EMERGENCE OF REGIONAL POWERS IN 18th CENTURY INDIA

(Topics Include: Unit-II: (b) Emergence of Successor States (c) Mysore under Hyder Ali and Tipu Sultan (d) Marathas under Peshwas)

INTRODUCTION

By 1761 the Mughal empire was empire only in name, as its weaknesses had enabled the local powers to assert their independence. Yet the symbolic authority of the Mughal emperor continued, as he was still considered to be a source of political legitimacy. The new states did not directly challenge his authority and constantly sought his sanction to legitimise their rule. In many areas of governance these states continued the Mughal institutions and the administrative system; where changes occurred—and they did occur, of course—they came rather lowly, to accommodate the altered power relations in the regions. The emergence of these states in the eighteenth century, therefore, represented a transformation rather than collapse of the polity. It signified a decentralisation of power and not a power vacuum or political chaos. These new states were of various kinds with diverse histories: some of them were founded by Mughal provincial governors, some were set up by the rebels against the Mughal state; and a few states which asserted their independence were previously functioning as autonomous but dependent polities.

The 18th century has been a subject of historical debate among scholars. It represents a phase of transition between medieval and modern periods. The decline of Mughal power in the 18th century was characterized by the rise of autonomous states in the 18th century. Earlier the historians regarded this period as crisis torn but recent researches have tried to study 18th century states as separate entities possessing elements of dynamism and growth.

18th CENTURY DEBATE

It is important to study the 18th century debate among scholars for understanding the nature of successor states which emerged in this period. 18th century has been largely analysed in the context of the Mughal empire. However, recent writings focus on 18th century as an epoch in which certain trends emerged which were not wholly governed by the presence of Mughal empire. Therefore, an attempt is being made to study 18th century as a period in which many
positive features existed thus demolishing the ‘bleak-century’ postulate. This phase represents a transitional era between the medieval and modern period. The earliest interpretation of 18th century is contained in Sir Jadu Nath Sarkar’s History of Bengal Vol. II and The Fall of Mughal Empire Volum IV in which the 18th century was categorized into pre-British period and the British period. He subscribes to the dark age postulate of 18th century. Historians like Athar Ali refers to the rise of successor states in the 18th century but feel that these should be analysed within the frame work of Mughal decline. Hermann Goetz in his lecture on the crisis of Indian Civilization in the 18th century and early 19th century laid emphasis on the cultural development in India in the 18th century. This was a marked departure from the ‘overall decay’ theory of 18th century. However, deviating from these approaches recently historians have tried to analyse the successor states and emergence of new states in the 18th century. These comprised of Awadh, Hyderabad, Bengal, Mysore, Marathas, Sikhs etc. These polities are analysed as preparing the ground for the metamorphosis from the Mughal imperial system to the British system. The 18th century polities should also be seen in the context of continuity with the Mughal political system and also changes introduced to suit the new political situation. Thus the 18th century reflected the political transformation from Mughal decline to British colonialism but the socio economic forces at the local level continued to operate as before but the local groups shifted their political allegiance. With the decline of Mughal empire the virtually independent zamindars performed the task of collection of revenue and the local rulers used these resources for sustaining court and armies. This income also penetrated into towns and urban centers which thrived continually. Several types of political formations emerged in this period ranging from successor states to zamindaris which later got absorbed into the category of Princely states under the British.

However, the early British writers of Indian history (Elliot, Haig etc.) painted the 18th century in dismal colour since they wished to demonstrate that their predecessors were incompetent. The contemporary Persian works also portrayed the period as anarchic. The Persian writers were patronized by the nobles and with the decline of the Mughal empire their position was adversely affected. The contemporary historians were either lower officials or ‘prebendiaries’. However, some of them like Ghulam Husain Tabatabai in Bengal who wrote Siyar ul Mutakhkhirin or Shah Nawab Khan in Hyderabad who authored Maasir ul Umara or Ghulam Husain Salim of Bengal the writer of Riyaz us Salatin documented for the purpose of instructing the British officials and laboured under British auspices. This was a part of the broader project of recording colonial knowledge. The erosion of the traditional power and the
adversity and the reversals which the older regime suffered were mirrored in these works. Recently scholars like M. Alam suggest that the 18th century was caught between the grandeur of the Mughals and the indignity of colonial rule.

The author of *Maasir ul Umara* writes: “That Nadir Shah’s invasion resulted in a setback to the prosperity of Delhi, but in a short while it returned to normal and in fact in everything it is now better and shows progress....its industries and manufacturers are flourishing.” The Urdu *Shahr Ashobs* (Ruined cities) of the contemporary poets Mir and Sauda have been analysed by Ralph Russell and Khurshidul Islam. The poets lament the destruction of Delhi and Agra and the degeneration of the ethics and principles. The *Ashob-i-Zamana* of Jafar Zatalli written in 18th-18th century refers to the decay of a pattern of life and setback to a group of people (umara) who gave protection to creative classes (poets, writers) and gains of the ‘lower’ categories (weavers, butchers etc.) from the changed social milieu. It seems that the British historians of the 18th century were not guided by any bias or prejudice towards the Muslim rulers of the previous regime. Col. A. Dow and Col. Kirkpatrick the historians cum officials (in Lucknow and Hyderabad) of 18th century represent the above mentioned category. Dow in his *History of Hindustan* refers to company rule as mercantile misrule and desired the reverting back to Mughal practices. Dow’s glorification of Akbar made Warren Hastings to order the publication of Francis Gladwin’s pioneering English translation of *Ain-i-Akbari* or the institutes of Akbar. Kirkpatrik believed that Mughal rule was based on a variegated set of laws and customary traditions which found favour with Lord Cornwallis too. The concept of Mughal maladministration was propounded by British officials of mid 19th century viz. Sir Henry Miers Elliott in his Bibliographical Index to the Historians of Mohammadan India. This viewpoint was carried further by British as well as Indian historians like Sir Wolseley Haig, Sir Jadurath Sarkar and Dr. R. C. Majumdar.

Sir Jadunath Sarkar propounded a dark age postulate of the 18th century, which has been refuted and challenged by scholars like Athar Ali, Satish Chandra and Muzaffar Alam. It is based on an untenable premise focusing on degeneration which eroded the political organization which was a consequence of incompetent kings and nobles and their extravagant lifestyles. The 20th century ideology of polity also influenced the perceptions of writers of this period who regarded a centralist system as imparting stability as opposed to the regional or local assertion of authority and power which brought about destabilization.
Athar Ali’s fresh interpretation of Mughal decline in an article in the *Modern Asian Studies*, provided new insights into the understanding of the problem of degeneration of Mughal empire and the 18th century. The focal point shifted from the study of personalities held responsible for the catastrophe in the 18th century to the analysis and evaluation of the administrative structures of Mughal empire. He tried to understand the decay of Mughal power in the wider context of socio-economic and political vibrance in North western Europe in the 18th century and regarded the decline as a form of cultural degeneration.

Satish Chandra is skeptical regarding economic deterioration in the *riyasats* or successor states, which emerged in the form of political formations from the erstwhile Mughal system and were later integrated into the British colonial system. He refers to them as possessing a vibrant political ethos. Muzaffar Alam’s work suggests “that in the first half of the 18th century the Indo-Gangetic *subas* of the North, from Allahabad to Lucknow and Multan to be precise, experienced multivariate manifestations of crisis rather than a positive linearity of decline.” He regards Awadh as being a picture of progressive activities with scope for emergence of a regional political system but in the Punjab suba he finds few indications, which testify to modifications in the Mughal system in the sphere of polity and economic growth.

Athar Ali adopts J. N. Sarkar’s periodization paradigm with regard to establishment of British colonialism and places it at the middle of the 18th century. Barun De in his presidential address to the Indian History Congress in 1989 tries to unentangle the complicated web of historical perceptions regarding 18th century. He points out “Prof. Athar Ali identifies transition with the collapse of Mughal empire and then with the apparent chronological gap in which transitional regimes intervened (with) the rise of British power.” Athar Ali puts the 18th century polities in the middle phase of 18th century. Satish Chandra studies the 18th century in totality placed between the indigenous and exogenous imperialism represented by Mughal and British respectively. Therefore, the 18th century regimes are studied in the context of their continuity with earlier regime and the changes subsequently introduced and their final subordination by the British system.

Sarkar’s understanding of 18th century is clearly reflected in the following paragraphs from *History of Bengal* (Dacca University) *Vol II*: “On 23rd June 1757, the middle ages of India ended and her modern age began. When Clive struck at the Nawab, Mughal civilization had become a spent bullet. Its potency for good, its very life was gone. The country’s
administration had become hopelessly dishonest and inefficient and the mass of the people had been reduced to the deepest poverty, ignorance and moral degradation by a small selfish, proud and unworthy ruling class. Imbecile lechers filled the throne.... the army was rotten and honeycombed with treason. The purity of domestic life was threatened by the debauchery fashionable in the Court and the aristocracy.... Religion had become the handmaid of vice and folly.

On such a hopelessly decadent society, the rational progressive spirit of Empire struck with resistless force. First of all an honest and efficient administration had to be imposed on the country and directed by the English if only for the sake of the internal peace on which their trade depended and the revenue by which the necessary defense force could be maintained.... In the space of less than one generation in the twenty years from Plassey to Warren Hastings (1757-1776) the land began to recover from the blight of man’s handiwork and political life, all felt the revivifying touch of the new impetus from the west. The dry bones of a stationary oriental society began to stir, at first faintly under the wand of a heaven sent magician.”

