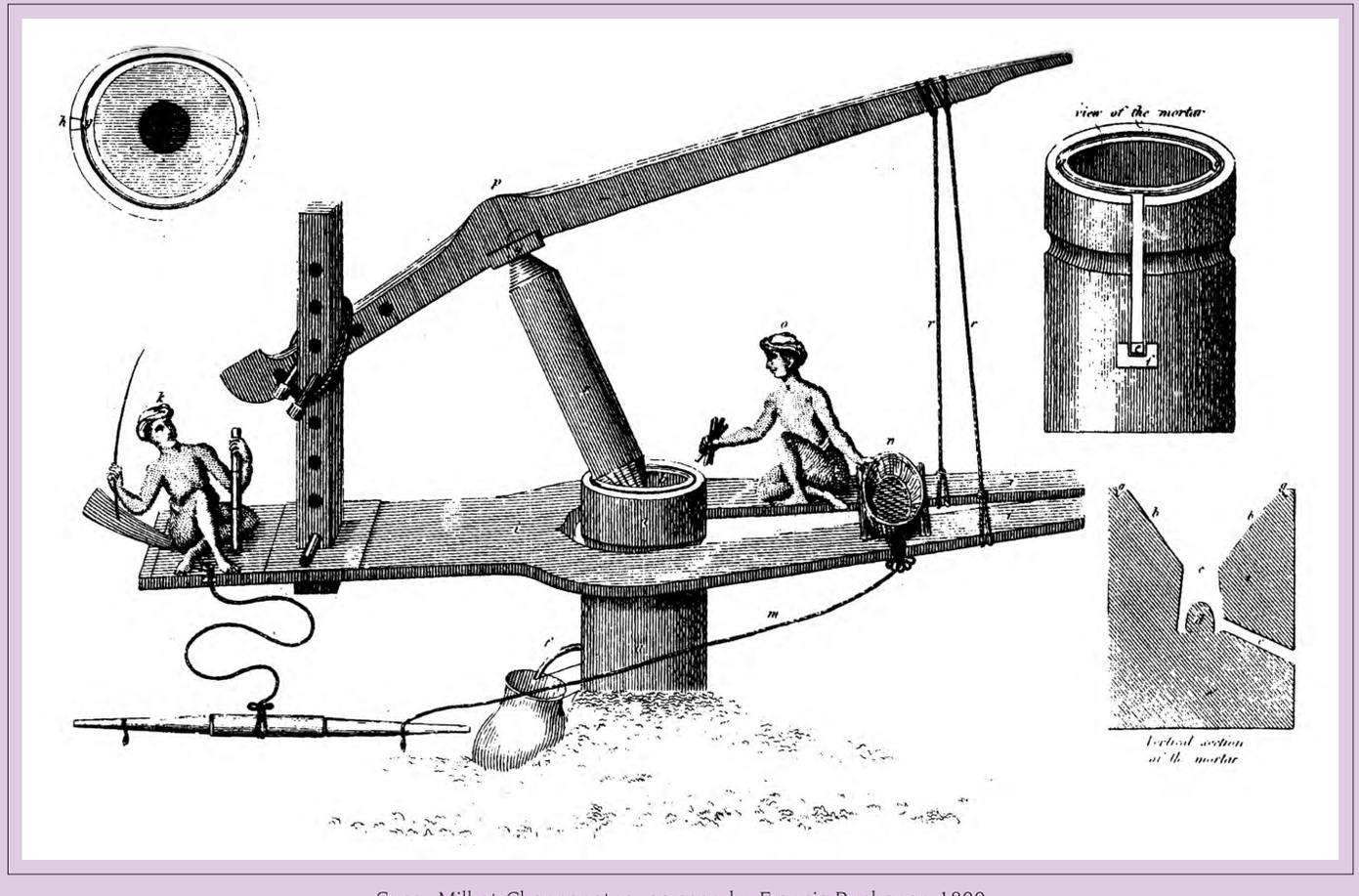
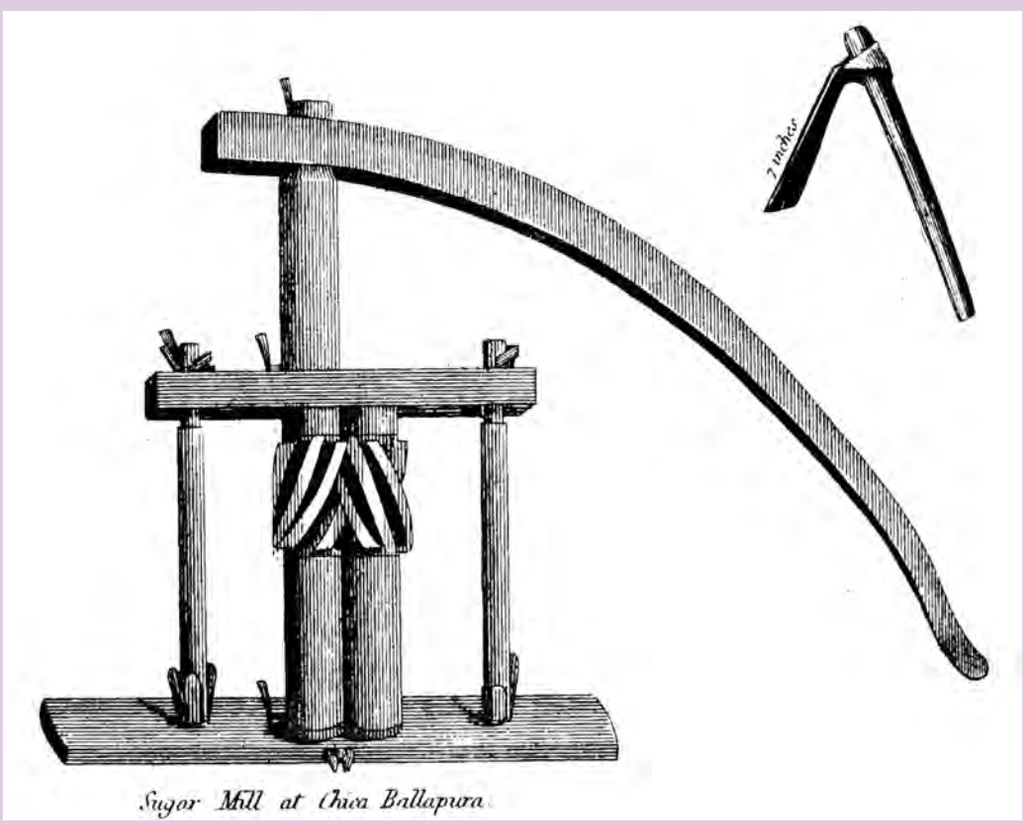
64 Buchanan, Vol. I, p. 222.
65 Kirmani, p. 286.
66 Buchanan, Vol. II, pp. 239-40.



