

# **Economics of New Imperialism**

**By**

**Steve Patterson**  
The Webb School

**For**

**California State Polytechnic University, Pomona**

**Program on India and China 1995-98**  
**Funded by the National Endowment for Humanities**

**High School Curriculum:** Case Studies: India and China

**Title:** Religious and Philosophical Roots of India and China

**Rationale:** To more fully understand and appreciate the historical origins of Asian culture, students need to have a basic grounding in the religions and philosophies that are the foundation to society in China and India.

**California Framework:**

1. Emphasis on readings by the originator of that belief system as original documents or primary sources.
2. Comparison of the religious and ethical belief systems of these two cultures in terms of how they each attempted to legitimize the political and social order and address real human needs.
3. Recognize that religious and ethical belief systems reflect the culture of that society and often have a major influence on the history of India and China.

**National Standards for World History:**

1. "Describing the life of Confucius and explaining comparatively the fundamental teachings of Confucianism and Taoism." National Standards for World History
2. "Explaining the major beliefs and practices of Brahmanism in India and how they evolved into early Hinduism." National Standards...
3. "Describing the life and teachings of the Buddha and explaining ways in which those teachings were a response to the Brahmanic system." National Standards.....
4. "Describing fundamental features of the Hindu belief system as they emerged in the first millennium CE." National Standards...
5. "Analyzing how Hinduism responded to the challenges of Buddhism and prevailed as the dominant faith in India." National Standards....
6. "Analyzing Arab Muslim success in founding an empire stretching from Western Europe to India and China, and describing the diverse religious, cultural, and

geographic factors that influenced the ability of the Muslim government to rule."  
National Standards.....

7. Analyzing comparatively the changing image and status of women in early Chinese and Indian societies as a result of the religious and ethical belief systems of those societies.

**Student Outcomes:**

1. The students will be able to correctly identify from the original source and explain in one paragraph the major belief system of Confucianism, Taoism, Legalism, Hinduism, Buddhism, Jainism, and Islam.
2. The students will be able to correctly identify on a map the geographic and cultural heart of each belief system and its spread to other societies.
3. Using primary documents students will compose a five paragraph essay that illustrates the ways in which a particular belief system addressed the social and political needs of that historical era, and also how it might have failed to meet the needs of others in that same society.
4. Using primary document students will create an advertisement for a particular belief system that illustrates its appeal to a segment of present day society.

**Primary Sources:**

Buddhist Scriptures, Edward Conze translator, Penguin, London, 1959  
Tao Te Ching, Richard Wilhelm translator, Penguin, London, 1990  
Confucius: The Analects, D.C. Lau translator, Penguin, London, 1979  
The Portable World Bible, Robert O. Ballou editor, Penguin, London, 1976  
Sacred Texts of the World: A Universal Anthology, Ninian Smart & Richard D. Hecht, editors, Crossroads, New York, 1992  
The Ramayana, R.K. Narayan, Penguin, London, 1972

**Historical Context:**

Together Indian and China make up nearly forty percent of the globe's human population. Any historical analysis of these two cultures must address the religious and ethical belief systems of those societies in order to understand the scope and course of their respective histories.

In China around 500 BCE , both Confucius and the more legendary Lao Tzu lived around and near the Yellow River valley. Confucius or Master K'ung, gave form and order

to a belief system that already existed in China. Deeply concerned about propriety and formality, he (Li) insisted that all ancient conventions be scrupulously followed. But despite this deep respect for propriety was an underlying humanity and a love for the goodness in human nature (Jen). At age 72 the great teacher died leaving behind the canonical books which he edited that are known as the Five Confucian Classics. His pupils collected a book in memory of their master which preserved many of the things he had said to them, this is called the Analects. By contrast there is very little trustworthy information about the founder of Taoism Lao Tzu, which was not his real name but an appellation meaning "Old Philosopher." Legend tells us that at a very advanced age Lao Tzu made his exit from public life, but a gate keeper at the last minute begged him to leave behind some wisdom for future generations. He stopped long enough to write a 65 stanza or 5,000 character poem called the Tao Te Ching. The Tao means Path or Way and refers to the mystical way of nature. More importantly it was the Yin to the Confucian Yang. A key concept for the Tao was "Wu-Wei", meaning do nothing. So where Confucius would urge that gentlemen study and strive to be virtuous, Lao Tzu would claim that if men had to be taught to be good all was lost. Taoism and Confucianism became the foundation to the belief system of China.