Satish Chandra produced his magnum opus ‘Parties and Politics at the Mughal court 1707-1739’ in 1959. According to him the end of Aurangzeb’s reign represented the beginning of 18th century and this late medieval period was marked by transition brought about by the break down of the Mughal imperial system. He analysed the disruption of the socio-political system as follows: “social problems which no mere devices for expanding cultivation could solve.... What was really required was the rapid expansion of industry and trade based on the introduction of new technology and the removal of old barriers hindering that expansion.... the existing social order encompassed trade and industry in too narrow a sphere. Hence a basic improvement in the situation was beyond the competence of any one king.”

In a number of articles published in the next twenty years, Satish Chandra laid stress on the inability of the ruling class to find new avenues when the tripolar relationship between the center, the zamindars and the Khudkasht (resident cultivator who cultivates with his plough and bullock) was under stress. In 1982 the earlier view held by Satish Chandra which regarded the first half of the 18th century as a dead end was modified by him. He was now receptive to the idea of the Western Scholars (Sociologists and Indologists) that the 18th century was teeming with opportunities and though the old system was tottering but the possibility of growth existed for worthy people.
Another important work was written by Irfan Habib titled ‘The Agrarian System of Mughal India 1556-1707’. Habib refers to the Maratha “plundering and warfare” activities which he thought were responsible for ravaging the countryside and causing ruination of the peasantry. He cited Aurangzeb’s letters as evidence of the Maratha pillaging in the beginning of the 18th century: “there is no province or district where the infidels have not raised a tumult and since they are not chastised they have established themselves everywhere. Most of the country has been rendered desolate and if any place is inhabited the peasants have probably come to terms with the ‘robbers’ ashqiya, official Mughal name for the Marathas. According to Habib “.... the Mughal empire had been its own gravedigger.” The crisis in the agrarian economy was reflected in the peasant rebellions which took place frequently and led to the collapse of the imperial system. Habib is of the opinion that the political forces which emerged subsequently on the debris of Mughal empire represented “reckless rapine, anarchy and foreign conquest.” The state’s appropriation of the agricultural surplus was based on oppressive practices since those who subsisted on peasant’s produce continued to increase the demand and a large part was utilized by the parasitic ruling class in urban areas for extravagant purposes but there was no corresponding increase in the agrarian production which resulted in agrarian distress.

Satish Chandra and I. Habib characterized the Mughal ruling elite as possessing a narrow class disposition. They feel that it was not broad-based. The absolutist character of the state is reflected in the authority of the racially and hierarchically organized ruling class. Barun De opines that “....medieval imperialism.... of the Mughals in South Asia .... was more sterile like the despotism of Bourbons....finally replaced by an equally authoritarian and absolutist colonial imperialism.” Therefore 18th century was a period of transition anterior to the modern period. Periodisation presents a complex problem. Should 1707 marking Aurangzeb’s death be regarded as the beginning of modern period? Or should the first half of the 18th century be merely regarded as a period of transformation till the beginnings of the British colonialism in 1757?

Athar Ali is known for his writings on administrative history of Mughal India. He too like I. Habib and S. Chandra lays emphasis on economic factors which caused the weakening of the Mughal state edifice and paved the way for the establishment of colonial rule. The Mughal imperial structure is considered by Athar Ali as analogous to a pan-Indian structure though peripheral (marginal) areas such as Kerala, Dakshin Kanara, Madura Nayakdom in
Sothern Tamil Nadu, North East fell outside the pale of Mughal hegemony. They were later absorbed into the colonial state. 1700 onwards impediments and obstacles (peasant revolts, parasitical urban populace) hindered economic growth, which was considerably stifled. Therefore for many scholars (Athar Ali, I. Habib) the beginning of 18th century was crisis torn. The reasoning offered by these historians was in contrast to the exaggerated account of J. N. Sarkar depicting 18th century as a dark age.

Athar Ali mentions three categories of state formations in 18th century India:

1. Successor states like Hyderabad, Awadh and Bengal which were part of the Mughal empire and emerged due to the disintegration of Mughal empire. Their administrative structure was a continuation of the Mughal model.
2. The Maratha confederacy, Jats, Sikhs and Afghans rose to power as a consequence of the crisis which had weakened the Mughal imperial structure.

Athar Ali describes the distinction between the successor states and other states especially Maratha thus “while they might use certain Mughal administrative institutions for their own purposes their model of government was by and large antithetical to the empire and could not be reconciled with it.” Though the Aligarh school regards the 18th century as a period of crisis on account of Mughal decline and emergence of colonialism but this argument is replete with many loopholes. The focus of Mughal empire as representing pan-Indian aspirations and neglect of the peripheral polities is unwarranted. The centralization aspect of Mughal Empire is equated with stability and growth to the extent that the regional polities, which emerged with the decline of Mughal empire are regarded as anarchical. This proposition of the Aligarh school has been challenged in many writings recently (Cohn, Wink etc.)

In the 1983 Calcutta Deushkar Lectures Satish Cahndra was able to discover possibilities for economic growth in the 18th century. He refers to the elasticity and adaptability especially in the sphere of cloth production, long distance trade, dadni (term of agreement for providing means for production to artisans), cash crop, insurance, banking and other categories of rural fiscal mechanisms which led to the emergence of sahukari class to a position of economic and social prominence. He referred to the categorization (of rural society into two groups – the riyasati or privileged and the raiyati or others) The riyasati class was the rural
aristocracy comprising of the upper strata, the customary holders (malik) of village lands (khud kashta) and those who held official positions at the village level. These constituted the core of the rural gentry (elite) and they played an important role in the new state structures which emerged in the 18th century. Satish Chandra suggests that “there were greater possibilities for upward social mobility for the rural privileged sector than in the earlier period but within the broad framework of feudal society”. He finally infers that “the 18th century was thus pregnant with possibilities.... The old mould was cracking and there was a possibility of growth in various areas. Everywhere capable, ambitious people were pushing forward. What was lacking was direction.”

Bernard S. Cohn in his important article, in the Journal of the American Oriental Society, titled “Political systems in 18th century India: the Banaras Region” deviates from the earlier position of scholars who analyse the 18th century in the context of the crisis which developed in the Mughal administrative and economic system. He attempted to study the political system which developed in the 18th century especially the micro system i.e. the Banaras zamindari as an autonomous domain under the Nawab of Awadh which was finally subordinated to the control of British East India Company. Cohn did not contest the proposition of the pan-Indian imperial structure which developed cracks. His originality lay in the attempt to find resilience in the political configurations and the process of building up of power and dominance in the society of that period. He followed the systems approach. According to this approach political structures comprise of not only the centralized states, which lie at the pinnacle of the graded and hierarchical system, but also consist of clan dominated villages, bands, groups, associations etc. at the local and community level. The latter too played an important role in the policymaking and implementation. Cohn argued that political control in pre-modern times was organized along vertical lines (hierarchical). The dominance of the hierarchically superior powers was sustained through antagonism among the different categories in society. Although state power was legitimized through traditions, rituals etc. but it could be maintained only through rivalry and balance among the various groups in society. On this premise Cohn was able to formulate four types of political systems in pre-modern India:

1. Imperial 2. Secondary 3. Regional 4. local. The Mughal power represented the imperial category with an all embracing umbrella system. Successor states which emerged as a consequence of the decline of Mughal power are regarded as secondary states. Regional category comprises of petty rulers who owe allegiance to the superior (imperial) power and who are often engaged in internecine conflict among themselves. The local category were the
kin-based groups, local leaders, chiefs or adventurers who were accountable to the secondary level power.

Cohn studied the micro-level polity of the Mughal successor state, Awadh especially, the Banaras Raja’s position vis a vis the Nawab of Awadh and the Rajput biradaris at the taluka and tappa level were analysed. Earlier the political changes which took place in the 18th century have been explained as a transition from one empire to another or in the context of agrarian or economic crisis. However, Cohn’s system approach and the conflict and consensus paradigm inherent in it offer a different explanation of the 18th century state formation. Herman Goetz (*The Crisis of Indian Civilization in the 18th Century and early 19th Century*) was the first scholar to deduce positive features in the 18th century and he felt that the 18th century ought to be studied as separate entity and though it was a period of decline in the political and moral sphere but this period was marked by an aesthetic sensitivity and contributed to the growth of cultural development in India.

Satish Chandra refers to the decline of empires in Asia when the nations states got strengthened in western Europe and modern science and technology gave rise to Industrial Revolution. These ideas had been explored by Marshall Hodgson and Athar Ali earlier. Satish Chandra emphasizes that the political decline manifested itself in the late 18th century. He points out that in most of the areas there was no sharp fall in agricultural production, land revenue demand did not decrease, agricultural distress was much less as compared to British rule. Towards the end of the 18th century with the weakening of the power of the regional and local elites in the face of British challenge the economy was marked by destabilization as a consequence of British policies. It is a significant point referred to by Satish Chandra that in the Riyasati politics a negative feature emerged in the form of the emergence of large zamindars or talluqdaris which tried to thrive on the labour of small landholders and khudkashta peasants. In this sense the Mughal tripolar balance between the jagirdar, zamindar and the peasants was replaced by a more exploitative system.

An important point which has been raised by scholars is that the polities which emerged as successors to Mughals or as an outcome of challenge to the Mughal imperial power could not survive for long. It is necessary to analyse the state systems of these polities to understand why they were not able to withstand the British onslaught. Another pertinent issue is the fact that most of the historians till 1970 perceived the 18th century as merely an interregnum or a
period of transition which marked the fall of Mughals and the rise of British. The 18th century has not been studied in terms of changes in the economy and society of the polities of the different regions or localities. However, even the studies which have been undertaken from this perspective by Cohn, etc. are not able to rid themselves of the imperial paradigm.

