
Colonial Economic Policies and Trade in Bangalore under the British Governor Generals' Rule Babu Venkatesh Prasad Gowda K.K.

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ABSTRACT:

This paper examines the economic transformation of Bangalore under British colonial rule, focusing on the period spanning the nineteenth and early twentieth centuries. It analyzes how the policies enacted by the Governor-General and implemented through the Madras Presidency reshaped agrarian structures, trade flows, artisanal production, and urban economy. Using archival sources such as Madras Presidency annual reports, Mysore Gazetteers, and railway records, along with secondary scholarship on deindustrialization, urbanism, and economic history, the paper argues that colonial administrative interventions created a dual legacy: modernization of infrastructure and integration into global markets, accompanied by the decline of indigenous industries and the deepening of agrarian and artisanal vulnerabilities. The paper also examines the role of the Bangalore cantonment in shaping demand structures, indigenous banking in facilitating trade, and comparative perspectives with other urban centers in British India. By combining macroeconomic analysis with micro-level case studies, the research highlights the spatial, social, and economic consequences of colonial policies, providing insights into the long-term patterns that shaped Bangalore's postcolonial development.

KEYWORDS:

Bangalore, Colonial Economy, Deindustrialization, Cantonment, Madras Presidency.

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Introduction

Bangalore's transformation under British colonial rule was the outcome of multiple policy instruments deployed by the Governor-General and administered through the Madras Presidency. The city's dual identity as a princely capital under the Wodeyars and a British cantonment created a unique environment in which imperial policies intersected with local economic structures. This section examines the framework of colonial economic governance, highlighting mechanisms of land revenue, trade regulation, and urban planning, and sets the stage for a detailed analysis

of their socio-economic impacts. Additional archival sources indicate that revenue collection, municipal oversight, and cantonment provisioning were coordinated to optimize both extraction and administrative control, illustrating the comprehensive nature of colonial economic strategies.

Historical Background

Prior to British intervention, Bangalore was a thriving center for local crafts, agriculture, and trade. Its weaving, metalwork, and leather industries supplied regional markets. The establishment of the British cantonment in 1809 introduced new economic actors, altered consumption patterns, and reoriented trade flows. Migrant labor, primarily from Tamil Nadu and other southern regions, became a crucial part of the cantonment economy, influencing both labor markets and urban demographics. This section situates Bangalore within the larger context of the Mysore State, examining pre-colonial economic networks and the early disruptions caused by British military and administrative interventions.

Colonial Agrarian Policies

Land revenue reforms under the Madras Presidency reshaped agricultural production in the Bangalore hinterland. The imposition of cash-based revenue obligations encouraged peasants to cultivate commercial crops such as cotton, indigo, and coffee, often at the expense of subsistence crops. Revenue settlements were enforced through surveys and measurement systems, increasing the monetization of rural economies. While this facilitated the supply of cash crops to colonial markets, it also heightened rural indebtedness and increased vulnerability to crop failures. Archival reports reveal periodic famines and distress sales, reflecting the economic pressures imposed by revenue policy and market integration.

Trade and Commerce

Bangalore's commercial landscape shifted dramatically with British intervention. Local bazaars adapted to meet the demands of the cantonment and British firms, which required provisions, construction materials, and textiles. Imports from Britain, especially textiles, increasingly displaced local handloom production. Merchants who could navigate colonial procurement networks prospered, while smaller producers faced marginalization. The city's integration into global trade circuits through railways and roads facilitated this reorientation, aligning local production with imperial economic priorities rather than regional or domestic con-

sumption needs.

Deindustrialization

The decline of indigenous industries was a critical outcome of colonial economic policy. Handloom weaving, metalwork, and other artisanal activities experienced significant reductions in output and employment. Cheap British imports, preferential contracts for colonial suppliers, and tariff policies undermined local production. Micro-level studies from missionary and municipal records indicate that many artisan households shifted to wage labor, petty trade, or agricultural work, illustrating the human cost of deindustrialization. This transformation had lasting effects on the socio-economic fabric of Bangalore and its surrounding rural areas.

Railways and Market Integration

Railway construction, notably the Bangalore–Madras line inaugurated in 1864, was central to the city’s integration into colonial markets. Rail connectivity allowed for bulk transport of cash crops, timber, and military supplies, facilitating the movement of goods to ports and export nodes. The railways also reinforced colonial control, as market access and commodity flows became dependent on imperial infrastructure. Historical freight records indicate significant exports of coffee and cotton from Bangalore during the late 19th century, while imported British goods dominated local markets.

Cantonment Economy and Urbanism

The Bangalore cantonment functioned as a distinct urban entity with its own administrative, commercial, and social structures. Cantonment demand stimulated specific sectors, such as food supply, construction, and services, but favored merchants integrated with presidency networks. The cantonment also influenced urban planning, sanitation, and housing policies, creating a spatial duality between the European-administered areas and the traditional *pete*. This section examines the economic, spatial, and demographic consequences of the cantonment’s presence.

Indigenous Banking and Financial Flows

Indigenous banking networks, particularly Chettiar and Marwari financiers, played a crucial role in facilitating trade and credit in Bangalore. Loans supported both agrarian and commercial activities, including cash crop production, merchant procurement, and artisan supply chains.

Archival evidence from municipal and banking records indicates that these networks were critical intermediaries between local producers and colonial markets, while also shaping patterns of indebtedness and wealth accumulation.

Socio-Economic Impact

Colonial economic policies produced wide-ranging social consequences. Peasants faced increased taxation and crop failure risks; artisans were displaced; and urban labor markets transformed under cantonment demands. Migration patterns shifted, and occupational hierarchies changed, with a small elite of merchants and contractors benefiting disproportionately. The interplay of policy, market integration, and social stratification shaped the long-term economic landscape of Bangalore.

Comparative Context

Comparing Bangalore with other British Indian urban centers highlights both unique and common features of colonial economic intervention. Unlike Madras or Bombay, Bangalore's cantonment-pete duality created distinct spatial and economic segmentation. Its reliance on cash crops and colonial procurement parallels patterns in other princely states, but its urban economy was uniquely shaped by military and administrative needs, illustrating a hybrid model of colonial urbanization.

Conclusion

In conclusion, the economic transformation of Bangalore under the British Governor Generals was multifaceted. Infrastructure development, trade integration, and modernization coexisted with deindustrialization, agrarian distress, and social displacement. Archival and secondary evidence demonstrates that colonial economic policy produced both opportunities and vulnerabilities, leaving a legacy that influenced Bangalore's postcolonial urban and economic development. Understanding these historical processes provides valuable insights for contemporary studies of urbanization, economic policy, and development in South India.

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