The pastoral herding Aryan invaders to the Indus and Ganges River valleys around 1100 BCE brought to India their belief in the union of soul with one God. Their book of prayers and Psalms called the Rig Veda, became the major document of this religion later to be known as Hinduism in the west. To maintain their dominance over the older inhabitants (Dasas) of the subcontinent, the Aryan established a class or caste system to enable society to function smoothly. Eventually the Brahman caste became the top group as a result of their knowledge of Sanskrit the language of the Rig Veda.

Around 500 BCE a young prince born to the warrior caste (Kshatriya) in the Ganges River valley named Siddhartha Guatama. When this young man renounces his wealth and takes up a life as an ascetic wanderer, he sets himself on the path of enlightenment. When he discovers the "Middle Path" he becomes the Buddha, and establishes a religion that practices meditation to end desire the source of all suffering according to the Enlightened one. Many years after his death Buddha's disciples collected his teachings in a text called the Sutras. Buddhist spread through the Ganges River valley and by 700 CE to China where, for awhile, enjoyed official court and imperial approval during the early years of the T'ang Dynasty.

Other belief systems that will be discussed in this unit include Legalism, Jainism, and Islam which had a major impact on Asia.

Number Of Class Periods: Twelve 50 minute classes designed for High School.

### **Activities:**

#### **Day One:**

1. Read the passages by Lao Tzu and Confucius.
2. Each student must write a brief one paragraph precis of the reading.

3. In pairs the students must go outside and teach each other how to swing a baseball bat, golf club, throw a ball, etc.. in the Taoist or Confucian method.
4. Record in writing the steps taken to teach each other using each method.

**Day Two:**

1. Read the passages from Lao Tzu and Confucius.
2. Write a precis of no more than one paragraph and describe the ideal government from the Taoist or Confucian point of view.
3. Draw a picture that would illustrate the ideal government from your point of view. Then decide if it is more Confucian or Taoist. Why?

**Day Three:**

1. In small groups you must create an advertisement that sells the Asian belief system of your choice to people living in America in the late 20th Century.
2. Each advertisement must have at least one quote from the master or founder.
3. Each advertisement must have a visual aid. (poster, collage, etc..)
4. Each advertisement must have a skit, jingle, poem, lyric, theme song, etc..
5. Each advertisement must present a problem with the belief system. For example an add for the Jainists might include a provision that meat eaters not apply.

**Day Four:**

1. Each student must create a graphic organizer, time line, or chart, that visually identifies the founder of each belief system, the location, the major written source (Analects, Sutras, Tao Te Ching, etc..), dates of its spread to other areas.

**Day Five:**

1. Read the two passages from the Lotus Sutra.
2. What are the stories in western Christian tradition that are similar?
3. How are the parables different?
4. What can be learned about the Buddha and Buddhism from these two Parables?

**Day Six: Power Point Project**

1. 1. In addition to the advertisement, each group must produce a Power Point presentation on the Asian belief system they have been assigned. Each Power Point presentation must include:
  - a. at least four slides that display transitions and builds.
  - b. one slide must include a quote from the master.
  - c. one slide must explore the positive aspects of this belief system
  - d. one slide must include a criticism of that belief system

**Student Skills:**

1. Precis or summary writing.
2. Geography or map making and identifying.
3. Reading for a purpose.
4. Note taking skills.

5. Identifying similarities and differences (compare and contrast).
6. Library research skills.
7. Essay writing skills in the three paragraph and five paragraph format.
8. Historical chronology using time lines or graphic organizers.
9. Computer skills in the Power Point format.

## **High School Curriculum: Case Studies: India and China**

### **Title: Technology and Economics of New Imperialism**

**Rationale:** By the time of World War I, over eighty-four percent of the world's landmass was controlled by a few European countries. India and China were no exception. These lessons will concentrate on the how rather than the why this happened. The economic motivation and impact of colonization on the colonized will also be explored.