One of the earliest interpretation of the 18th century as a dark age propounded by historians like Jadunath Sarkar has been seriously questioned by later scholars. Instead of attributing Mughal decline to personalities of rulers, scholars like Irfan Habib, Athar Ali and Satish Chandra try to analyse it in the context of the crisis in the Mughal administrative system. However all these historians perceived the 18th century as a period of crisis though J. N. Sarkar exaggerated it to the extent of analyzing it as a dark age. J. N. Sarkar emphasizes on personalities of rulers and characterizes the period as crisis torn, whereas Irfan Habib, Athar Ali and S. Chandra lay emphasis on the economic crisis. Herman Goetz was the first scholar who saw positive traits in the 18th century. He analysed it as a period of cultural achievements. Recently S. Chandra and various other historians (C.A. Bayly, Frank Perlin, Andre Wink etc.) have tried to assess the 18th century as a period which was replete with opportunities for growth. Some scholars like Muzaffar Alam, Chetan Singh and others have tried to study various regions of Mughal Empire in the 18th century and point out that new political alignments developed as a result of the decline of Mughal power which did not necessarily in all regions imply chaos. On the basis of the evidence from the various regions analysed by scholars the nature of 18th century is recently being reassessed.

THE EMERGENCE OF REGIONAL POLITIES IN 18TH CENTURY:

Along with the decline of the Mughal empire, the another major theme of the 18th Century was the emergence of regional polities. Broadly there were three kinds of states which came into prominence:

i. the states which broke away from the Mughal empire,

ii. the new states set up by the rebels against the Mughal, and

iii. the independent states.

Let us look at each one of these separately.
SUCCESSOR STATES:

Hyderabad, Bengal and Awadh were the three cases where provincial governors under the Mughals set up independent states. The breakaway from Delhi occurred in stages—the revolt of individuals followed by that of the social groups, communities and finally regions. Zamindari revolts in the provinces against imperial demands triggered off the breakaway. Governors did not get support from the centre and tried to secure support of the local elites.

However, links with the centre were maintained and Mughal tradition continued. Awadh and Hyderabad came to the help of the Mughals when Nadir Shah invaded Delhi. Through their links with factions of nobles, the provincial chiefs were often strong enough to control the centre. Hence the changes in polity in this period may more appropriately be characterised as transformation (to use Muzaffar Alam's term) rather than collapse. A new political order was constructed within the Mughal institutional framework.

The collapse of the all India polity did not lead to generalised economic decline. The regional picture was very varied. Punjab's economy was disrupted by foreign invasions but Awadh experienced economic growth. Safdar Jang, Nawab of Awadh, on his accession paid Rs. 3 crores to Nadir Shah. A stable polity developed in Awadh on the basis of economic prosperity while the states set up in Punjab collapsed.

BENGAL:

The province or the subah of Bengal gradually became independent of Mughal control after Murshid Quli Khan became the governor in 1717. Initially, Aurangzeb had appointed him the diwan (collector of revenue) of Bengal to streamline the revenue administration of the province. Then in 1710 Bahadur Shah reappointed him in this position after a short break of two years. When Farrukhsiyar became the emperor, he confirmed Murshid Quli in his position and also appointed him the deputy governor of Bengal and governor of Orissa. Later in 1717 when he was appointed the governor or Nazim of Bengal, he was given the unprecedented privilege of holding the two offices of nazim and diwan simultaneously. The division of power, which was maintained throughout the Mughal period to keep both the imperial officers under control through a system of checks and balances, was thus done away with. This helped
Murshid Quli, who was already known for his efficient revenue administration, to consolidate his position further. He did not of course formally defy Mughal authority and regularly sent revenue to the imperial treasury. Indeed, the Bengal revenue was often the only regular income for the beleaguered Mughal emperors during periods of financial stringency and uncertainty. But behind the veneer of formal allegiance to the Timurid rulers, Murshid Quli began to enjoy a considerable amount of autonomy within his own domain and initiated almost a dynastic rule. He was indeed the last governor of Bengal appointed by the Mughal emperor. The foundation of Murshid Quli’s power was of course his very successful revenue administration, which even in the days of political chaos elsewhere in the empire, made Bengal a constant revenue paying surplus area. It is difficult to determine whether or not he was oppressive or that revenue demand during his period increased significantly; but revenue collection had shot up by 20 per cent between 1700 and 1722. This efficient collection system was operated through powerful intermediary zamindars. Murshid Quli sent his investigators to every revenue-paying area to make a detailed survey and compelled the zamindars to pay in full and on time. For this purpose, he encouraged the development of a few powerful zamindaris at the expense of smaller inefficiently managed zamindaris, while refractory zamindars were punished and some of the jagirdars were transferred to the outlying province of Orissa, their estates being converted into khalisa or royal land.

The period between 1717 and 1726 therefore witnessed the emergence of a few landed magnates. These magnates assisted the nazim in the timely collection of revenue and with his patron-age they also expanded their own estates. Indeed, by the time of Murshid Quli’s death in 1727, fifteen largest zamindaris were responsible for about half of the revenue of the province. But along with the rise of the zamindars as a new powerful elite in the province, there was also the growing importance of merchants and bankers during this period. Bengal always had a lucrative trade, and the political stability and increase in agricultural productivity during Murshid Quli’s period provided further impetus to such trading activities. In the seventeenth century, silk and cotton textile, sugar, oil and clarified butter from Bengal went through overland route to Persia and Afghanistan via a number of north and west Indian distributing centres and on the oceanic route through the port of Hughli to the Southeast Asian, Persian Gulf and Red Sea ports. During the political turmoil of the eighteenth century, traffic through the overland route partially declined, but oceanic trade thrived with increasing investment from the European Companies—the Dutch, the French and the English. During the first half of the century, Europe certainly became the major destination for goods from Bengal, and this had a significant impact on the textile industry in the region. Bengal always enjoyed a favourable
balance of trade, with surplus bullion brought in by the European Companies to buy Bengal goods and this was absorbed smoothly into the cash economy and revenue remittance structure. On the Indian side this trade was dominated by a variety of merchants—Hindus, Muslims and Armenians. Some of them were magnates, like the Hindu merchant Umi Chand or the Armenian tycoon Khoja Wajid who controlled a fleet of ships. And they enjoyed a very cordial relation with the state and bureaucracy, as the Mughal state traditionally never tried to squeeze the merchants."

On the other hand, the constant pressure on the zamindars to pay revenue in time and its regular remittance to the imperial treasury in Delhi brought powerful financiers and bankers into great demand. They provided securities at every stage of the transaction and enjoyed unprecedented patronage of the governor, thus providing the main supportive pillar of his power. The most significant story of such collaboration was the rise of the banking house of Jagat Seth, who eventually became the treasurer of the provincial government in 1730, with strategic control over the mint. Apart from zamindars, merchants and bankers, Murshid Quli also ensured the loyalty of the officials, by appointing his friends, relatives and loyalists in important positions and driving his potential enemies out of the province—a situation which could not be dreamt of in the heyday of the Mughal empire."

Murshid Quli, however, never did sever his formal connections with the Mughals and continued to send the annual Bengal revenue to Delhi regularly. But within his own domain he acted as an autonomous ruler and in a true dynastic fashion named his daughter's son Sarfaraz Khan his successor. But Sarfaraz was ousted by his father Shujauddin Muhammad Khan (Murshid Quli's son-in-law), who took control of the two provinces of Bengal and Orissa in 1727 and had his position endorsed by the Mughal emperor Muhammad Shah. He too maintained the relationship with the Mughal court, but enjoyed autonomy in matters of local administration, which was supported by the new forces of Bengal politics, the zamindars, merchants and the bankers. By the 1730s, as Philip Calkins argues, "the government of Bengal began to look more like government by cooperation of the dominant forces in Bengal, rather than the imposition of the rule from outside". However, it is also true that this gradual rise in the power of the merchants, bankers and zamindars also meant a relative diminution of the authority of the nazim. This became quite evident in a coup in 1739-40, in which Shujauddin's son Sarfaraz Khan, who had become the new nazim, was ousted by his army commander Alivardi Khan, with the help of the banking family of Jagat Seths and a few powerful zamindars. Sarfaraz had to go not just because he was an inefficient administrator, but because he had alienated the house of Jagat Seth, and had lost the support of a few powerful officials.
With his deposition the office of the nazim went to an able military general, Alivardi Khan, who later obtained imperial sanctions for his appointment.

It was Alivardi's reign, which marked a virtual break with the Mughals. All major appointments were now made without any reference to the emperor and finally, the regular flow of revenue to Delhi was stopped. Although there was never any formal defiance of the Mughal authority, for all practical purposes an autonomous administration, free of all sorts of imperial control, had now emerged in Bengal, Bihar and Orissa. The major problems for Alivardi came from outside: he had to face Maratha depredations and Afghan rebellion. The Marathas from the west in their search for a pan-Indian empire invaded Bengal a number of times, causing immense damage to life and property. Ultimately in 1751, Alivardi came to terms with the Marathas by agreeing to pay chauth (one-fourth of the revenue) and handing over Orissa. But in the meanwhile some rebel Afghan troops under the leadership of Mustafa Khan had taken over Patna in 1748 and thus had posed another great challenge to his authority. Alivardi eventually succeeded in putting down the Afghans and recovered Patna. However, one major fallout of the Maratha raids was the disruption of Bengal trade, particularly of the overland trade with north and west India. But it was short-lived and the recovery was aided by a massive increase in European trade, both corporate trade of the Companies and private trade of their officials. They could not immediately dislodge the Indian merchants from the market, but it certainly signified the beginning of European dominance in the trading world of Bengal, preparing the ground for an eventual English takeover of the province. Alivardi died in 1756, nominating his grandson Siraj-ud-daula his successor. But his succession was challenged by two other contenders for the throne, Shaukat Jung (Faujdar of Purnea) and Ghaseti Begum (Alivardi's daughter). This resulted in intense court factionalism, as the overmighty zamindars and commercial people felt threatened by an extremely ambitious and assertive young nawab. This destabilised the administration of Bengal, and the advantage was taken by the English East India Company, which acquired a foothold in Bengal politics through what is popularly known as the Plassey conspiracy of 1757 that ended the rule of Siraj-ud-daula.