Oil Mill at Bengaluru, as seen by Francis Buchanan 1800



Sugar Mill at Channapatna, as seen by Francis Buchanan 1800



glass articles. Polishing and carving of stones was done at various places. The quality of work in respect of polishing could as yet be seen on the pillars of Tipu's tomb at Gumbaz. The gun-powder produced in Mysore was superior in quality to that of England[67]. Channapatana manufactured a kind of wire that was used in musical instruments, and it was in demand all over India. There were quite a few sugar mills in Mysore. Chikkaballapur was known for sugar candy. Fine variety of sugar was produced with the help of Chinese experts. Sugar became even an exporting commodity, on the basis of which Chicherov went to the extent of saying that Tipu heralded the age of industrialism and capitalism in India.

The other industrial activities of Tipu were, cutting of stones into various shapes. His government conducted sheep-wool production on an organized and wide scale. Sheep breeding was greatly encouraged. His mints brought out a variety

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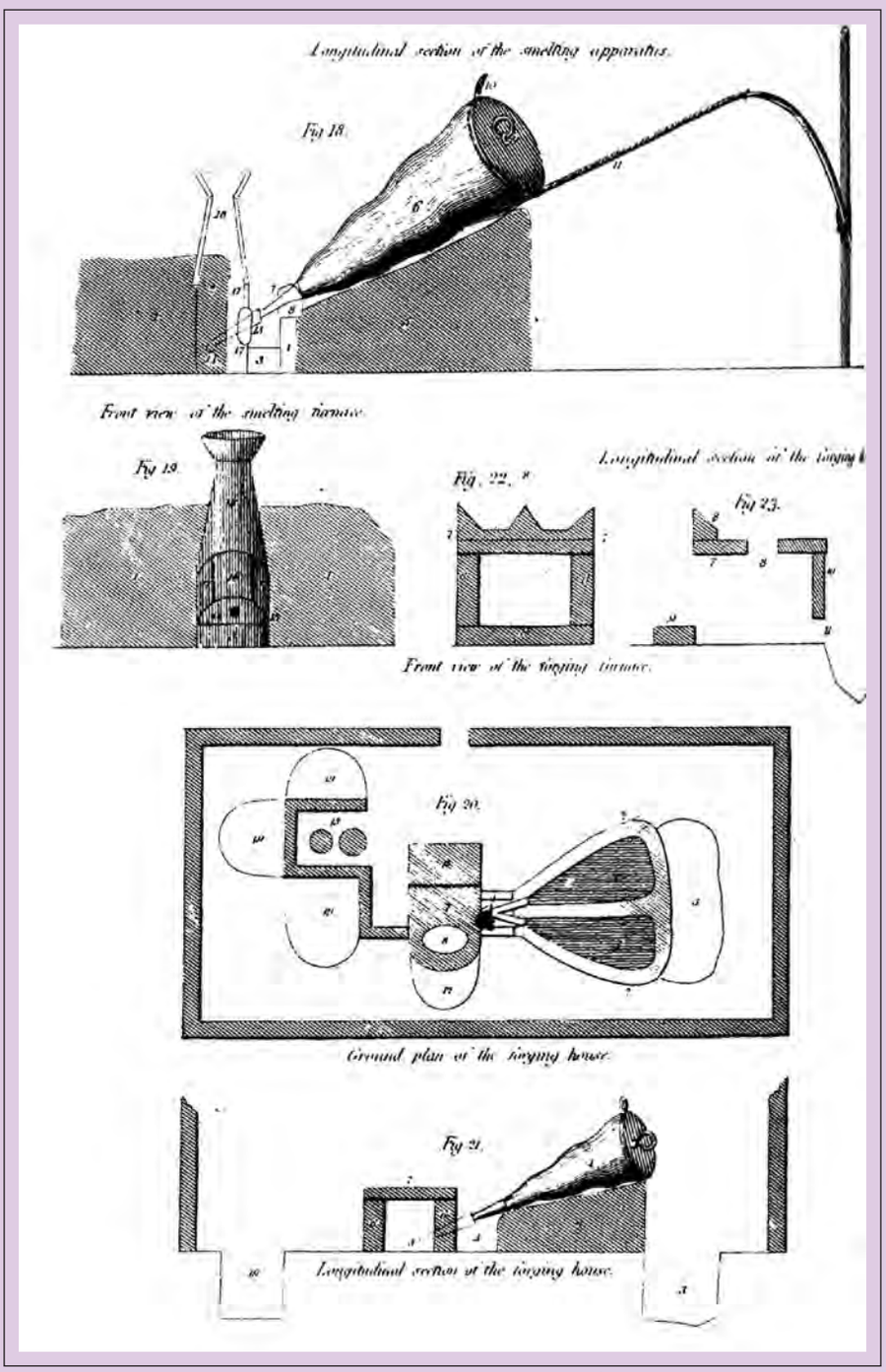
67 M.H. Khan, pp. 346-47.



Iron smelting unit, as drawn by Francis Buchanan 1800

of coins, which one often cited as an excellent example of his innovative spirit. Most of his coins carry the impression of an elephant on their revers. Elephant was a symbol of sovereignty, and it had been adopted by several other South Indian dynasties as well. Tipu did not inscribe his name on any of his coins, although Haidar had at least used the first letter of his name on the coins. Tipu's coins bear the names of great personalities of Islamic history, such as the Prophet, the four Caliphs and the Imams. The gold coin of the value of four pagodas was named after the Prophet, *Ahmedi*; other coins after the names of the four Caliphs as *Siddiqui*, *Farooqui*, *Usmani* and *Haidari*; and a few other coins after the names of the Imams, as *Imami*, *Abidi*, *Baqiri*, *Kazimi* and *Khizri*. He used the names of the stars as well for his coins as *Mushtari*, *Zahra*, *Behram*, *Akhtar*, and *Autub*. All his coins carried the name of the mint where they were struck. There were twelve mints in all, the most important of them were at Srirangapatna, Mysore, Bangalore, Bidnur, Chitradurga, Calicut, Dindigal, Dharwad and Gutti. His coins are rated very high in numismatics.