**Objectives:** National Council for Social Studies, Curriculum Standards:

1. Identify and describe both current and historical examples of the interaction and interdependence of science, technology, and society in a variety of cultural settings.
2. Make judgments about how science and technology have transformed the physical world and human society and our understanding of time, space, place and human-environment interactions.
3. Analyze the role that supply and demand, prices, incentives, and profits play in determining what is produced and distributed in a competitive market system.
4. Compare how values and beliefs influence economic decisions in different societies.

**Student Outcomes:**

1. Using a world map, students will be able to identify at least three specific ways in which technology has altered the distance between colony and colonizer.
2. Using inductive thinking students will be able to write in brief paragraph form at least three economic generalizations given data from graphs, charts and tables.
3. Students will be able to list at least five tools that enhanced Imperialism (and colonization) in the late 19th Century, and then describe in detail two of those tools.

Given a world map, students will be able to describe the flow of raw materials and manufactured goods between colony and colonizer.

**Background Outline: Tools and Technology****I European Advances****A Quinine prophylaxis**

- 1 discovered in 1820 by Pierre Joseph Pelletier (1788-1842)
- 2 first used successfully by the French in conquest of Algeria 1830's.
- 3 colonization of Africa impossible without quinine.

**B Breech loading weapons.**

- 1 smooth bore, muzzle loading, flintlock....Brown Bess (1704-1853)
- 2 percussion cap, rifled bore, Brunswick rifle (1836-
- 3 breech loading, needle guns, Minie gun, Enfield (1848-
- 4 breech loading, rapid fire.... Maxim gun, eleven bullets per second.  
(1885-

**C Telegraph**

- 1 1850 cable across English channel (gutta-percha, jute, and pitch insulation)
- 2 1856 Red Sea and India Telegraph Co. linked Aden to Karachi
- 3 1870's London to Calcutta on "all red-line" 5 hours
- 4 1866 first trans-Atlantic cable

**D Canals**

- 1 Suez Canal, Ferdinand DeLesseps and pasha Said of Egypt 1859-69
- 2 Panama Canal 1907-14

**E Steam engines**

- 1 gunboats, case study Nemesis
- 2 railroads

**II Trade****A Opium Trade with China**

- 1 Balance of trade issues
- 2 British addiction to tea
- 3 Opium importation to Canton increases exponentially

- 4 Opium for silver substitution
- B Jute trade
  - 1 Jute grown in Bengal
  - 2 Manufactured in Dundee Scotland in 1860's
  - 3 Calcutta jute manufacturing 1870's

**Day One: Opium war**

Using the Documents determine the reasons for the opium trade, and China's reaction to it.

Triangular trade chart, tea imported, bullion exported, opium imported see graphs.

**Day Two: Opium Trade**

Read the following documents and compose a three paragraph letter to either Queen Victoria or to the Emperor of China concerning the increased Opium trade. This letter must argue for increased access to China's port cities (British view) or the destructive nature of the Opium trade (China's view). This essay must cite some of the enclosed documents to support or refute your position.

Use Commissioner Lin's letter to Queen Victoria and Miss Eden's letter on the benefits of Imperialism.

**Bibliography**

Akbar, M.J. Nehru, *The Making of India*. London: Penguin Books, 1988.

Bipan Chandra, "Colonial India: British Versus Indian Views of Development." *Review*, Volume 24, No. 1, Winter 1991. pp. 81-167

Fay, Peter Ward, *The Opium War 1840-42*. N.Y.: Norton; 1976, University of North Carolina Press; 1975

Gadgil, D.R. *The Industrial Evolution of India in Recent Times 1860-1939*, 5th Edition. Bombay: Indian Branch, Oxford University Press, 1971.

Greenberg, Michael, *British Trade and the Opening of China 1800-1842*, N.Y: Monthly Review Press, reprint from Cambridge University Press; 1951



Daniel R. Headrick, *The Tools of Empire; Technology and European Imperialism in the Nineteenth Century*. New York: Oxford University Press, 1981

Mark Kishlansky, Patrick Geary, Patricia O'Brien, *Civilization of the West*. Second Edition, New York: Harper-Collins, 1995

Philip Lawson, *The East India Company: A History*. London: Longman, 1993.

Jonathan D. Spence, *The Search for Modern China*. New York: W.W.Norton Co., 1990

Francis Robinson, Ed. *The Cambridge Encyclopedia of India*. Cambridge: Cambridge University Press, 1989

Tara Sethia, "The Rise of Jute Manufacturing Industry in Colonial India: A Global Perspective" *Journal Of World History*, Vol. 7, No. 1; 1996 University of Hawaii Press

Wolpert, Stanley, *India*. Engelwood Cliffs, New Jersey: Prentice Hall, 1965.