HYDERABAD:
The autonomous kingdom of Hyderabad was founded in 1724 by a powerful noble at the imperial court, Chin Qulich Khan, who eventually took the title of Nizam-ul-Mulk Asaf Jah I. Known as the leader of the Turani party, he felt frustrated in court politics due to the haughty assertion of power by the Indian Muslim faction led by the Sayyid brothers, who had emperor Farruksiyar killed and Muhammad Shah installed on the throne as a puppet ruler in 1719.
To save the Timurid rule from being subverted in this way, Nizam-ul-Mulk organised the Turani and Irani noblemen against the Sayyids and ultimately defeated and killed them in 1720. Muhammad Shah was restored to the throne and Nizam-ul-Mulk acted as his wazir from 1722 to 1724. But eventually he found that carving out an autonomous principality in the Deccan for himself was more attractive.

In Hyderabad, Mubariz Khan, the Mughal governor of Deccan, was ruling almost as an independent king. In 1723 the nizam defeated Mubariz and the following year he took over as the Subahdar of Deccan and consolidated his power around Hyderabad. The actual independence of the Hyderabad kingdom may be dated from 1740 when finally the nizam left north India to settle there permanently. He subdued the refractory zamindars and showed tolerance towards the Hindus who had economic power in their hands and as a result, Hyderabad witnessed the emergence of a new regional elite who supported the nizam. By the time of his death in 1748, the state of Hyderabad was a recognisable power in Deccan politics, acknowledging Mughal suzerainty only in a symbolic sense. Coins were still minted in the name of the Mughal emperor; his name also figured in the khutba or the Friday prayers. But for all practical purposes, the nizam acted independently, conducting wars, signing treaties, conferring mansabs and making important appointments without any reference to the emperor. Soon, however, after the death of the first nizam, Asaf Jah I, Hyderabad began to experience a series of crises. While Maratha depredations continued to be a major source of anxiety, a war of succession ensued between his son Nasir Jung and grandson Muzaffar Jung, the advantage of that disunion being taken by the French under Dupleix. Muzaffar emerged victorious from this contest with French support and gave handsome monetary rewards and territorial concessions to the French. But that did not end his problems, as during the subsequent years, the Marathas, Mysore and the Carnatic—all settled their territorial scores against Hyderabad. The situation improved again after 1762 during the period of Nizam Ali Khan, who seized control of the administration and during his long reign lasting up to 1803, he settled border disputes with his neighbours, giving Hyderabad the much desired political stability.

The Hyderabadi administrative system did not try to destroy the indigenous power structures within the territory, but sought to incorporate them into a "patron-client relationship" with the central power. The locally entrenched semi-autonomous rulers were allowed to govern their inherited territories in return for an annual tribute or peshkash paid to the nizam, The locally powerful traders, moneylenders and the military aristocracy also played a crucial role in the Hyderabad polity, by providing valuable financial and military support to the nizam, who emerged as the chief patron within the polity. Under this new administration, the old Mughal
institutions were not totally thrown out, but they underwent substantial changes in content. Land revenue was collected through powerful intermediary revenue farmers; but unlike the Mughal practice, there was very little attempt to keep them under control. The jagirs under this new system became hereditary and the mansabdari system only retained a few of its Mughal features. There was also a remarkable change in the composition of the nobility: while the older military aristocracy retained some of its power, some new men with expertise in revenue and financial management rose from lower ranks. On the whole, "power remained widely diffused" in the Hyderabad administrative structure. By the end of the eighteenth century, Hyderabad represented a relatively new political system with a whole range of new participants, who had diverse origins and social background.

**AWADH:**

Another Mughal province that became autonomous in the course of the eighteenth century was Awadh. Saadat Khan was appointed the Mughal governor of Awadh in 1722 with the difficult charge of subduing rebellions by the local rajas and chiefs. He accomplished this task within a year and in appreciation, the emperor Muhammad Shah conferred on him the title of Burhan-ul-Mulk. Soon after this, Saadat Khan returned to the capital to consolidate his position in the imperial court, but ended up in a quarrel with one of Muhammad Shah's favourites and was again forced to return to Awadh. Frustrated in court politics, Saadat then decided to build up a power base in Awadh and as a first step had his son-in-law Safdar Jung recognised by the emperor as his deputy governor. The other step towards the establishment of his dynastic rule was to make the office of diwan virtually independent of all imperial control. The revenues of Awadh from then on were handled by a Punjabi Khatri official who functioned under Saadat Khan and never reported anything to the imperial office.

The problem of refractory zamindars in Awadh was solved in time and a new land revenue settlement was introduced with the revenue demand increasing by more than half. The jagirdari system was reformed, with jagirs being granted to the local gentry, while a rich flow of trade kept the province affluent. This resulted in the creation of a new regional ruling elite, consisting mainly of Indian Muslims, Afghans and Hindus who became Saadat's main support base. But the latter kept the communication channels open with the imperial court. Indeed, during this whole period he constantly expanded the frontiers of the Awadh subah, but never without the formal approval of the emperor. He also nurtured his old ambitions in imperial court politics, but only to be frustrated again in 1739-40 when the position of mir bakshi (imperial treasurer) went to the nizam, despite the services he had rendered during the invasion.
of the Persian king Nadir Shah. He considered this a betrayal and in vengeance changed sides to join the Persian invader. But he could not suffer the arrogance and haughty behaviour of Nadir Shah and the day after the occupation of Delhi, in sheer frustration and despondency, he poisoned himself to death. However, by the time he died in 1740, Saadat had certainly developed in Awadh a semi-autonomous regional political system, with vastly reduced financial commitment to, but no formal disjunction with, the Mughal rate.

Nadir Shah remained the emperor of India for just two months and he settled the succession question in Awadh by accepting twenty million rupees as *peshkash* from Safdar Jung. Muhammad Shah later confirmed this appointment and conferred on him an imperial title. But Safdar Jung's opportunities really came when both Muhammad Shah and the Nizam-ul-Mulk died in 1748 and he was appointed wazir by the new emperor Ahmad Shah. Safdar Jung extended his sphere of influence by using the new imperial position, the most important of these gains being the seizure of Farukhabad from the Pathans. But on the other hand, this self-aggrandisement of the wazir soon alienated both the imperial family as well as the court nobles who ultimately contrived his ouster in 1753. The year marked an important turning point in the political history of north India, as Richard Barnett points out, by signifying "the visible secession of Awadh and Allahabad from the remainder of the dwindling empire,"37 The formal connection was yet to be severed fully. After Safdar Jung's death in late 1754, his only son Shuja-ud-daula was again appointed the governor of Awadh by the puppet emperor Alamgir II. And Shuja too successfully maintained the autonomy of the Awadh subah without ever formally defying the symbolic authority of the Mughal emperor. When in December 1759 on the death of Alamgir II, the fugitive crown prince staged his own coronation as Shah Alam II, he named Shuja his wazir. Although this position was merely fictional, Shuja maintained his power within his own domain and was a much sought after ally for both the parties when Afghan leader Ahmad Shah Abdali arrived again in India to engage the Marathas in the Third Battle of Panipat (1761). Shuja joined the Afghan invader to see his local opponents, the Marathas, humbled and weakened; but throughout this confrontation he behaved like an independent partner in an alliance of equals. Within his own domain of Awadh and Allahabad his autonomy and power remained unchallenged till his encounter with the English East India Company in 1764.

**EMERGENCE OF NEW STATES:**

The second group of regional states were the 'new states' or 'insurgent states' set up by rebels against the Mughals—the Marathas, Sikhs, Jats and Afghans. The first three began as popular
movements of peasant insurgency. The leadership was not with the nobility but with 'new men', often from lower orders, e.g., Hyder Ali, Sindhiyas and Holkars. Among them it was perhaps only the Maratha state that had the potential to develop into a new pan-Indian empire replacing the Mughals; but that potential was never fully realised because of the nature of the Maratha polity itself.

**Marathas:**
If the two main themes of the 18th century were decline of Mughal power and foundation of colonial rule, then a third theme was the rise and fall of regional states, the most significant among them being the Marathas. One all-India empire declined, a second one took its place and a third empire failed to come into being. Mughal decline spanned the first part of the century, British ascendency grew rapidly in the second half, and most of the terrain of the middle of the century was occupied by the swaying political fortunes of the Marathas.

In the seventeenth century Maratha state began as a small kingdom in western India, founded by the legendary Maratha chief Shivaji, against stiff opposition from the local Muslim kingdom of Bijapur and the pressure of the mighty Mughal army. Soon after his death in 1680, it was troubled by dynastic factionalism and the constant pressure of the Mughal policy of conquest in the Deccan. Local deshmukhs (revenue officers) and zamindars took advantage of the situation by sometimes aligning with the Mughals and sometimes joining hands with the Marathas. Two of Shivaji's sons, first Shambhaji and then Rajaram, ruled briefly and battled incessantly with the Mughal army. When Rajaram died in 1699, one of his queens, Tarabai, began to rule in the name of her infant son Shivaji II; but Aurangzeb's army during this period conquered Maratha forts one after another, keeping Tarabai constantly on the move. From late 1705, however, the tide began to turn against Aurangzeb and when he died in 1707 after forty years of futile warfare in the Deccan, the Marathas still remained to be subjugated.

