

British interests in Kashmir(1846-1947A.D): An Economic Perspective

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Abstract: - Owing to its geographical contiguities with Central Asia, the state of Jammu and Kashmir opened new vistas of British trade in Central and South Asia under the garb of Kashmir trade. Due to its strategic location state was connected with Central Asia through the famous Silk route, and its small outlets which were used by traders of Kashmir from the times immemorial to reach out the markets in Central Asia. In this regard we see in the later part of nineteenth century British policy towards Kashmir was simply an attempt to employ the kingdom as the Guardian of the Northern frontiers, and to limit the political as well as economical powers of Maharaja in his state, for the safety as well as prosperity of their British Empire.

Keynotes: - Expansion, Consolidation, Trade, Mastery, Safety, Agreements, Control, Decline.

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I. INTRODUCTION:

Kashmiri traders from the times immemorial reach out to the markets in Central Asia. Among all the Central Asia markets that fall along the Silk Route, viz, Kashgar, Yarkand, Khotan, Turfan, Bukhara, Smarkand, Khokahand, and Khiva etc. were the famous destinations for Kashmiri traders where they made transactions with the traders of the other countries. Infact, these were the markets where British had a desire to control and manage their affairs for furthering their trade interests. In these markets bulk of transactions took place in various other commodities comprising of food, non-food, and luxury items. These markets were flooded with both Local and Foreign commodities, comprising Silk and Cotton fabrics, High boots of Scarlet, Beads, Mirrors, Medicine, Knives, Hats, Scents, Spices like Cardamom and Ginger, Wooden Hardware or Bolts for doors and stables, Horse-Shoes, Teapots Cups Aniline, Firearms, Boulders of rocks, Salt, Cones of Soap, Bowls of Sheep and Oxen, Tobacco, Corn, Livestock, Vegetables and Fruits etc.

In all these markets, each bazaar specialized in a specific brand of trade and these bazaars had a particular day to function in a week. Besides, these products the mainstay of the export trade of British India was the drug Cannabis Indica locally termed *Nasha* and *Charas* in India, it was in high demand in the markets of China. It was planted round the fields of maize in the four districts of Kashgar and Yarkand. The other Exports from British India to Ladakh and vice versa were Cotton manufactured piece goods, Drugs, Dyeing material (indigo), Paint and Dye, Fruits and Vegetables, Hides and Skins, Corals, Leather, Boots and Shoes, Leather unmanufactured, Brass and Copper, Iron, Petroleum, other kinds of Oil, Silk piece goods European, Silk piece goods Indian, Spices, Jewellery, *Numdhas* and *Gabbas*, Raw wool (*pashm*), Carpets, Indian Tea, China Tea, Lhasa tea, Woolen piece goods European, Treasure (silver coins) etc. One thing is clear that the items which were available in the Central Asian markets were having a good demand in England and Russia and vice versa.

No historical process was more important to eighteenth century Indo-Central Asian trade than Russia's economic development and concomitant growth in demand for goods available in Central Asia, whether Central Asian in origin or brought there from India. Central Asia's commercial relations with Russia underwent considerable intensification following the annexation of Kazan, Astrakhan by Ivan Groziny in sixteenth century. However, it was not until the beginning of eighteenth century that, under the guidance of peter I(1696-1725 A.D), the Russian government began to pay more attention to, and take more aggressive stance in, Russia's trade with Asia, especially with the Bukharan Khanate. Audrey Burton mentions that Bukharan Khanate primarily supplied Russia with various types of cotton, silk textiles, dyes and horses in exchange for Russian *yuft* (treated leather hide), woolen, textiles, furs, and other commodities. In the second half of the nineteenth century, when other countries had colonies overseas, Russia advanced into Central Asia. A complicated interconnection of strategic political objectives and economic interests of the Russian empire in Asia were the reasons for the colonizing campaign.

