

INDIAN SCHOOL NIZWA  
ECONOMICS -WORKSHEET  
CH 1 : INDIA ON THE EVE OF INDEPENDENCE

DATE: \_\_\_\_\_

NAME: \_\_\_\_\_

CLASS :XI

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1. What was the focus of the economic policies pursued by the colonial government in India? What were the impacts of these policies?

Ans. The economic policies pursued by the colonial government in India were concerned more with the protection of the economic interests of their home country than with the development of the Indian economy. Such policies brought about a fundamental change in the structure of the Indian economy i.e., transforming the country into a supplier of raw materials and consumer of finished industrial products from Britain. Impacts of these policies:

- Agriculture practices remained backward.
- India became the net supplier of raw materials and consumer of finished goods from Britain.
- Insignificant growth in GDP.
- Low National and Per Capita Income.
- Lack of Industrialization.

2. Name some notable economists who estimated Indian's per capita income during colonial period?

Ans. Dadabhai Naoroji, William Digby, Findlay Shirras, V.K.R.V. Rao, and R. C Desai.

3. What were the main causes of India's agricultural stagnation during the colonial period?

The main causes of India's agricultural stagnation during the colonial period were:

- Land Settlement Policies: Colonial government introduced various land settlement policies such as Zamindari system in which maximum profit coming from agriculture sector went in the hands of Zamindars instead of cultivators. Neither Colonial government nor Zamindars did anything to improve condition of agriculture. This caused immense misery and social tension among cultivators.
- Revenue Settlement: The Zamindars were given rights to own land in return of some specified sum of revenue, failing which the zamindars were to lose rights. Therefore, the zamindars adopt stubborn attitude. Drought and famine make situation more critical.
- Commercialisation of agriculture: The colonial government forced peasants to grow commercial crops such as tea, coffee, indigo etc. in order to feed British industries with cheap raw materials. This commercialisation of Indian agriculture not only increased the burden of high revenues on the poor farmers but also led India to face shortage of food grains, resources, technology and investment.
- Lack of Irrigation Facilities and Resources: Indian agricultural sector also faced lack of irrigation facilities, insignificant use of fertilisers, lack of investment, frequent famines and other natural calamities, etc. that further exaggerated the agricultural performance and made it more vulnerable.

4. Name some modern industries which were in operation in our country at the time of independence.

Ans. The modern industries which were in operation in our country at the time of independence are -

- Cotton Textile Industries.
- Jute Textile Industries.
- Iron and Steel Industries.
- Sugar Industries.
- Cement Industries.
- Paper Industries, etc.

5. What was the two-fold motive behind the systematic de-industrialisation affected by the British in pre-independent India?

Ans. The two-fold motive behind the systematic de-industrialisation affected by the British in pre-independent India was:

→ To reduce India to the status of a mere exporter of important raw materials for the upcoming modern industries in Britain.

→ To turn India into a sprawling market for the finished products of those industries so that their continued expansion could be ensured to the maximum advantage of their home country Britain.

6. The traditional handicrafts industries were ruined under the British rule. Do you agree with this view? Give reasons in support of your answer.

Ans. Yes, the traditional handicrafts industries were ruined under British rule. Till the middle of eighteenth century Indian handicraft products were greatly demanded in the markets all over the world but the policies followed by colonial government gradually reduced their demand in market:

→ British got raw materials from India at cheaper rates and sold their machine made items in Indian markets at cheaper rates than handicraft goods.

→ They also imposed heavy export duties on India's export of handicraft products, while allowed free export of India's raw material to Britain and free import of British products into India.

7. What objectives did the British intend to achieve through their policies of infrastructure development in India?

Ans. Under the colonial regime, basic infrastructure such as railways, ports, water transport, posts and telegraphs did develop. However, the real motive behind this infrastructure development was not to provide basic amenities to the people but to sub serve various colonial interests. Like the roads that were built primarily served the purposes of mobilizing the army within India and drawing out raw materials from the countryside to the nearest railway station or the port to send these to far away England or other lucrative foreign destinations. The introduction of the expensive system of electric telegraph in India, similarly, served the purpose of maintaining law and order.

8. Critically appraise some of the shortfalls of the industrial policy pursued by the British colonial administration.

Ans. The industrial policy followed by the British colonial administration was solely to facilitate the upcoming modern industries in Britain. The primary motive of this de-industrialisation was to reduce Indian into a mere supplier of Britain's own flourishing industrial base and turn India into a market of Britain's machine made items.

Though during the second half of the nineteenth century, modern industry began to take root in India but its progress remained very slow. Initially, this development was confined to the setting up of cotton and jute textile mills. Subsequently, the iron and steel industries began coming up in the beginning of the twentieth century. The Tata Iron and Steel Company (TISCO) was incorporated in 1907. A few other industries in the fields of sugar, cement, paper etc. came up after the Second World War.

But, there was hardly any capital goods industry to help promote further industrialisation in India.

Furthermore, the growth rate of the new industrial sector and its contribution to the Gross Domestic Product (GDP) remained very small.

Another significant drawback of the new industrial sector was the very limited area of operation of the public sector. This sector remained confined only to the railways, power generation, communications, ports and some other departmental undertakings.