The Maratha kingdom was, however, certainly weakened and the process was further exacerbated after the release of Shahu, Shivaji's grandson, from the Mughal prison in 1707. There were now two rival contenders for the throne and during the next eight years, Maharashtra was immersed in a full-scale civil war between the forces of Shahu and those of Tarabai, who intended to rule in the name of Shivaji II. The loyalty of the Maratha sardars and deshmukhs shifted constantly between the two Maratha factions and the Mughals, the situation of anarchy becoming all-pervasive by 1712-13. But, helped by a group of new independent sardars, as well as a number of Brahman banking families, and an able Chitpavan Brahman peshwa (prime minister), Balaji Vishwanath.
The basic contours of the Maratha State system dominated by the Peshwas or chief ministers were evolved during the time of Balaji Vishwanath. He was a loyal official of Shahu, Shivaji’s grandson, who was head of the Marathas after his release from custody in 1707. The powers of the office of the Peshwa rapidly increased during his tenure till it became the fountainhead of authority of the entire Maratha Empire.

Balaji Vishwanath died in 1720 and his son Baji Rao in 1740. By then the Marathas were no longer a regional power but had attained the status of an expansionist empire. They had acquired control over far flung areas of the Mughal empire. The main weakness, however, was that these conquests were made by the initiative of the Maratha Chiefs who were unwilling to accept regulation by the Peshwa. These chiefs had accepted the Peshwa's authority because of the military and financial benefit that accrued from this association. Collection of Chauth andsardeshmukhi of a certain area was assigned to the chiefs and conquest permitted. These chiefs were only too willing to go over to the other side if the Peshwa exercised control over their activities. This was the situation in Balaji Vishwanath's time.

Perhaps learning from this, Baji Rao himself led military campaigns and acquired the prosperous area of Malwa and Gujarat among others. Unfortunately he got embroiled in conflict with the other great power in the Deccan, Nizam-ul-Mulk. An alliance against the Mughals, and later the British, would have benefited both, but they chose to go in for alliances with even Mughal functionaries against each other.

The Nizam was decisively beaten twice by Baji Rao's forces but the struggle for mastery between the two continued. When the British entered the fray the contest became a triangular one, which proved to be of great advantage to the British, who could play off one against the other.

Balaji Rao, better known as Nana Saheb, was Peshwa from 1740 to 1761. Maratha power achieved its climax during his rule. Expansion was now no longer limited to areas over which the Mughals has an uncertain hold. No part of India was spared the depredations of Maratha conquest. The South proved relatively easier to subdue. Hyderabad surrendered a large chunk of territory after its defeat in 1760 and Mysore and other states paid tribute. In the east, repeated conquests of Bengal gained them Orissa in 1751. In Central India, Malwa, Gujarat and Bundelkhand, which had been conquered by Baji Rao, were better integrated with the rest of the Maratha empire.

Struggle between Mughals, Marathas and Afghans:
Mastery over North India proved more difficult to maintain after the initial easy conquest. The Mughals at Delhi came under Maratha influence but the Afghans under Abdali threw back the Marathas.

**The Third Battle of Panipat, 1761**

The third battle of Panipat commenced on 14th January 1761. But the conflict and its outcome were brewing since 1752 when Maratha forces overran North India and established their influence at the Delhi court. Imad-ul-Mulk was proclaimed the Wazir of the Kingdom but for all practical purposes the Marathas were the rulers. The Marathas were not content with their acquisitions and looked greedily towards the Punjab, which was ruled by a tributary of Abdali. This was a grave mistake. Abdali had retreated from India after carrying away what he could. He left behind trusted followers in charge of certain areas, but decided to return to challenge the ambitious Maratha power.

The conflict inevitably became a multifaceted one as the major and minor north Indian powers got drawn in. Here the Afghans were at an advantage as the Marathas had acquired many enemies in the process of conquering and administering this core area of the empire. The Mughal nobles, apart from Imad-ul-Mulk, had been defeated by them in the power game. The Jat and Rajput chiefs were completely alienated by their conquests which were followed by imposition of heavy fines. The Sikhs, already frustrated in their attempt to consolidate their power by the foreign invasions, were obviously in no mood to help the Marathas to include Punjab in their empire.

The Rohilkhand chief and the Awadh Nawabs, whose area had been overrun by the Marathas, even went to the extent of joining hands with Abdali. The Maratha armies marched alone to the battlefield of Panipat to confront Abdali.

The Maratha army was no match for the Afghans though it boasted of troops trained along Western lines. 28,000 Marathas died on the battlefield, along with the commanders of the army, the Peshwa's minor son Vishwas Rao and the latter's cousin, Sadashiv Rao Bhau. The Peshwa, Balaji Baji Rao did not survive for long, after hearing the tragic news of the defeat.

**Aftermath of the Third Battle of Panipat**

The third battle of Panipat proved significant in the struggle for mastery over India. The Marathas’ ambition of replacing the Mughals as the imperial power was checked at a strategic point by this defeat. The beneficiaries were the British rather than the Afghans. The British got a tremendous opportunity to expand their influence in Bengal and India. Once they had got these footholds there was no looking back. For a brief while after the debacle of 1761 it seemed
as if the fortunes of the Marathas were reviving. Madhav Rao, who became Peshwa in 1761, was successful in subduing once again the old enemies, the Rohilas, the Rajput and Jat Chiefs in the north and Mysore and Hyderabad in the south. But the early demise of the Peshwa in 1772, at the age of 28, finally ended the dream. Factional struggle for power ensued, exposing the Maratha power to defeat at the hands of the British in the first Anglo-Maratha war.

**RISE OF THE MARATHA POWER: THEORETICAL FRAMEWORK**

Various views and opinions have been expressed by scholars regarding the rise of the Maratha power. Grant Duff describes it as the result of 'conflagration' in the forests of Sahyadri. But according to M.G. Ranade, it was much more than the mere fortuitous circumstances. He calls it a national struggle of independence against foreign domination. This opinion is disputed on the ground that if the Mughals were foreigners then Bijapur and Ahmednagar rulers were also equally alien. If the Marathas could accept the domination of one power then why not of the Mughals?

Jadunath Sarkar and G.S. Sardesai emphasised the emergence of Maratha power as a 'Hindu' reaction against the communal policies of Aurangzeb. Yet, one finds Shivaji applauding Akbar's ideas of *sulh kul*. In fact, this argument also does not seem to have any sound base. Their earliest patrons were Muslims, i.e., the rulers of Bijapur and Ahmednagar. Besides, one does not find Shivaji fighting for the cause of Hindus and their welfare outside Maharashtra. Even within Maharashtra one does not find him undertaking social reforms. It is said that his assumption of the title *haindava dharmoddharak* at the time of his coronation was not much new in that period.

Andre Wink has seen their rise in the growing Mughal pressure on the Deccan Sultans. Even Grant Duff acknowledges the Mughal factor in their rise. But it was perhaps more than that.

Satish Chandra finds socio-economic content in the rise of the Marathas. Shivaji's success lay in his ability to mobilize the peasants in his area. It is generally argued that he discontinued *jagirdari* and *zamindari* and established direct contact with the peasants thus freeing them from exploitation. But according to Satish Chandra, he did not do away with the system at all. Instead, he curtailed the powers of big *deshmukhs*, reformed the abuses and established necessary supervisory authority. Hence, he made the old system work better. Besides, their power was also restricted by curtailing their armed retainers. This is the main reason that Shivaji's military strength did not consist of 'feudal levies' of the bigger *deshmukhs*. Petty landholders, who were often at the mercy of bigger *deshmukhs*, benefitted by this policy.
In fact, it was in these petty landlords that his strength lay. For example, the *deshmukhs* of Mavle, who were the first to rally to Shivaji’s side, were petty landholders. Similar was the case with Morays of Javli, Khopdes of Utroli and Nimbalkars of Phaltan. Besides, his emphasis on extension and improvement of cultivation benefitted not only the peasants in general but also these petty landholders in particular.

There was struggle for control over land among bigger, middle and smaller *deshmukhs*, *mirasis* (resident owner cultivator) and the *Uparis* (outsiders). To expand one’s *watan* was an "all absorbing passion." Political authority at that time also depended on the control over land.

Irfan Habib points out the connection between the rise of the Maratha power and the rebellious mood of the oppressed peasantry.

There also lies the social content of the Maharashtra movement. Shivaji tried to raise the status of his family by entering into matrimonial alliances with the leading *deshmukh* families—Shirkes, Morays, Nimbalkars. Thus he followed a dual policy, i.e, curtailing the political power of the bigger *deshmukhs* on the one hand, and entering into patrimonial alliances with them for claiming equal status on the other hand. His coronation (1674) not only put him higher in status among other Maratha clans but also put him at par with other Deccani rulers. His assumption of superior status of suryavamsi kshatriya with the help of the leading brahmans of Benaras, Gagabhat, was a definite move in this direction. Shivaji not only got prepared Suryavamsi Kshatriya geneology of his family linking it with Indra, but also claimed the high sounding title of kshatriya kulavatamsa (the ornament of kshatriya families). Thus, by confirming higher status among the Maratha families he claimed exclusive right to collect sardeshmukhi which was earlier enjoyed by other Maratha families under the patronage of Shrikes, Ghorpades, etc.