Anglo-Russian rivalry and the decline of Maharaja's sovereignty:

By 1830 A.D both Britain and Russia had emerged as the most powerful states in Eurasia. Exercising control over vast territorial Empires in Asia, both these powers were separated from each other by weakened unstable Khanates of Central Asia. The Anglo-Russian rivalry was a result of the convergence of their imperialist designs over Central Asia, from two opposite directions. Whereas Britain was scared of the unchecked growth of Russian power in Asia which would undermine the British power and prestige in India, Russia felt tempted to restrain the hostile British moves in Europe by playing up the Russian threat to India. So during the first half of nineteenth century Britain was busy in exploring the means to prevent the absorption of the intervening Central Asian Khanates into Russia. It also sought to extend commercial activities in the area with the hope of superseding Russian influence there and creating a friendly buffer between the two Empires. Both these powers viewed Central Asia as a land of promise which could assimilate their manufactured goods and supply in return raw materials like cotton, silk and wool.

In this regard we see in the later part of nineteenth century British policy towards Kashmir was an attempt to employ the kingdom as the Guardian of the Northern frontiers, and to limit the political as well as economical powers of Maharaja in his state, for the safety as well as prosperity of their British Empire.

It was in the second half of the Nineteenth century that Tsarist Russia and Britain found them-selves in the state of rivalry in Central Asia, they had conflicting interests in the Balkan region of Europe. Each country tried to check the others extension of power and influence in that direction. Russia had an alternate field to compensate her setbacks in the Balkan region, viz., Central Asia. In-fact she had been advancing towards Central Asia since the beginning of 19th century. These moves of Russia towards Central Asia for political and economic reasons alarmed British Empire. In this regard William Moorcroft had written a warning in 1822 A.D that trade with Russia via Turkestan was increasing. According to C. Karpinski "Russia imported more than two million rubles worth of Turkish and Kashmir shawls in 1825-1826 A.D".In this regard in 1832, the British East India Company Board of Control had sent Burnes to Central Asia to investigate the possibility of British commerce to counter a possible Russian threat to India.

For seeking the promotion of trade in South and Central Asia and to put a halt on the Russian activities in Central Asia, the British government signed different Political and Trade agreements with Native rulers at different times. In case of Jammu and Kashmir, it resulted into the total loss of economic sovereignty of Maharaja in a long run. An agreement had been arrived at between Kashmir and Punjab in January 1863 A.D, regarding the payment of duties on export and import of articles in Kashmir and Ladakh. Accordingly, the import duties were reduced and the British decided to Re-compensate the Maharaja of Kashmir. They discouraged him from imposing custom duties on merchandise from Central Asian countries. Accordingly, the matter was discussed with the Maharaja, who agreed to reduce Custom Duties on the condition that the loss suffered was to be paid by the British on fifty- fifty basis, but the British did not keep their promise.

To keep a vigil on the moves of Maharaja the British Officer had already been posted at Srinagar to represent the British Government in Kashmir. Now the Viceroy appointed an 'Officer on Special Duty' at Ladakh for the promotion of Central Asian trade. In the beginning, the arrangements were made only for one year but later it was decided to continue it beyond 1867 A.D and sent a British officer every year to Ladakh. On the other side to counter these moves of British, Russians also made efforts to consolidate their position in Western Turkistan. The rivalry between these two powers reached to the extent that British goods could not find its market in Russian dominated areas, including goods from Kashmir. Consequently, there was an urgent need to strengthen the British defenses on the North West of India. And the strategic position of Kashmir in the defense of the North West Frontiers gave it a great importance.

"According to Wakefield: In its relation to our rule in India the position of this kingdom, its physical and other characters, have an importance which its extent and general barrenness would scarcely warrant, for it constitutes a formidable defense, A Rocky Bulwark to our Empire on its Northern Frontier, a natural obstacle against any foe proceeding that quarter.

In 1867 A.D, Dr. Calay was sent to Ladakh to make a comprehensive survey of the Central Asian trade with a view to examining the possibilities of capturing these markets for the British products. Accordingly, he made several suggestions regarding improving trade relations with Central Asian countries. His proposal was accepted by the Governor-General. Dr. Calay, the British Trade Agent at Leh took various steps to encourage the import of wool and *pashmina* into Kashmir. The Maharaja was asked to provide full details of import and export trade with Central Asia. At the same time, the British decided that all exports and imports to and from Central Asia would be checked, examined and weighed by the British Trade Agent. Thus, the British completely controlled all trade with Central Asia. These measures brought about a loss of Rs. Fifteen lakhs to the Maharaja annually who made several representations about it to the Governor-General, but was paid no attention.

