

The Indian Bourgeoisie In Its True Colours—III

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THIS proves sufficiently the hollowness of the argument of economic independence of India in 1947.

Of the 336 plantations of India 220 were under British control in 1947-48. Four British companies were controlling almost the entire production, the initial working and export of shellac. Buying and exporting tea, coffee and rubber were the monopoly of British firms. The Indian economy was at that time under the joint yoke of 34 British and 6 Indian monopoly concerns. (All these figures are from the Reserve Bank of India Report—1950.)

Protection

The Indian compradors thrived

under imperial protection: 'The Group of Students' being apologists of the Indian compradors have invented a quite interesting theory to prove the 'nationalist role' of the compradors. The 'students' say that though at the outset some protection was given to Indian industries like Tatas, iron and steel, cotton, matchboxes, sugar etc. it was all withdrawn subsequently at the instance of the British monopolists of the home country. As an explanation of giving protection at the outset and withdrawing it later, the 'students' say that the granting of protection to Indian industrialists was due to a mistaken policy of

the colonial authority in India as it could not 'properly understand the contradictions between the imperialists and the Indian bourgeoisie,' meaning that the colonial authority mistook the Indian bourgeoisie as its friend and ally and granted it protection, but the British monopolists at home quite correctly understood the Indian bourgeoisie as an enemy and consequently asked the colonial authority to scuttle the protection forthwith, as a result of which Birlas resigned from the second Legislative Assembly. Agatha Indeed, Christie, Edgar Allan Poe and Sherlock Holmes rate into insignificance before this detective acumen.

The apologists of the comprador

bourgeoisie could not suppress facts. So they had to admit that the imperialist rulers gave protection to those industries which were considered exclusively Indian and thrived under imperial protection. If it is established that the Indian bourgeoisie thrived through the nursing and nurturing of imperialism then the whole argument of the authors of the paper regarding the nationalist role of the present Indian bourgeoisie, regarding its emergence mainly as finance-capitalist and front the very beginning having a monopolistic position falls flat. As such, this point of imperial protection deserves special attention and demands somewhat elaborate discussion.

The Industrial Commission in its recommendation suggested protection to Indian industries, meaning Indian industries run by both Indians and Britishers. I have shown by quoting the Simon Commission Report how the Indian and British capital merged and formed joint stock companies and how impossible it was to draw a demarcation line between Indian and British capital. The industries, those which were considered exclusively Indian, were mainly Tata Iron & Steel, cotton textile industries, sugar industries etc., though here too, especially in sugar and cotton textile, control by the foreign monopolists had already begun. Undoubtedly, imperial protection policy was discriminating, undoubtedly the colonialists behaved somewhat stepmotherly towards the Indian bourgeoisie, undoubtedly the Indian bourgeoisie, as a result, remained always dissatisfied and disgruntled, and 'fought' against its senior and master partner for more share in exploitation and policy making bodies, but that did not mean that

the Indian bourgeoisie was denied the reluctant bosom of imperialism. Like a stepson neither could it be thrown away, nor could it be cordially received. Take the case of Tata. The import duties on steel bars were increased and bounties were given on production of rails and fishplates in India in 1924. The duties were considerably raised in 1925 in order to counteract the effect of heavy decline in steel import prices. Further investigations were made in 1927, 1932 and 1934 and as per requirement import duties were lowered or raised, but bounties were dropped. It was not a fact that protection was withdrawn. On the contrary, the protection was continued up to 1941, and because of the conditions created by the Second World War imports became unavailable and protection was considered unnecessary.

The second major industry, known to be 'exclusively Indian', to receive the benefit of protection of British imperialism was the cotton textile industry. In 1894, when the Government of India was faced with a heavy deficit, they imposed a duty of 5% on the value of cotton piecegoods and yarn on the nascent cotton textile industries of India. This duty would have been considered a deliberate attempt on the part of the colonialists to nip the industry in bud had this duty been not accompanied by an excise duty of equivalent amount on yarn produced in Indian cotton mills. This policy of protection received powerful support from Indian industrialists who were slowly coming up and who were naturally interested in getting their industries firmly established behind the imperial protective barrier. A few years after the First World War a state of depression set in and the millowners of Bombay, instead of fighting the imperialists, decided to replenish the compensation announcing a cut of 12½% in the wages of all categories of workers. The 'nationalists' came out in their true colours. This announcement led to a general strike. The workers of Bombay won

the first round of battle. The proposal for wage cut was dropped after the Government of India came to the help of millowners by abolishing the excise duty on cotton manufactures. Since 1918, the import of cotton goods from Japan and selling the same in the Indian market at an artificially low price had worried the millowners of Bombay. They formed a Millowners' Association and made representation to the Government. The Tariff Board recommended increased import duties on cotton goods. But it was at a time when the USA was wooing Japan against Britain in the Pacific. So it would not give effect to the recommendation, although, by this time British capital had begun to dominate the cotton textile industries of India. However, in 1927, a much lower duty than was recommended by the Tariff Board was imposed. Not satisfied, the millowners continued abegging. In 1930, the cotton textile industry received 'full protection'. But the millowners still remained dissatisfied. The Congress, under the leadership of Gandhi, in order to scuttle the rising mass discontent launched a movement in 1930-31. In the meantime Japan went decidedly against Anglo-American imperialism and attacked China. The import duties were raised in 1932 and again in 1934. *The protection continued right up to 1947.*

The authors of the paper tried to make us believe that the colonial authority either did not give protection or if it gave it at the outset, withdrew it at the instance of the monopolists of the home country because these industries were exclusively Indian. Let us see how far the cotton textile industries were exclusively Indian even in 1927.