9. What do you understand by the drain of Indian wealth during the colonial period?

Ans. India has been an important trading nation since ancient times. But the restrictive policies of commodity production, trade and tariff pursued by the colonial government adversely affected the structure, composition and volume of India's foreign trade. Britishers became an exporter of primary products and importer of finished consumer goods.

The most important characteristic of India's foreign trade throughout the colonial period was the generation of a large export surplus. But this surplus came at huge cost to the country's economy. Furthermore, this export surplus did not result in any flow of gold or silver into India. Rather, this was used to make payments for the expenses incurred by an office set up by the colonial government in Britain, expenses on war, again fought by the British government.

10. Which is regarded as the defining year to mark the demographic transition from its first to the second decisive stage?

Ans. The year 1921 is regarded as the defining year to mark the demographic transition from its first to the second decisive stage.

11. Give a quantitative appraisal of India's demographic profile during the colonial period.

Ans. India's Demographic conditions during the British rule depict our economy as stagnant and backward.

- Both the birth rate and death rate were as high as 48 and 40 per thousand. Due to high birth rate and high death rate the population growth was stagnant.
- The Infant Mortality Rate was also very high of about 218 per thousand. The Life Expectancy Rate was as low as 32 years while presently it is 63.5 years.
- The literacy rate was less than 16 percent which denotes social backwardness and gender bias in the economy.

In the absence of reliable data, it is difficult to specify the extent of poverty at that time but there is no doubt that extensive poverty prevailed in India during the colonial period.

12. Highlight the salient features of India's pre-independence occupational structure.

Ans. The salient features of India's pre-independence occupational structure were:

- The agricultural sector accounted for the largest share of work force, which usually remained at a high of 70-75% while the manufacturing and the services sectors accounted for only 10 and 15-20% respectively.
- Another striking aspect was the growing regional variation. Parts of the then Madras Presidency (comprising areas of the present-day states of Tamil Nadu, Andhra Pradesh, Kerala and Karnataka), Maharashtra and West Bengal witnessed a decline in the dependence of the workforce on the agricultural sector with a commensurate increase in the manufacturing and the services sectors. However, there had been an increase in the share of workforce in agriculture during the same time in states such as Orissa, Rajasthan and Punjab.

13. Underscore some of India's most crucial economic challenges at the time of independence.

Ans. The Indian economy was a backward economy at the time of Independence:

- Low Level of Agricultural Productivity: Over 70 percent of total population of India was engaged in agriculture but the total output was very low.
- Industrial Sector: There were not many industries and capital was mostly invested by foreigners. Moreover, the need to increase the share of industrial sector to India's GDP was one of the important economic challenges for India.
- Lack in Infrastructure: The famed railway network, needed up gradation, expansion and public orientation. There was a complete absence of infrastructure for imparting knowledge or technical skills to the labourers.
- Poverty and Inequalities: India was trapped in the vicious circle of poverty and inequality. The colonial rule drained out a significant portion of India's wealth to Britain. Consequently, majority of India's population was poverty trodden. This further exaggerated economic inequalities across the country.

14. When was India's first official census operation undertaken?

Ans. In the year 1881 India's first official census operation was undertaken.

15. Indicate the volume and direction of trade at the time of independence.

Ans. Due to restrictive policies of the colonial government India became an exporter of primary products such as raw silk, cotton, wool, sugar, indigo, jute etc. and an importer of finished consumer goods like cotton, silk and woolen clothes and capital goods like light machinery produced in the factories of Britain, For all practical purposes, Britain maintained a monopoly control over India's exports and imports, As a result, more than half of India's foreign trade was restricted to Britain while the rest was allowed with a few other countries like China, Ceylon (Sri Lanka) and Persia (Iran).

16. Were there any positive contributions made by the British in India? Discuss.

Ans. Yes, there were various positive contributions that were made by the British in India. The contributions were not intentional but purely the effects of colonial exploitation of the British. The following are the positive contributions made by the British:

→ Introduction of Railways: The introduction of railways by the British was a breakthrough in the development process of Indian economy. It opened up the cultural and geographical barriers and facilitated commercialisation of Indian agriculture.

→ Introduction of Commercialisation of Agriculture: The introduction of commercial agriculture is an important breakthrough in the history of Indian agriculture. Prior to the advent of the British, Indian agriculture was of subsistence nature. But with the commercialisation of agriculture, the agricultural production was carried out as per the market requirements. It was due to this factor that today India can aim at attaining self-sufficiency in food grains production.

→ Introduced Free Trade to India: British forced India to follow free trade pattern during the colonial rule. This is the key concept of globalisation today. The free trade provided domestic industry with a platform to compete with the Britain industries. The introduction of free trade led to an increase in the volume of India's export rapidly.

→ Development of Infrastructure: The infrastructure developed in India by the British proved as useful tool to check the spread of famines. The telegram and postal services served Indian public.

→ Promoted Western Culture: English as a language promoted westernised form of education. The English language acted as a window to the outside world. This has integrated India with the rest of the world.

→ Role Model: The way and the technique of British administration acts as a role model for the Indian politicians and planners. It helped Indian