Appraisal of his policy

Tipu's industrial policy was in tune with his over-all view to make his State progressive and prosperous. He desired to improve every sector of his people's life, political, moral, social and economic. But he laid great emphasis on two of them, political and economic; political was crucial because if liberty was gone, soul was gone. Next to that was economic prosperity of his people which was possible by the right exploitation of the natural resources, by the equitable distribution of the means of production, and by the promotion of trade and commerce and arts and crafts. That was the reason why he took such great interest in agriculture, in trade and in industry. In other words resistance to the expansion of colonial power and the modernization of his State were the two basic principles of his State policy.

His industrial policy was related to the development of key-industries in Mysore which others had not thought of. Ship-building was a novel venture. Although credit in this regard should go to Haidar, who was the first to think of Mysore navy, but Tipu developed it further. He paid attention both to merchant ships and war-ships. It had deeper implications, both backward and forward. It helped the local craftsmen and artisans and utilized the indigenous resources, and also acted as means of transport for his maritime trade. He was aware of the political importance of the navy for contacts with outside powers. Secondly, he evinced great interest in iron-smelting, musket-making, cannon-casting and other items of war machine. Europe had gone far ahead in that field. It was literally true that power flowed from the

barrel of a gun. When the English were closing the shops for the purchase of armaments by Mysore, where else could Tipu go except to manufacture them at home? All records say he did not fare badly in this game. His guns were on par with those of his rivals. Even his enemies have acknowledge that fact. A German engineer is now doing research on the technique of temper Tipu's craftsmen gave to their metals. No one before Tipu had paid so much attention to the indigenous production of defence goods.

Thirdly, even in the sector of consumer goods like sugar, paper, glass, cutlery, textiles, silk and other things, Tipu's efforts were remarkable. Chicherov has gone to the extent of saying that sugar candy and sugar production of very refined type, which Tipu developed with the help of Chinese experts, had the potential to result in capital formation, as it had demand in foreign markets and that would have created surplus capital. Introduction of silk industry too was Tipu's contribution, and it is now a major source of income in certain parts of Karnataka. In the midst of a war with the Marathas, he would not forget the care of silk-worms. Mysore under Tipu became a hub of textile industry. Its cloth was greatly in demand in several parts of India. It is the production of such articles of daily use as paper, glass, Chinaware, cutlery and so on that gave a fillip to Mysore crafts.

Finally, his encouragement of all sorts of economic activity enhanced the demand for both unskilled and skilled labour. Agriculture, the only major source of employment from time immemorial, had kept the agricultural labour employed only for a part of a year. Agriculture at that time in any country was not a highly paid avocation. Although it was labour intensive, it was not lucrative in income, before modern methods of cultivation were introduced. At such a time when Tipu opened a flood-gate of opportunities in different areas of manufacturing industries, Mysore labour was surely benefited. Apart from the traditionally known professions of agriculture, trade, commerce, industry and crafts, Tipu enlarged greatly other areas of services. His Board of Admiralty, his Department of Commerce, and his Bureau of Manufactories created several hundred jobs. His construction of numerous forts, buildings, bridges, canals, tanks and anecuts brought additional source of income to agricultural labour. His innovative, and progressive outlook on all means of production, and also his knowledge of western progress in this regard, improved enormously the quality of Mysore labour and its skill. In short if hostile forces had not cut short his regime, he would have ushered Mysore into an industrial age.

Some scholars, while acknowledging his intense economic activity, disagree on the issue that his policies were sound enough to usher his State into industrial stage.

Asok Sen is the scholar who has studied in depth the economy of Mysore and the state-craft of Tipu. His is a very well-researched thesis which is very appreciative of Tipu's work and also very critical. His objections are:

(1) Government domination obstructed economic activity.

(2) Although Tipu was bold enough to adopt new techniques of production, and undertook numerous industrial projects, they helped only in the enhancement of the power of "an absolutist state".

(3) The development of industries and manufactures took place essentially in those branches of production which had little potential for laying the basis of mass production economy.

(4) "Industrialism and capitalism meant mass production for mass consumption, and here the luxury industries were entirely subordinate".

(5) Although promotion of iron manufactures may be characterized as a basic sector influencing the economy with "backward and forward linkages", it did not yield the desired results, because of "what was happening in the rest of the economy".

(6) "Tipu's absolutist state craft had left little room for any sizeable part of the economy's savings being used for motives and choices of unhindered private enterprise oriented to production goals".

(7) The growth of iron manufactures, its level and composition, were essentially tied to urgent needs of war demand.