This clearly emphasises the social tensions prevalent in the Maratha society. They were mainly agriculturists and also formed a fighting class. Yet, they were not kshatriyas in status. Thus the social movement launched by Shivaji served a powerful means to weld together the Marathas and the kunbis (cultivating class). Kunbi peasants, holis and other tribals of Maval area who rallied round Shivaji in large numbers were also motivated by the desire to raise their status in the social hierarchy. Thus, the Maratha rise was not just a result of a desire to overthrow the yoke of foreign rule: it had deep-rooted socio-economic reasons.

The intellectual and ideological framework for their rise was provided by the bhakti movement which got "crystallised into "Maharashtra dharma". This helped in providing the Marathas a cultural identity as well. Emphasis of the bhakti saints on egalitarianism provided
ideal background vis-a-vis justification for the mobility in the varna scale by individuals and groups.

Rise of Marathas of such humble origins as the Sindhis exemplifies the success of the movement. During this time, a sizeable number of groups improved their status in the varna hierarchy and legitimised their right to political power. M.G. Ranade (later supported by V.K. Rajwade) has formulated the idea that it was 'Maharashtra dharma' that resulted in the political independence of the Marathas. He described it as *jayshnu* (aggressive) Hinduism as against the *sahishnu* (tolerant) Hinduism. The earliest trace of the term Maharashtra dharma occurs in a 15th century work Gurucharita, but in the context of "an ethical policy of a great enlightened state". To give it a political overtone, credit goes to a 17th century saint-poet Ramdas who expressed unfavourable opinion about the Turko-Afghan-Mughal rule. Shivaji used it to his advantage. He used this popular ideological chant of Maharashtra dharma against the Deccanis and the Mughals. Maratha’s religious feelings were centred around the goddess Tulaja Bhavani, Vithoba aad Mahadeva. The battle-cry of the Marathas "*Har Har Mahadeva*" touched the sentiments of Maratha peasantry. But, as rightly pointed out by P.V. Ranade, "Hindu hostility to Muslim hegemony was not the primary motivating factor nor the dynamic element of medieval Indian political scene". The hollowness of the ideology is well evident when Shivaji and other Maratha sardars collected chauth and sardeshmukhi (a legalised plunder) across their boundaries. In fact, it was a "psychological tonic" to mobilize the peasantry in its early phase of Maratha expansion.

It is also difficult to accept that Shivaji wanted to carve out a 'Hindu Swarajya'. Rather it should be seen more as a regional reaction against the centralising tendencies of the Mughal Empire. The Marathas wanted to form a large principality for themselves, for which an ideal background was provided by the disintegration of the Nizam Shahi power of Ahmednagar and the introduction of a new factor—the Mughals. Its inherent socio-economic contradiction also helped in mobilizing the local landed elements in general.

**Nature of the Maratha State and Movement**

The Maratha state could not become an alternative to Mughal empire because of its own structure. Its nature was that of a confederacy where power was shared among the chiefs or sardars, like the Bhonsles of Nagpur, Gaikwad of Baroda, Holkar of Indore or Sindhia of Gwalior, all of whom had made their fortunes as military leaders since the days of Shahu. Parts of the Maratha state had been alienated to these military commanders and it was difficult to con- trol the e chiefs, who did not like the peshwa regulating their activi- ties. What resulted
soon was increasing factional rivalry among the Maratha sardars and although there was always a strong centre, the composition of the inner circle of power changed from generation to generation. At the lower level, as mentioned earlier, there was the existence of heritable vatan rights, like those of the village headmen, mirasidars and deshrukhs, which could not be taken away by kings. The regional assemblies of vatandars exercised political power and resolved disputes at a local level, thus representing local loyalties as opposed to any centralised concept of kingship. The Maratha state, in order to establish its control over the territory and consolidate the powerbase of its new ruling class, sought to peripheralise the re-gional assemblies in the seventeenth and early eighteenth centuries. It tried to replace the horizontal ethos of "brotherhood" of the vatandars with the vertical relationship of service by generously distributing among its clients temporary and transferable land rights or saranjam that resembled Mughal jagir. But the old system could not be displaced, as the new system of prebended lordship, as Frank Perlin has argued, often cut across the traditional hierarchies of status. So the same locally powerful Brahman or Maratha individuals now enjoyed a "bundle" of different kinds of rights. Local loyal- ties and centralised kingship thus continued to exist in Deccan through a continuous process of adjustment and balancing."

There is a significant debate about the relationship between the Maratha state and the Mughal system, as some historians emphasise its rebel nature. Irfan Habib (1963) thinks that it was the outcome of a zamindar revolt against an oppressive Mughal bureaucracy. Satish Chandra (1993) has argued about its regional nature; although Baji Rao made a move towards north India, his major aim was only to establish supremacy in the Deccan. In other words, the Maratha state is often seen as a departure from the Mughal tradition. But some other historians like Andre Wink have argued that the Marathas were also very much within the Mughal tradition, as they had built their power on the notion of sedition or fitna (the Deccani corruption of the word fitna), which the Mughal state always provided a space for. There was no "rebellion" as such, as "concurrent rights ... constituted sovereignty". Even in the 1770s the Marathas acknowledged the symbolic authority of the Mughal emperor and in Malwa, Khandesh and parts of Gujarat, where they established some sort of administration, it looked very much like the Mughal system. The old terminology was retained and even the differential urban tax rates continued to favour the Muslims. The only difference was that in the Maratha territories there were many civilian revenue col- lectors, mainly Brahmans, who did not move on to military com- mand, as was the custom in the Mughal system where there was only one unified civilian/military bureaucracy. Other than this, the Mughal tradition remained central to
social and political life of the Maratha state system, although, as we have noted earlier, it had to contend continually with local loyalties. Existing political conflicts between warrior families were resolved through a combination of coercion and conciliation, the deshmukhs remaining the co-sharers in the polity and rights being granted for building kingdoms. The Maratha state ultimately declined not so much because of factionalism, but because of the increasing power of the English in the Deccan. It was difficult for the Marathas to resist this efficient army.

The rise of the Marathas was both a regional reaction against Mughal centralisation as well as a manifestation of the upward mobility of certain classes and castes. The petty rural gentry and the hereditary cultivators (mirasdars) formed the social base. Peasant castes wanted to achieve Kshatriya status while officials sought to concentrate power in their hands. Levy was institutionalised as chauth and made a legitimate part of the Maratha state system. Money was raised through chauth to supplement the income from the poor, underdeveloped home areas of the Marathas. But reliance on plunder was an inadequacy of the Maratha system and they did not impose direct rule even when the rich areas of Carnatic, Coromandel and the Gangetic Valley came under their control.

The Marathas adopted some parts of the Mughal administrative system, but they concentrated attention on techniques of extracting surplus. The absence of a proper administrative hierarchy or a well-defined provincial authority prevented them from consolidating their influence at the rapid pace necessary before the Afghans and British could defeat them.

These administrative and financial weaknesses were compounded by their technological backwardness, especially in the military sphere. The new development of the time, artillery, small arms, especially the flint guns and improved firearms were not adopted.

**SIKHS:**

Turning to north India in the eighteenth century, we find that the history of the Sikh Panth in Punjab was as old as that of the Mughal empire. When Guru Nanak, born in 1469, began to preach his message of inner devotion and equality among all human beings, Babur was founding the Mughal empire. Within the bhakti cir sant tradition of medieval India, this was the beginning of Sikhism, which gradually began to attract millions of devotees and started acquiring its shape and definition under the leadership of the subsequent gurus. Aurangzeb was initially not very hostile to the Sikhs; but as the community grew in size and challenged the
central authority of the Mughals, the emperor turned against them and Guru Tegh bahadur, the ninth in line, was executed in Delhi in 1675.

The tenth guru, Guru Gobind Singh, took an important step in 1699; he transformed the Sikhs into a military organisation by establishing the brotherhood of Khalsa. It was a ceremony in which the guru himself (and not his deputies or masands) initiated the disciples, who were obliged to maintain five distinctive insignia—including unkempt hair and carrying of weapons—that would publicly proclaim their identity. Why he did it is a matter of conjecture. One reason possibly was the continuing conflict with the Mughals, which had convinced the gurus, first Guru Hargobind and then Guru Gobind Singh, about the necessity of armed resistance for the defence of the Panth. It was also probably because of the rise of the jat peasantry among the Sikhs, as carrying arms and resolving disputes through the use of arms were already part of Jat cultural tradition and to which the other components of the Sikh community, the Khatri traders, were not perhaps very averse to... The founding of the Khalsa projected the Sikh community as a militant outfit, although all Sikhs were not necessarily its members. The Jat peasants continued to dominate the Khalsa at the expense of the older Khatri leadership. Their aspiration for equality was further fulfilled when Guru Gobind Singh decided to terminate the position of guru after his death; the power of the guru henceforth was to be vested in the Panth and the Granth (sacred texts). Thus, by invoking cultural resources, such as the sacred texts, and prescribing initiation and other life-cycle rituals the Khalsa sought to provide order in the life of the Sikhs in otherwise uncertain days of the eighteenth century, and in this way tried to construct a distinctive Sikh social and political identity.