### **Historical Context:**

Imperialism in the 19th Century was not a new concept, but by the mid 1800s European nations found themselves in possession of superior weaponry and an expanding industrial economy that demanded cheap raw materials for their factories. The history of the British East India Company could easily describe the early history of Great Britain's exploitation of both India and China.

By the 1700s the British people had developed a national craving for Chinese tea, as well as the other products that Asia had to offer such as silk and spices. Since China was economically self-sufficient (at least regarding European trade), Britain had little to offer China except silver and gold bullion. China was interested in keeping the "sea barbarians" at arm length and therefore limited their access to only the port city of Canton. The British colony of Bengal was the sole opium exporter as of 1797, and it wasn't very long before a very profitable triangular trade developed in which opium was shipped from Bengal to Canton and tea was imported from Canton to London. This trade was extremely profitable for the British and acted as a lever for the English to acquire Hong Kong after the first "Opium War". Despite Chinese laws prohibiting opium importation, the trade in the addictive drug grew exponentially. At the same time that economic interests were promoting trade, technological advances allowed the European powers, especially Great Britain, to exert power over the Asian land mass despite their numerical minority.

The steam engine and iron clad ships gave rise to the "gunboat". This ship with a shallow draft (5 foot depth) suitable for navigating up inland rivers which gave England a tool for the conquest of vast inland empires in Asia. The steam powered uncoppered paddle wheel

iron ship called the Nemesis made a decisive appearance in India, Burma, and China. This ship could tow other vessels upriver as well as inflict significant damage on its own. Advances in weaponry, especially breech loading rifles, allowed a few Europeans with rapid firing ability to subdue a larger number of "natives." The American Civil War did a great deal to promote breech loading, which eventually culminated with Hiram Maxim's invention of the machine gun which could fire eleven bullets per second. The use of steam power to dig the Suez Canal using steam shovels, dredgers, and trains to move dirt gave the globe its first shortcut through the Red Sea to the Mediterranean in the 1860s. Telegraph wires soon made the globe even smaller and reduced the time needed to communicate between colony and mother country to a few hours. Finally, steam powered railroads within India and China served to move troops from one part of the country to another with great speed. The tools of empire were all products of 19th Century European or American ingenuity. These advances in technology gave rise to Social Darwinist attitudes prevalent in the late 1800s.

**Case Study: Nemesis**

Gun boat diplomacy became a part of world realpolitik during the Victorian era. The Nemesis was probably the first gunboat on the world scene in the 1840s.

Steel hulled gunboats known to the world in the 1830s were first built in Liverpool by a Scotsman named Macgregor Laird. These early prototypes were used successfully in Africa and the Middle East. But in 1840, the Laird ironworks working under secret orders from the East India Company, built a 184 foot, 660 ton gunboat privately registered ship called the Nemesis. This ocean going vessel featured a sliding keel that gave it a variable draft so that it could be used in shallow rivers (5 to 11 foot draft) and the oceans. The Nemesis was equipped with two 60 horsepower Forester steam engines with side paddle wheels, and two masts for sailing. Most importantly, the Nemesis had two 32 pound pivot mounted cannon, five brass six pounders, ten smaller cannon, and a rocket launcher. This was heavy armament for a ship of this size. In 1840, the Nemesis was the first iron ship to sail around the Cape of Good Hope. Its destination was China.

The Nemesis arrived in China in time for the first opium war in November 1840. The Bogue Forts defending the city of Canton on the Pearl (Xi) River were ripped apart by the 32 pound guns and by the other British naval vessels towed upriver by the Nemesis. The Chinese war junks were half the size of the Nemesis with cannons bolted to the decks that were difficult to aim. The Chinese navy relied on boarding nets, handguns, pots of burning pitch, and rafts filled with oil soaked cotton set ablaze and pushed toward the enemy ships. The Nemesis easily towed these rafts out of the way and proceeded to sink or capture the war junks. The Nemesis then proceeded upriver to Canton destroying five more forts along the river, sinking nine more junks. The next stop was the coastal city of Shanghai. The Chinese had 16 war junks, 70 merchant vessels, and 253 heavy artillery pieces to defend the Yangtze River. The Nemesis once again made quick work of this defense, and was free to bombard Shanghai by towing more heavily armed sailing vessels up the river.