(8) Restrictions on the spread of suitable know-how obstructed the production of man-consumption goods. For example, the process of making very fine sugar was kept a Royal secret.

(9) The direct producers were still under the domination of merchants, as in the case of weaving industry.

(10) Because of the over-all domination of governmental control, "the path to a capitalist beginning was neither open to direct producers nor to the merchants, since none of these forces came to have the freedom and capacity to go in for unhindered private enterprise and accumulation".

(11) The absence of a new class of leadership to guide social production

enhanced the power of bureaucracy.

(12) Tipu was often deceived by his own officers, as they would exhibit a piece of foreign cloth as a country-made piece.

According to Sen these inhibitions stood in the way of a great socio-economic change which Tipu wanted to bring about, and that Mysore did not experience the transition from feudalism to capitalism, which Europe experienced. Tipu's efforts in a sectors of life did not go beyond "the elaborate manipulations of state craft which continued and even accentuated the stranglehold of politics and bureaucracy on the processes of appropriation and use of economic surplus". Consequently forces were not crystallized of bringing into existence a new challenge of "alternative hegemony against the old order, a challenge evoked by the role of radical leadership in the advance of social production". Hence, Mysore could not move on the classical European path[68].

This is a beautiful analysis valid from only one stand-point, namely, bourgeois social hegemony alone could bring about a change from feudalism to industrialism. We should not judge Tipu from the hindsight of nineteenth and twentieth century developments. Nor should we suppose that change always follows a uniform pattern. The Meiji Revolution ushered Japan into modern age through absolutist State. The modernization of Germany and Italy took place under the aegis of absolute monarchy. Professor Sen stigmatizes again and again Tipu's absolute power, and use of his bureaucracy for a social change. There was no other form of government known to Europe in the eighteenth century except in England, and yet capitalism and industrialism became an universal phenomenon in Europe.

Secondly, Sen has heavily depended on such sources as Wilks and Kirkpatrick and Buchanan for evidence to elaborate his thesis, although eye-witness accounts of other Englishmen like Moore and Dirom and Munro have been ignored which present a different picture of Tipu's Mysore, already noted in an earlier chapter.

As for the charges of Dr. Sen that government domination obstructed economic activity and that bureaucrats stood in the way of progress, we should be fair to Tipu that all change was because of his initiative, the product of his fertile mind. We have also to presume that having brought about a change, he was equally interested in its success, and that his "absolute power" would not be used to kill it. The father of a project would love his creation and not kill it. What Dr. Sen has quoted, "… a system

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68. Asok Sen, "A Pre-British Economic Formation in India of the late Eighteenth Century", Perspectives In Social Sciences I – Historical Dimensions, Edited by Barun De (Calcutta, 1977), pp. 99-107

of plundering, because an administration built up on individual egoism and unscrupulousness, and laden with the burden of paying the extravagances of an over-refined court" is hardly true in the case of Tipu. Even Dr. Sen has diluted his own quotation in refuting these charges against Tipu, and yet he believers that Tipu's absolutism stood in the way of progress, which is contradiction in terms.

The second charge is also related to the same idea that the numerous industrial progress helped only in the enhancement of the power of the absolutist state. Here again there is contradiction. When numerous projects were established the concomitant result is not only the enhancement of power, but also several other things, more jobs to the people, more production, more exchange of goods, more business and more commerce, and hence more prosperity. Why should we assume that the only product of the numerous projects was "an absolutists State"?

The third charge that Tipu encouraged only war industries, and did not pay attention to the mass consumption goods, is not true. He paid equal attention to the articles of daily use as sugar, paper, glass, cutlery, toys, textiles, silk and so on. It is true he laid stress on key industries like ship-building, iron-casting and cannon making. The life of the State depended on that. How could he ignore it when he was daily confronted by the enemies at the door? He had a philosophy different from that of the exponents of industrialism and capitalism, who wanted only market economy. No State worth the name could ignore its defence requirements.

The fourth charge that "luxury industries" should be subordinate to mass consumption industries is irrelevant in the context of eighteenth century India when resistance to colonial expression had become absolutely essential for Indian suzerainty and independence. Fifthly, although Dr.Sen does not ignore the importance of iron manufactures, he is not happy with its results. We should not forget that progress is an evolutionary process which takes time. Tipu's short regime was too brief a period to show results. Moreover, he was experimenting with things. All learn only through trial and error method. Tipu did his best to bring something into existence. Its nourishment and care was as much the duty of the whole society as his. If they failed him, how could he be responsible?