The establishment of lucrative trade with Sinkiang and Tibet was the dream of successive British viceroys. With this object in view, the British Indian government exerted a great deal of pressure on Maharaja and his successors to entrust the control and up keep of the caravan routes to the Central Asia and Tibet to

British officers. In 1870, a Commercial Treaty was finally concluded between the Maharaja Ranbir Singh and the Viceroy of India.

- (a) According to it British were empowered to appoint a Joint Commissioner in Leh to look after the interests of traders and maintain the road in a good order.
- (b) Officers of the British government will be appointed to survey the trade routes from the British frontier of *Lahoul* to the territories of the ruler of Yarkand, including the route via *Chang Chenmo valley*;
- (c) The route best suited for the development of trade with Eastern Turkistan shall be declared by the Maharaja to be free highway in perpetuity and at all times for all travelers and traders;
- (d) For supervision and maintenance of the road and for settlement of disputes, two Commissioners shall be appointed, one of the British government, and the other by the Maharaja;
- (e) The Maharaja agrees to levy on transit duty whatever on the free highway on goods from Eastern Turkistan to India and vice versa.

The above commercial treaty fully furnishes us with the detail that it was beneficial for British only, but for Maharaja it was end of his internal sovereignty in the state as guaranteed in the ‘Treaty of Amritsar’. The appointment of trade agents at Leh, and declaring of free highways are some glaring examples.

As mentioned above, all goods destined for Central Asia were exempted from the payment of any toll or duty in the state. But the *caravans* had been subjected to frequent raids from the *Kajnuties*, the inhabitants from Hunza and Nagar, and consequently, the British sent punitive expedition against them in which they were finally subjugated. The cumulative result of all these measures was that the Central Asian trade flourished for some time. But Russians also took a number of measures in 1880 to exclude British-Indian commodities from Central Asian market. We see in 1888 A.D, the Russians established a consulate in Bukhara, which among other things, was to deal with matters relating to Afghanistan and by 1892 A.D, the Russian customs frontier was extended to the Afghanistan-Bukhara border. During 1894-95A.D no considerable increase was seen in the British trade. By 1895, the flow of British Indian goods into Central Asia through Afghanistan and Bukhara had declined by 80% severely damaging the position of Afghanistan in the transit trade. But the Resident remarked that the increase was both important and satisfactory.

Unfortunately, it led to the total elimination of Kashmiris from this trade which they had been carrying on for centuries. Through the direct assistance and patronage extended to traders of Hoshiarpur and Amritsar, the British commercial interests in the Central Asian provinces increased to a great extent. Moreover, there was a revolutionary change in the kind of merchandise exported to Central Asia. In this direction it will be important to mention that:

In spite of the difficulties of the passes, year after the year the caravans toiled to and fro, carrying to Yarkand the products of Manchester looms and Bradford Woolen mills, spices and sugar from Java, while in return they brought felts and hemp-drugs, silk and carpets from Khotan and substantial balance in Gold-dust and silver to fill the gaily painted coffers of fat Banias of Amritsar and Hoshiarpur.

A study of the Annual Ladakh Trade Reports for the period 1867 to 1920 shows that the export of Kashmir shawls from Kashmir to Central Asia via Leh-Yarkand trade route became insignificant in quantitative terms after 1877, when the Chinese reoccupied Eastern Turkestan. Evidently shawls of Kashmir, which were used as turbans by *Andijanis* and *Kokandis*, were in demand in Kashgar during the rule of Yakub Beg. A part of such shawl goods also reached Russian Central Asia from Kashgar. But such trade appears to have dwindled to nil after the extermination of Khoja rule in Eastern Turkestan. This is borne out by the figure quoted in the Annual Ladakh Trade Reports for the respective years, which are reproduced below.

YEAR	VALUE IN RUPEES(Rs)
1867	3,416
1868	800
1869	1,800
1870	24,100
1871	44,354
1872	5,200
1873	2,400
1874	6,140
1875	-
1876	4,900
1877	10,700
1878	650
1879	-
1880	680
1881	-

1882	-
1883	1,275

Source: Ladakh Trade Reports for Year 1867-1883.