Guru Gobind's open quarrel with the Mughals followed a complex trajectory. From about 1696 he tried to carve out an autonomous domain in and around Anandpur, which brought the hostility of the hill chiefs of Himachal Pradesh, who approached the Mughal faujdar for protection. The siege of Anandpur by a combined force in 1704 compelled Guru Gobind to leave; but Aurangzeb, then busy in Deccan, soon reversed the stand and sought to conciliate the guru. After Aurangzeb's death, Guru Gobind met Bahadur Shah at Agra in 1707 and he promised to return Anandpur. However, the new emperor had to appease the hill chiefs as well, and therefore continued to postpone his final decision. In the meanwhile, on 7 October 1708, Guru Gobind was murdered in a conspiracy, and his mantle then fell on one of his followers, Banda Bahadur, who continued the Sikh revolt. The stage of the contest now shifted to Majha (between the rivers Beas and Ravi) and Doab (between rivers Beas and Sudej) regions, where lived mainly the Jat peasants. Mughal oppression around this time put tremendous pressure on the small zamindars and peasants. Not all of them, it is true, supported
Banda Bahadur, whose main supporters were the small mulguzari zamindars of the Jat community. Within a year a large area between the rivers Jamuna and Ravi came under his influence and here he promptly established his own administration, appointed his own faujdars, diwan and kardars, minted a new coin and used his own seal for issuing orders.

In 1710, Bahadur Shah proceeded to Punjab, but failed to crush the Sikh revolt. When Farruksiyar ascended the throne in 1713, he appointed Abdus Samad Khan the faujdar of Lahore and gave him special orders to put an end to the Sikh upsurge. The position of Banda Bahadur had also weakened by then to some extent, because of internal dissension within the Sikh community. Although in general the Jat peasants supported him, some of the Jat zamindars went to the Mughal side, Churaman Jat of Agra being a major example. The Khatri business class from around 1710 also went against the Sikh movement, as political stability and security of trade routes were essential to the smooth running of their business. At the same time, when the Mughals introduced the ijaradari system in Punjab for collecting land revenue, many of the Khatri traders became revenue farmers and this naturally linked their interests to those of the Mughal state. The emperors also tried to take advantage of this internal dissension within the Punjab society, as during the time of Jahandar Shah and Farruksiyar, many Khatri were given high positions within the Mughal nobility. Farruksiyar tried to use Guru Gobind's widow to drive a wedge between Banda and his Sikh followers. This did not necessarily weaken Banda's movement, as oppressive Khatri ijaradars often drove desperate Jat peasants into the rebel's camp. But ultimately in 1715 Banda had to surrender to Abdus Samad Khan. He was taken to Delhi along with some of his close followers; in March 1716 all of them were executed.

The execution of Banda did not mean the end of Sikh power in Punjab, although there was no one immediately available to take up the leadership. But even in spite of the absence of a centralised leadership, roving bands of Sikh rebels took advantage of the breakdown of imperial control in north India to assert their independence, despite the best efforts of Zakaria Khan who had succeeded his father Abdus Samad Khan as the Mughal governor of Lahore. Even the Afghan invader Ahmad Shah Abdali failed to bring Punjab under his command; his governors were soon thrown out and by September 1761 the Sikhs came to control wide regions of Punjab from rivers Sutlej to Indus. Abdali himself came to Punjab in 1765, but retired soon to Kabul without fighting a single battle. The Sikhs once again established their political power in Punjab once Abdali retired from the Indian scene. But at this stage, power in the Sikh polity became more horizontally structured, as misls, or combinations based on kinship ties, now held territories as units. Whenever a misl conquered new territory, it was distributed among its
members according to the nature of contribution made by each member towards the conquest. The highest share obviously went to the chief, but even the lowest soldier got his own patti or a portion of land, which he could enjoy as a co-sharer with absolute freedom.” The number of misls thus holding territories in 1770 was more than sixty. Above them was the Dal Khalsa with a chosen leader. The misls did unite on occasions, as they did in 1765 against the Afghans.” But on the whole, political authority in Punjab remained decentralised and more horizontally dispersed during this whole period until Ranjit Singh, the chief of the Sukerchakia misl, tried to raise a more centralised Sikh state at the end of the eighteenth century.

After repelling the third Afghan invasion under Abdali’s successor Zaman Shah in 1798-99, Ranjit Singh emerged as one of the outstanding Sikh chiefs and conquered Lahore. Leading an army with improved artillery and infantry trained by European officers, by 1809 he had brought under his control large areas in the five doabs of Punjab. By the Treaty of Amritsar in that year the English recognised him as the sole sovereign ruler of Punjab. This gave him the opportunity to round his conquests off by ousting the Afghans from Multan and Kashmir and subduing most of the other Sikh chiefs, many of whom were reduced to the status of tribute-paying vassals. By the time of his death, his authority was recognised in territories between the river Surlej and the mountain ranges of Ladakh, Karakoram, Hindukush and Sulaiman.

Although Mughal and Afghan rules were displaced from Punjab, the new administration which Ranjit Singh or the other Sikh rulers before him had introduced remained, like the Maratha polity, a careful mix between the Mughal system and local traditions. Continuity of Mughal institutions was remarkable in the organisation of administrative divisions, in the nomenclature of officials, as well as in the tax collection system. Trade and commerce flourished in Punjab because a powerful state under Ranjit Singh provided safe passage to traders and their caravans; but still land revenue remained the main source of income for the state. And although the amount of land revenue collection increased, about 40 per cent of it was alienated as jagir. While in the rest of the territories land revenue was directly collected through kardars, this penetration of the state stopped at the village level and did not infringe upon the power of the clans and their chiefs. Local traditional hierarchies and the concept of a centralised monarchical state thus existed in a delicately balanced relationship, or in other words, in the dualism between ‘national’ and ‘local’ systems of governance. This process of incorporation and adjustment as a part of the construction of a monarchical state could be seen at the cultural level as well, where the Khalsa attempt to construct an exclusive Sikh identity gradually incorporated the non-Khalsa Sikhs or the sahajdharis as well.56
central level of *durbar* politics also Ranjit Singh maintained a careful balance between the powerful Sikh chiefs on the one hand and on the other freshly recruited military commanders from among the peasants of central Punjab and the non-Punjabi nobles, such as the Dogra Rajputs from Jammu." This delicate balancing game functioned well until Ranjit Singh's death in 1839. Within a decade of his death independent Sikh rule disappeared from Punjab, as struggle for power among the mighty Sikh chiefs and the royal family feuds helped the English to take over without much difficulty—a story we will return to in a short while.

**JATS:**
In the eighteenth century, a few smaller states, apart from the larger powers described earlier, had also emerged in north India by taking advantage of the weakness of the Mughal empire. The Jat kingdom of Bharatpur is an important example of this. The Jats were an agriculturist and pastoral caste inhabiting the Delhi-Mathura region. Caste affinity with their zamindars brought solidarity within the community and they began to revolt against the Mughal state from the time of Jahangir. The first revolt of the Jat peasants took place in 1669 and the emperor himself had to proceed to suppress this rebellion. In 1686 the Jats revolted again; this time the Mughal imperial commander Bishen Singh Kachhwa achieved some success against them, but failed to curb their power completely. In this way, first the local zamindar Gokla and then Rajaram and Churaman Jat used the discontent of their peasants against the Mughal state and founded the Jat kingdom at Bharatpur. It was Suraj Mal who consolidated Jat power during his reign (1756–63), compelling the Mughal authorities to recognise him. He successfully withstood a siege by Abdali's army and supported the Marathas in the Third Battle of Panipat. However, as for the organisation of this rebel polity, the Jat state, although founded with the active support of the peasants, continued to retain its feudal character. The state had to depend on the zamindars who held both administrative and revenue powers and their revenue demands sometimes were even higher than those under the Mughal state. Suraj Mal in the 1750s tried to reduce this dependence on the overmighty kinsmen and members of his caste, began to drive them off from positions of power, tried to raise an army with foreigners and introduced the Mughal system of revenue collection." But this effort at centralisation of power ended with his death in 1763, which was followed by a virtual collapse of the Jat state that stretched at one stage from the Ganga in the east to Agra in the west and from Delhi in the north to Chambal in the south.

**Afghan states of Farrukhabad and Rohilkhand**
A couple of small Afghan kingdoms were also established in north India following the weakening of the Mughal empire. The Afghans, who started migrating to India from the fifteenth century, were bands of roving warlords, who continually moved from camp to camp. During the early phase of Afghan state formation in India in the fifteenth-sixteenth century, the Lodi Sultanate remained only "a pastoral confederation of tribal lords". In the mid-sixteenth century, Sher Shah Suri during his rule in Delhi (1540-45), transformed this horizontal structure of Afghan polity into a vertical relationship based on military service and direct loyalty to the king. Thus tribal principles of equality and inherited rights were replaced with the concept of centralised power, subordination and royal prerogatives. But Sher Shah's rule did not last long and the Afghans continued to operate as a fluid ethnic group of mercenary soldiers in the military labour market of north India. In the eighteenth century, Afghan migration to India increased because of political instability and economic dislocations in Afghanistan. The breakdown of authority in north India that followed Nadir Shah's invasion gave opportunity to another Afghan leader, Ali Muhammad Khan, to establish a petty kingdom of Rohilkhand at the foothills of the Himalayas. But the new kingdom acquired hardly any influence at all, as it suffered heavily at the hands of the neighbouring powers, like the Marathas, Jats, Awadh and later the English. Another independent Afghan kingdom to the east of Delhi in the area around Farukhabad was established by Ahmad Khan Bangash. Both the Rohillas and Bangash helped Ahmad Shah Abdali during the Third Battle of Panipat; but their power declined quickly as Abdali retired from the Indian stage leaving Najib-ud-daula in charge of affairs at Delhi.