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The Cotton Textile Mills of Bombay

	No. of Mills	No. of spindles	No. of looms	Capital (in million)
Companies under British Managing Agency (9)	27	1,112,114	22,121	Rs. 980.90
Companies under Indian Managing Agency (32)	56	2,360,528	51,580	Rs. 970.70

It will be seen from the above that the British Managing Agency has 22% of the companies under it, but it actually controlled 33% of the mills, 32 p.c. of spindles, 30 p.c. of looms and 50.3% of the capital. The major share of capital was in British hand in 1927, in an industry which was considered 'exclusively Indian.' This also shows the partnership of Indian and British capital in 1927 and demolish the theory of independent parallel development of Indian capital and industries 'from the very beginning.

However, several other industries which received protection in the period before the Second World War: The paper industry in 1927 matches in 1928, the heavy chemical industries in 1931 and the sugar industry in 1932. In all only eleven industries were given protection between 1924 and 1939.

National And Comprador

In China, the compradors were the bureaucrats and state officials of the emperor's court from the very beginning. These bureaucrat compradors kept private merchant capital out of industry to keep the monopoly control 'over everything by themselves. As a result, the Chinese national bourgeoisie, which grew out of private merchant capital, developed as a quite distinct force, independent of the Chinese compradors. Their survival, growth and establishment demanded almost an irreconcilable struggle against the ruling bureaucrat

compradors as well as against imperialism. But the Indian national bourgeoisie did never develop as a distinct force, opposed to Indian compradors. On the contrary both the sections developed together in a single stream. Indian compradors were not the rulers of the country like the Chinese compradors, as India was a colony while China was a semi-colony. The Indian national bourgeoisie did not organise itself *politically* as a separate and distinct *political sect*. On the contrary it followed in the wake of the comprador bourgeoisie, who also fought against imperialism for share in power and exploitation. The Chinese compradors, being the ruling class themselves in a semi-colony, need not and did not fight imperialism and feudalism even half-heartedly. The voice of the Indian national bourgeoisie could not be heard as a distinct one so long India was a colony, as the need of a distinct voice was not acutely felt by it when its 'big brothers were representing the whole case of 'national economy.' The pourings-in of large amounts of foreign finance capital and lining up of the compradors in respective imperialist camps, the extreme bureaucratisation of capital and national economy in the name of 'nationalisation' and tightening of control and guidance over the state and economic machineries by a particular group of compradors in utter disregard of the interests of the national economy have undoubtedly accentuated the crisis of

the national bourgeoisie and there is no doubt, today or tomorrow that its voice would be heard as a distinct voice, as was demonstrated, the other day, on newspaper advertisement pages, the intense fight between Golden Tobacco Co. and Imperial Tobacco Co. (British) renamed India Tobacco Co. Their voices can be heard through the *Engineering News of India*, an organ of the smaller guys, and other such papers. Until and unless proletarian class politics begins to dominate, these feeble voices of the Indian national bourgeoisie cannot be expected beyond protests and 'representations.'

The 'Group of Students' in their overzeal to prove Birlas' role as nationalist quote two contradictory passages from the *Eastern Economist* and ask us to judge whether this 'dilemma is peculiar to a nationalist or a comprador? And then they advise us to 'call a horse a horse not elephant'. The 'Group of Students' all through played a deceitful role in quoting others. It was not a dilemma at all, as the two quotations came from two distinct quarters, but our 'Group of Students' put it in such a manner as if the two extracts came from the same section of the bourgeoisie. The first quotation represented the voice of the national bourgeoisie, while the second quotation represented the voice of the comprador bourgeoisie. The first quotation is a part of the statement of the Indian Merchants' Chamber released to the press on May 2, 1945, which the *Eastern Economist* published in its issue of May 18, 1945 with a view to making the comprador section quite abreast with the actual state of affairs. Why was this statement made by the Merchants' Association? A government sponsored industrial delegation was about to visit America at that time for a big deal. Birla himself was one of the members of the delegation. The prominent and powerful industrialists were out to utilise their increased wealth and to link themselves with Britain and America through joint companies. The small industrialists and merchants who lack sufficient resources to enter into in-

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ternational dealings, being alarmed, opposed this move of the compradors.

This is the history and background of the above statement. We expect, at least, honesty from the 'Group of Students.' We may differ with them

in our approach which may be clinched today or tomorrow provided there is honesty on both sides. But if there is no honesty, even our apparent unity can lead us nowhere.

(Concluded)