

School of Liberal Studies
Ambedkar University Delhi

Course Outline

Time Slot: Monday 9-11, Thursday 11-1

Course Code: SLS2EC107

Title: Capitalism, Colonialism and Development

Type of Course: Core

Cohort for which it is compulsory: MA Economics

Cohort for which it is elective: Other MA Students

No of Credits: 4

Semester and Year Offered: 2nd Semester (Winter Semester)

Course Coordinator and Team: Arindam Banerjee

Email of course coordinator: arindam@aud.ac.in

Pre-requisites:

Aim: This course consists of the core teaching of economic history in the programme. It also seeks to train students in the political economy perspectives of economic development. The course delves upon the issue of emergence of capitalism in Western Europe and engages with the debates regarding the transition from feudalism to capitalism. Various theories regarding the role of colonialism in the development of world capitalism and the persistence of underdevelopment in the colonies are dealt with in this course. The relationship between the advanced capitalist nations and the colonial world and its centrality to the development of early western capitalism is studied primarily through the economic relationship between Great Britain and India during the colonial period. Some selected post-colonial experiences will also be studied in the course.

Brief description of modules/ Main modules:

1) *Feudalism and Transition to Capitalism:*

Decline of Feudalism – transformation of the mode of production and its causes
– role of mercantile capital – origin of industrial capital and the emergence of the proletariat – the Industrial Revolution – the contribution of world trade

expansion in the decline of feudalism – production versus exchange – Dobb-Sweezy debate

Comparative study of world economy before the emergence of capitalism

2) *Role of colonialism in the development of capitalism:*

Theories of Imperialism: Hobson, Lenin and Schumpeter - A survey of the expansion of colonialism – Development and underdevelopment under colonialism – International division of labour - patterns of labour and population migration during colonialism – monopoly capital and transfer of surpluses to the core – Dependency theory and the core- periphery trade relationship

Case Studies of Colonialism in Chile and Indonesia

3) *Economic relationship between Great Britain and India during colonial period:*

Historical Timeline:

1757-1813: (The Mercantile Phase)

East India Company and extraction of Tribute - Inland Trade, Diwani of Bengal, 1765, famines and Drain of Surplus - The land revenue settlements in British India - its implications for agrarian development – Export of Cotton handicrafts

1813 – 1910: (the Industrial Phase)

Industrial revolution in Britain – The philosophy of free trade and de-industrialization in the colony – Thorner-Bagchi exchange and other debates on de-industrialization – Export-oriented strategy and commercialization of Indian agriculture – Indebtedness, immiserization and tenancy reforms – Foreign Trade and Drain of Wealth – Triangular Settlement of Trade – Multi-lateral Settlement of Trade and Council Bills – Role of Tribute Transfer in the Industrial Revolution in Great Britain

1913 – 1947: (Inter-war period)

Changes in trade policies and modern industry in India – the crisis of the Great Britain's economic supremacy – Global agricultural crisis and the Great Depression – New forms of drain and Deflationary policies – Sterling Balances – Great Bengal Famine, 1943 – Implications for the post-colonial economic development and policies

Assessment Details with weights:

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| 1. Group presentation | 20% (throughout semester) |
| 2. Term paper | 40% (throughout semester) |
| 3. End semester | 40% (end April/early May) |

Reading List:

Abu-Lughod, Janet. 1991. *Before European Hegemony: The World System AD 1250-1350*, OUP

Dobb, Maurice. 1946. *Studies in the Development of Capitalism*. Routledge

The Transition from Feudalism to Capitalism: Introduction by Rodney Hilton (and essays by Paul Sweezy, Maurice Dobb, Christopher Hill and Kohachiro Takahashi), Verso, 1976

Magdoff, Harry. 1978. 'European Expansion since 1763' (Ch 1) and 'Imperialism: A Historical Survey' (Ch 3) in *Imperialism: From the Colonial Age to the Present*, Monthly Review Press, 1978

Lenin, V. I. 1968. 'Imperialism, the Highest Stage of Capitalism', *Selected Works*, Progress Publishers

Frank, A. G. 1967. *Capitalism and Underdevelopment in Latin America*, Monthly Review Press

Patnaik, Utsa. 1999. *The Long Transition*, Tulika (Selected essays on commercialization of agriculture, tribute transfer and famine)

Dutt, R. C. 1902. *The Economics History of India*. Volume 1

Dutt, R. C. 1904. *The Economics History of India*. Volume 2

Rajani Palme Dutt. 1949. *India Today*, People's Publishing House

Bagchi, Amiya, 2000. *The Political Economy of Underdevelopment*, Orient Longman

Bagchi, Amiya, 2010. *Colonialism and Indian Economy*, Oxford

Habib, Irfan. 1995. *Essays in Indian History*. Tulika Books (Selected Chapters)

Mukherjee, Aditya. 2010. *Empire: How Colonial India made Modern Britain*

Upadhyay, S. B. and Vijaya Rajani, 2011. 'The Indian Economy, 1857-1947' in K.N. Panikkar (ed.) *Perspectives on Modern Indian History*, Popular Prakashan, Mumbai

Tomlinson, B. R. 1998. *The Economy of Modern India, 1860-1970*, Cambridge University Press

Kumar, Dharma and Meghnad Desai 2008. *The Cambridge Economic History of India, Volume II*, Cambridge University Press

Roy, Tirthankar. 2000. De-industrialisation: Alternative view. *Economic and Political Weekly*, 35 (17). 1442-1447. ISSN 0012-9976

ADDITIONAL REFERENCE:

Additional readings specific to various topics will be suggested during the course