The sixth charge he states that Tipu did not encourage private enterprise "oriented to production goals". This is also not true. The traditional economy went on as before. He interfered in certain key sectors as heavy industries, armaments and ship-building, and certain other consumer goods which had been neglected like

sugar industry, silk industry which had great potential for foreign exchange. He was for both public sector and private sector. Key industries required heavy investment, which the private enterprises could not afford. He stepped only into that area.

The seventh charge that iron manufactures, its level and composition was tied to urgent needs of war demand is already discussed, as he valued liberty more than his life. The eighth charge of restrictions on know-how comes close to the modern concept of intellectual property, but it needs to be corroborated by more evidence. The ninth charge of allowing the merchants to advance money to weavers refutes the earlier argument of Tipu's despotism. Some one had to satisfy the need of the weavers. Tipu had thought of a small savings scheme which would have helped the poor, but it was not adequate to meet all demands. The State could not advance money to every weaver. That would have led to chaos. The tenth charge also relates to governmental control. Nations like Germany, Japan, Italy and Russia attained to industrialism through absolutism and bureaucracy at a much later date. What was wrong if such a system prevailed in Tipu's regime of 18th century India, when nothing else was known? The eleventh charge is the absence of a new class of leadership to guide social production. If destiny had permitted Tipu a longer rule, perhaps his fertile mind would have thought of such a class of social leadership as well. Lastly, Tipu was deceived by his own officers. That was, of course, his misfortune. Treachery and deceit were common in his age, and if he too became their victim, it was not his fault; it was his destiny.

It is difficult to say whether Dr. Sen's charges are valid or our refutations are valid, but what is valid is that one cannot read the mind of a man. What Tipu had in mind we never know, not in the least what Dr. Sen expected of him. Capitalism, industrialism, market economy, surplus capital, investments and modern theories of public finance, are all recent concepts which Tipu was not aware of. It is too much to expect that he should have set that machine into motion. The intricate linkages of present day economic activity were unknown in his age. They were also in the evolutionary process even in Europe. The first work of the father of political economy, **Wealth of Nations,** of Adam Smith was just published in Tipu's times. Even Industrial Revolution was just raising its head. It was a transition stage from feudal economy to modern economy. The exact pattern events would take shape was hardly within the imagination of any one. At such a time to expect that Tipu too should have fallen in line with those forces that produced capitalism, or he should have been an agent or architect of industrialism (in the European sense) is to expect too much of him.

Moreover, Tipu had in mind something entirely different from competitive capitalism of the modern age. One may wonder whether this sytem is in the best interest of all. Multitudes labour hard only to make a few rich. Those who produce the goods get hardly enough for their sustenance and those who sell the goods get much more than what they deserve. But the lion's share goes to them who neither produce nor sell, but manipulate. The capitalists who wisely invest their money indulge in speculation. Tipu was not for such a system. His principle was the prosperity of all, more so of them who labour with their hands. If any evidence is required to prove this, his co-operative scheme which ensured higher profit to small depositors, is quite enough.

Tipu need not be judged by the western standards. He was an orientalist steeped in the ethos of the east where human values had an upper hand, and where absolutism had been tempered with "D*harma*" or ethical principles. To his Indian heritage he had added his Islamic concept of the equality of man and dignity of labour. The revolutionary message of Islam, namely unity of God and unity of man, was too deep in his bone and marrow. That was why he had named his State as "**Saltanat-e-Khudadad**", or the 'Kingdom of the Gift of God". He desired to inject into his State the higher principles of ethics and morality, and not of competition and capitalism. His idea was to do largest good to the largest number of people, and not to see wealth concentrated only in the hands of a few. The State treasury was the common property of all, and its replenishment was the prosperity of all.

Tipu had certain priorities. Freedom of the land topped the list. Any sacrifice was too small for its preservation. Therefore, he diverted the resources of his State first to preserve and protect its liberty. Manufacture of armaments was imperative without which neither he nor his State could survive. All discussion that surplus should have been used on consumer goods and not on unproductive items like armaments is irrelevant, because when his own and his State's life were at stake, he would be inviting enslavement if he was not prepared for war. With that preparation he was not spared; would he have been if he was not prepared? Perhaps he might have been spared, had he not fought, but that life would have been worse than death to him. He would prefer to be like a lion for a day than a jackal for hundred years. He did prefer death to dishonour.