The trade between Kashmir and Central Asia was mostly an import trade. The main articles of import as mentioned above were wool, raw woollens items especially 'Numdas', Fruits, Tea Lahasa, Charas, Silver etc. Up-to 1907, however, no records are available to show the figures of trade between Kashmir and the Central Asia. The Trade Reports of the state mention that it was registered for the first time in the year 1907-08. In 1907-08, the total quantity and value of goods imported into Kashmir from Central Asia was 1891 maunds worth Rs. 18,071. However, the statistics were not complete. The Traders passes by many routes having no arrangements for registration. Proposals were, therefore made for completing the statistics about the caravan at registered posts. The following table may help in understanding the state of trade involving the imports from Central Asia to Kashmir.

IMPORTS FROM CENTRAL ASIA TO KASHMIR

YEAR	QUANTITY IN MAUNDS	VALUE IN RUPEES(Rs)
1907-08	1891	81071
1908-09	1826	62639
1909-10	1390	79285
1910-11	2165	161747
1911-12	1026	71242
1912-13	1867	139424
1913-14	2030	135947

Source: Trade Reports from 1907-14.

It was expected that from the beginning of the year 1909-10, the exports would give more accurate information. The contemporary reports reveal very fluctuating trade figure both relating to volume and value during 1907-08. From 1907-08 to 1910, there is decline in volume, though the value falling in 1908-09 shows a rise in the succeeding year both in volume and value. Suddenly, it increased in 1910-11. In 1908-09, there is a fall in both volume and value as reported to have been marked by the lesser imports of wool-raw and *pashm* or *pashmina* on account of the declining shawl industry in Kashmir for which it was imported. The contraction in quantity in 1909-10 was said to have been caused by the lesser imports of fruits, 'Numdas', Charas, Tea, and Silk, though no explanation as why it happened is forthcoming. The total quantity of wool imported in Kashmir from Central Asia was 80Q-4M-10S and the value of the wool was Rs.6006. In 1910, imports markedly improve 'Numdas, Carpets, 'Pashm', Tea, Skins, Stones, Silk, and 'Charas' chiefly contributed towards the rise. Increase in the demand of embroidered *Numda* and *Pashmina*, Charas in Kashmir seem to have stimulated the imports of the first two articles from the Central Asia. To replenish the stock of Charas in the Kashmir warehouse, a large quantity of the drug was brought in the year. Increase in other things was due to the general progress in trade. Decline in quantity and value of the trade in 1911-12 was exhibited by the large imports of *Numdas* in the preceding year which caused their fall during this year. The explanatory causes again are unfortunately missing. In 1913-14, smaller imports of wool and silk chiefly affected the value of trade. With regard to the reasons as to why this happened, however, the records are again silent. The decrease in the imports of *Numdas*, Wool and Silk was due to the active market for them in Russia on account of the First World War (1914-18).

The balance of trade between Kashmir and Central Asia was heavily in favour of Central Asia. A little amount woollen articles like Shawls, *Gabbas* and Carpets were seldom export. Iron and a few article of merchandise of daily use formed the exports. The Annual Trade Report of 1900-01 shows a surprising amount of export trade from Kashmir to Central Asia which amounted to 166,97 maunds valuing Rs.6,36,108. Thereafter the records available present a very low and poor profile of the same trade which is clear from the following table:

EXPORT FROM KASHMIR TO CENTRAL ASIA

Year	Quantity in Maunds	Value in Rupees.(Rs)
1907-08	106	392
1908-09	89	1,925
1909-10	406	17,902
1910-11	175	862
1911-12	90	886
1912-13	12	635
1913-14	353	6,067

Source: Trade Reports of 1907-1914

The trade between Kashmir and Central Asia was mostly an import trade, there being no export trade worth the name. The Central Asian traders who brought their articles to sell in Kashmir took off certain articles when they returned home. Rations and personal luggage of the traders and travelers were registered under this head.

II. CONCLUSION:

From the above discussion it becomes clear that Kashmir had developed trade relationship with Central Asia and China since times immemorial which for some time came to be dominated by the British Imperial polices particularly in the second half of the nineteenth century. However, with the Russian expansion in Central Asia and their constant rivalry with British, the trade relations between Kashmir and Central Asia, China got a setback. The Imperial designs of the two competing powers left the Kashmir on adverse receiving end, as a result of the closer of its routes. Though, trade between these countries continued in different ways till 1947. However with the partition of the India, Kashmir was once again caught between the two newly created powers, India and Pakistan which till now have kept Kashmir into a stagnant position, as the routes approaching to Central Asia and China had been closed.

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