The Afghani use of artillery, especially the flint gun, ended the domination of cavalry since the early medieval ages discovered the stirrup. Politically the role of the Afghans was negative. Not only did they accentuate the decline of the Mughals but they helped Abdali to subdue Awadh, which could have checked British expansion.

**Independent Kingdoms**

There was a third type of state which was neither the result of a breakaway from or rebellion against Delhi. Mysore, the Rajput states and Kerala/Travancore fall in this category. These states already enjoyed considerable amount of autonomy in the past and now in the eighteenth century became completely independent.

**RAJPUTS:**

The Rajput rulers did not lag behind in consolidating their position by taking advantage of the disintegration of the Mughal empire. None were large enough to contend with the Marathas or
the British for the position of paramount power. Their method was to slowly loosen their ties with Delhi and function as independent states in practice. They participated in the struggle for power at the court of Delhi and gained lucrative and influential governorships from the Mughal emperors.

Rajput policy continued to be fractured in the post Mughal period. All the states followed a policy of constant expansion absorbing weak neighbours whenever possible. This took place within the State too, with one faction ousting the other in a continuously played game of one-up-manship at the court of the Mughals. The most well-known Rajput ruler, Jai Singh of Amber, ruled Jaipur from 1699 to 1743.

MYSORE
In south India the emergence of Mysore as a significant power in the mid-eighteenth century was most spectacular. Originally a vice-royalty under the Vijaynagara empire in the sixteenth century, Mysore was gradually transformed into an autonomous principality by the Wodeyar dynasty. Its centralised military power began to increase from the late seventeenth century under Chikkadevaraja Wodeyar (1672-1704), but it reached its real period of glory under Haidar Ali. A man of humble origin, Haidar had started his career as a junior officer in the Mysore army and gradually rose to prominence. By 1761 he took over political power in Mysore by ousting the corrupt dalu/ai (prime minister) Nanjraj, who had in the meanwhile usurped real power in the kingdom by reducing the Wodeyar king into a mere titular head.

Haidar modernised his army with French experts, who trained an efficient infantry and artillery and infused European discipline into the Mysore army. It was organised on a European model through the system of risalas, with a clear chain of command going up to the ruler. Each risala had a fixed number of soldiers, with provision for weaponry and modes of transport and a commander appointed directly by Haidar himself. His power was further consolidated by the subjugation of the local warrior chiefs or hereditary overlords like deshmukhs and palegars (poligars), who had until then complete mastery over the countryside through their control over agricultural surpluses and local temples. Haidar, and later his son Tipu Sultan, introduced the system of imposing land taxes directly on the peasants and collecting them through salaried officials and in cash, thus enhancing enormously the resource base of the state. This land revenue system was based on detailed survey and classification of land; sometimes fixed rents and sometimes a share of the produce were collected from different categories of land, such as wet or dry lands, the rate of rent varying according to the productivity of soil. It did not completely dispense with the Mughal institution of jagir, but restricted it to a very small
proportion of the available land. Burton Stein has called Tipu's revenue system a form of "military fiscalism", where taxes were collected from a wide base directly by state officials in order to mobilise resources to build up and maintain a large army. This was therefore part of a political project to establish centralised military hegemony by eliminating the intermediaries who were co-sharers of power in a previous segmentary state under the Vijayanagara Empire.

Tipu's state in order to expand its resource base provided encouragement for the development of agriculture, such as tax remission for reclamation of wasteland, and tried to protect the peasants from the rapacity of tax collectors. Even his arch enemies had to concede that "his country was the best cultivated and its population the most flourishing in India". Tipu was also interested in modernising the agricultural economy, by repairing old irrigation systems and constructing new ones, by promoting agricultural manufacturing and introducing sericulture in Mysore. He sent ambassadors to France to bring in European technology, went on to build a navy, with ambition to participate in oceanic trade. He launched in 1793 what can be described as a "state commercial corporation", with plans to set up factories outside Mysore. In course of time Mysore state began to participate in a lucrative trade in valuable goods like sandalwood, rice, silk, coconut, sulphur etc. and established thirty trading centres in and outside Mysore in other parts of western India and overseas like Muscat. But his plans of modernisation went far beyond his resources and therefore, Mysore remained, as Irfan Habib argues, "far away from a real opening to modern civilization".

The state of Mysore under Haidar Ali and Tipu Sultan was involved in establishing a centralised military hegemony. Its territorial ambitions and trading interests got it engaged in a state of constant warfare, which overshadowed all other aspects of its history during this period. Haidar Ali had invaded and annexed Malabar and Calicut in 1766, thus expanding the frontiers of Mysore significantly. On the other hand, the boundaries of the Maratha kingdom extended over the coastal areas of Konkan and Malabar, which made conflict with Mysore inevitable. There was also conflict with the other powers in the region, like Hyderabad and then the English, on whom Haidar Ali inflicted a heavy defeat near Madras in 1769. After his death in 1782, his son Tipu Sultan followed his father's policies. His rule came to an end with a defeat at the hands of the English in 1799-he died defending his capital Srirangapatnam. We shall return to that story shortly, but before that it is important to remember that in a significant way Tipu's reign represented a discontinuity in eighteenth century Indian politics, as his kingship, argues Kate Brittlebank (1997), was rooted firmly in a strong regional tradition. Unlike other eighteenth century states which did not challenge the political legitimacy of the Mughal emperor, in a symbolic gesture to proclaim his independence, Tipu issued coins
without any reference to the Mughal emperor; and instead of Emperor Shah Alam's name he inserted his own name in the khurba (Friday sermons at the mosques); finally, he sought a sanad from the Ottoman Khalif to legitimise his rule. But he too "did not completely sever links" with the Mughal monarch, who still commanded respect in the subcontinent. Being a "realist" as he was, Tipu recognised Mughal authority when it suited him and defied it when it did nor.?

TRAVANCORE:
Further south, the southernmost state of Travancore had always maintained its independence from Mughal rule. It gained in importance after 1729 when its king Marranda Varma started expanding his dominions with the help of a strong and modern army trained along Western lines and equipped with modern weapons. The Dutch were ousted from the region; the English were made to accept his terms of trade; local feudal chiefs were suppressed; and smaller principalities governed by collateral branches of the royal family were taken over. By the beginning of the 1740s, Varma had constructed a powerful bureaucratic state, which required control over larger resources. He resolved this problem by proclaiming a royal monopoly, first on pepper trade and then on all trade in the prosperous Malabar coast. Some of the profit that the state earned in this way was ploughed back into the community through development of irrigation, transport and communication systems and various other charities." In view of recent researches, this measure in itself does not seem to be a major departure from existing political convention. Although Travancore was not formally within the Mughal system, "royal and noble trade" was becoming an established Mughal tradition since the seventeenth century. Travancore withstood the shock of a Mysorean invasion in 1766 and under Martanda Varma's successor Rama Varma, a man of great creativity and learning, including Western knowledge, its capital, Trivandrum, became a centre of scholarship and art. In his death towards the closing years of the eighteenth century the region lost its former glory and soon succumbed to British pressure, accepting a Resident in 1800. However, the internal social organisation of the state, marked by the dominance of the Nair community in administration, landholding and social spheres continued for another fifty years, yielding to the forces of change in the second half of the nineteenth century.

SUMMARY:
The major characteristic of eighteenth-century India was therefore the weakening of the centralised Mughal empire and a dispersal of political power across the regions. There was in other words, a transformation of the polity, rather than complete collapse.75 The symbols of
Mughal authority were still recognised, the Mughal system also continued, although in some areas its content was substantially changed. Talking about Mughal Bengal, Richard Eaton concludes that "even while central power in Delhi declined, rendering Bengal effectively independent from the second decade of the eighteenth century on, the ideological and bureaucratic structure of Mughal imperialism continued to expand in the Bengal delta". But although the successor states continued Mughal institutions-and perhaps also inherited some of their weaknesses—there were also indications of significant innovation and improvement—both in terms of political rituals and insignia, as also in perfecting mechanisms of resource extraction from agriculture and trade. At a political level all these states continually made adjustments between concepts of centralised kingship and local loyalties, between pre-bended lordship and hereditary rights, or in more general terms, between centripetal and centrifugal tendencies. This political heterogeneity also favoured the flourishing of a diverse cultural life, where religious strife was not a part of ordinary social life-despite some tension between the Shia and Sunni Muslims in Awadh-and where side by side with orthodoxy, there were also plebeian, syncretic and rationalist schools of thought, which were patronised by the regional rulers. Thus the devotional religion of Vaishnavism flourished in Bengal," the Firangi Mahal blossomed in Lucknow as a rationalist school of Islamic thought and even after the decline of its main centre at Bijapur the Deccani Sufi tradition and its literary culture survived in Hyderabad and Arcot. If Tipu Sultan found in Islam an enduring ideology of power, he was equally patronising towards the Hindu religious institutions like the Sringeri Math and other Hindu shrines."

On the economic side the eighteenth century was not a period of total stagnation either, as there had been considerable regional variations. Satish Chandra (1991) has talked about the resilience of the economy, as trade, both internal and external, continued without disruption and even prospered. There was now an expanding commercial economy and the revenue farmers and merchants with money power increased their political influence. Indigenous bankers handled considerable amounts of cash and operated extensive financial networks across the country to transfer credit through hundis. And as one theory would have it, they were now supposedly favouring the regional elite, rather than the central Mughal authority. There was, in other words, "creation of new wealth and social power in the provinces", which, as C.A. Bayly has argued, resulted in the decline of the centralised Mughal power. There is one significant point that emerges from the recent historiography of eighteenth-century India-that there were regions with considerable amounts of resources, which actually attracted the English
and other European traders and triggered off a competition among them for mastery over the subcontinent.