The Nemesis then seized the place where the Grand Canal crosses the Yangtze River. The prospect of the Nemesis steaming up the Grand Canal connecting the Yangtze to the Yellow River forced the Court of Peking to quickly sue for peace. The first "unequal treaty" was signed in 1842 near Nanking. This treaty gave England's "Hongs" (licensed black market traders), the right of extra territoriality, indemnity money of \$21 million, and five more treaty ports open to British mercantile pursuits. In conclusion, the steam-powered gunboat decisively determined the outcome of this first opium war. Twenty more gunboats were manufactured and this time purchased by the Royal Navy for use in the second Opium War 1856-60. The steam-powered gunboat gave European imperialists a decided advantage in the French acquisition of Vietnam and in subsequent attacks on China's sovereignty in the nineteenth century.

**Questions:**

1. What advantages did the steel hulled steam powered gunboats have over conventional vessels?
2. Why do you suppose the Nemesis was kept a secret?

## Jute Data

**Jute:** From the data provided students should write out in paragraph form at least three generalizations about Jute production and manufacturing.

1830 one ton of spun jute cost 12 pounds sterling  
One ton of spun flax cost 54 pounds sterling

1850 9,035,713 hand loomed Jute gunny sacks were exported from Calcutta, of  
These 2,290,427 gunnysacks exported to North America

1854 Crimean war creates shortage Russian flax

1860 American Civil War creates a shortage of cotton for England's textile mills.

1860's Dundee Scotland becomes "Juteopolis"

1879-83 Dundee exports 53 million gunnysacks and 4.25 million yards of jute fabric

1850's and 60's Jute mills appear in Calcutta in competition with Scotland

1874-8 Calcutta exports 25 million sacks and 3.5 million yards of jute fabric.

1890's Jute production in Calcutta continues to increase as Dundee declines.

1900 Global trade continues to grow as jute bags become "world's carrier"

1911-12 global demand for raw jute reaches 9 million bales, 8 million grown in India

1914 Calcutta becomes the leading producer of manufactured Jute.

1872 laborer in Calcutta Jute mill works 10 hour day

1875 laborer works 12 hour day in Calcutta in Jute mills

1874 Europeans owned 105 shares of Calcutta Jute mill, Indians owned 14 shares.

1890 Europeans owned 73 shares, Indians owned 79 shares

World War I creates a huge boom in demand for gunnysacks

1914 India exports Rs.126 million raw jute, and RS. 401 million manufactured jute the single largest export from India. U.S was the biggest consumer of gunnysacks

**Directions:** From the above-mentioned data, create three generalizations about the global jute market. Make a graph, chart or table to support your generalization. Draw a map indicating the location of Calcutta, Bengal, Hooghly River, Dundee, Tay River, and the movement of Jute globally.

### **A Brief Case Study of British Economic Policies in India**

Mercantilism was the term used to describe British economic policy toward India, but this term would also describe virtually all European colonial powers from the 17th century to the present. Colonial powers, such as England, created favorable balances of trade to enhance their military and economic power. Before the industrial revolution this was done by having precious metals shipped to the mother country. After industrialization (especially after the Napoleonic Wars), cheap raw materials were exported to Britain. These raw materials (cotton, jute) were then manufactured, and sold back to the colony as a finished good thus maximizing profit for the mother country. This policy had the advantage of creating full employment at home, and mercantilism also fueled industrial growth for England.

Trading patterns developed to enhance the effects of mercantilism. Triangular trade replaced bilateral trade in the 17th century. The most well known route involved shipping slaves from Africa to the Caribbean, molasses from the Caribbean to America, and then rum back to Africa. A less well-known route involved shipping opium from Bengal (India) to China, tea from China to England, and then textiles from Britain were sold to India. Profits were reaped at each leg of the trade route, which was controlled by the British East India Company until 1833-34. China prohibited opium smoking in 1729, and banned all trade of opium in 1773, but trade in this product increased exponentially after 1823. In 1729, 200 chests of opium were imported to "licensed traders", this became 5,000 chests by 1820. From 1820 to 1832 importation grew to 23,500 chests of opium. By 1838 this number had grown to 40,000 chests of opium, which became 60,000 in 1858. British plantations in Bengal (India) were the chief suppliers of opium to the world. This was done most often at the expense of valuable food crops that could be consumed on the subcontinent. Opium was first distributed to the Chinese through the port city of Canton. Bills of exchange were written to buy tea and silks for shipment to Britain. The British were in a "win" situation on all three legs of the Asian triangular trade, especially as opium created a self made market with users willing to pay any price for the addictive drug. Two "Opium Wars" were fought by England in the 19th century to expand the trade, and the suppression "Boxer Rebellion" in the 20th century was to protect trading rights and "spheres of influence." This destructive trade finally came to an end during World War I, by which time opium production in China supplied Chinese addiction.

England ended British East India Company rule in Bengal in 1858 after the 1857 Uprising. This revolt of Hindu and Muslim troops against their British officers resulted in the death of thousands of British civilians and military personnel, and many more Indians. The rumor that the bullets, which had to be bitten before firing, had been coated in cow and pig fat offending both Hindu and Muslim was the spark that set off the Uprising in 1857. The manufactured bullets had a paper cartridge which was the first step necessary for breech loading weapons, and the animal fat coating was designed to keep the gun power dry. After the very destructive Uprising, Parliament and Queen Victoria became the direct rulers of India with a larger and more expensive regular army, supplemented by loyal recruits from Gurkhas and Sikhs. This more expensive military presence was paid for by a 35% tax on salt. This hated Salt Tax would be used by Gandhi in 1930 to rally the Indian people against British rule. Salt, a necessity in India's hot climate, was one of many goods taxed by such internal taxes which went directly to England to support British rule.

While Indian citizens were struggling to pay the Salt Tax, many cottage industries were going bankrupt as England flooded India with cheap manufactured goods. Unregulated competition from England destroyed the local cotton and jute manufacturing businesses in India. The development of steamships shortened transportation time to the subcontinent, and huge British investment in Indian railroads enabled raw materials and manufactured goods to reach all parts of India. The result for many Indians was unemployment and poverty. Many sought work as plantation workers or moved to East and South Africa seeking jobs. For example, harvests of jute, a fibrous material used in making rope, burlap, and many other products, supported a large textile industry in Manchester, Lancashire, England and Dundee, Scotland. Britain was able to import raw jute from India, manufacture burlap sacks, and sell the sacks back to India and still make a handsome profit. Although United States was the single largest purchaser of burlap sacks. At the same time this colonial economy was installed, India's population was growing from 200 million in 1860 to 300 million in 1920. Frequent droughts and famines convinced the British that the subcontinent was hopelessly mired in poverty made worse by unchecked population growth, and a climate that made steady agricultural growth impossible. This British bias became a self fulfilling prophecy as Social Darwinists pointed to Indian habits that lacked thrift and ambition. All of these British attitudes and policies contributed to the great negatives of colonialism, de-industrialization, impoverishment, and loss of national pride.

The jute industry may be seen as an exception to the de-industrialization trend, as jute manufacturing plants appeared in India before the end of the 19th century, upon closer scrutiny this was not true. Jute plants in Calcutta usually hired their managers from Dundee, Scotland. They often used machinery that had been cast off from the more modern plants in England and Scotland. Native Indian workers were only hired for the lowest most unskilled jobs. In fact wages were so low that modernization of the jute plants in India was severely hampered. For example, instead of cranes and derricks to load raw jute or the manufactured product (gunnysacks) from dock to ship, less costly human labor was used. Workers carried jute or jute products on and off ships on their head, frequently

working 12 hour days for very low pay. The European plant manager normally lived in relative splendor with twenty or more servants and a large house. The Indian worker frequently needed to have his wife and children also working at the plant in order to make ends meet.

Indian nationalists began to address the issue of independence from Britain as the only solution to India's second class economic status in the 1880s. The Indian National Congress more militantly demanded independence in the 1920s and 1930s. The struggle for self-rule would in itself be a much longer history than this capsule survey could fairly include. Mainly nonviolent protests and demonstrations led by Gandhi and Nehru against India's colonial status eroded British control. War ravaged Britain finally gave up its involvement in India soon after World War II. For the past fifty years India has pursued economic policies advantageous to India alone.