

Marwari Community and Bengali Entrepreneurship in the Second Half of the Nineteenth Century

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ABSTRACT

Bengal is a fascinating region in India which since the ancient time attracts various communities for trade and commerce. There is a saying that the Marwaris came out of the desert from nothing, and built everything. During the colonial period the heterogeneous Marwaris came to build a community under the British colonial state. Marwari region is in the central and western regions of Rajasthan and is famous throughout India for its residents who are spread across India – the Marwari, most successful and wealthiest business community in India. The job oriented mindset of the Bengali youth keep them away from entrepreneurial activities which ultimately made the community comparatively backward in terms of economic prosperity than some of their non-Bengali counterparts like that of the Marwaris living in Bengal. However the main purpose of this paper is to find out the causes of entrepreneurial success of this community in Bengal which will be helpful to open up the constricted mindset of the Bengali youth towards entrepreneurship.

KEYWORDS: Marwari, business, entrepreneurship, merchants, financier, migration, community, trade

INTRODUCTION

In the changing political scenario of the eighteenth century most of the prominent business communities of that time had changed the nature of their business. As the Mughal Empire distorted in 1857 and the alliance of Indian capitalism shifted from overland trade to the ports, a enormous migration and repositioning of enterprise occurred. Several groups like Bohras, Chettiars, Marwaris, Paris, Khatri Jains etc. moved a long distance away from their original homes. A small group, living in the desert of Rajasthan spread all over India starting from Bengal in the nineteenth century. They were facilitated by the changing nature of the colonial economy, changing land policies, commercialization of agriculture and the payment of regular tax. Through their marriage and kinship ties, they were able to form a credit and trading network across a large part of colonial India. Since the end of the seventeenth century many trading community from Rajasthan like Marwari also served

as bankers and financiers to the Mughals. Because of the arrested development of the Bengali entrepreneurs during the second half of the nineteenth century, the Marwari community got the opportunity to establish themselves as a successful business community in Bengal. The job oriented respected bhadralok mindset of the Bengali youth made them comparatively backward in economic prosperity. And the Maewaris grasped this opportunity and became economically flourishing in society.

Marwaris' Entrepreneurship in Bengal:

The Marwari migrations in Bengal had began since the end of the seventeenth century when the Saharwale Oswal Jain merchants from Bikaner to Bengal following the track of Mughal armies. The pure Marwari of Rajasthan belonged to several socio-religious groups such as Agarwals, Maheshwaris, Oswals, Khandelwals and Porwals. During the

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Nawabi period the Oswals seem to have established their supremacy in Bengal trade and commerce. In some areas of trading, such as banking, grain, cloth, salt, and money lending, their existence was very huge. They prominently played the role of the bankers and the financiers of the Mughals. Fateh Chand of Murshidabad was one such mega-financier. He was given the title of Jagat Seth by the Mughal emperor in 1722. At first they settled in Murshidabad and its periphery, Azimganj and Jiaganj. Murshid Quli Khan's malguzar scheme provided for securities from the revenue farmers, zamindars and taluqdars. Standing as security or jamin to the government for malguzar patrons became a great business in the early eighteenth century and the Marwaris were its chief beneficiaries. And this security business reached its peak in the early segment of British colonial period.

The Marwaris played the role as the jamins to the government for the landholders, revenue farmers and ijaradars. In the last two decades of the eighteenth century, Hajari Mull who was occupied in revenue farming in almost all Bengal districts was the most prominent Marwari house in Murshidabad and Calcutta. And after the Permanent Settlement he became the owner of the far-reaching landed estates. Dulalchand Singh, a Porwal Marwari, was another influential investor of that time. He bought a large zamindari estate in Bengal regions. He built his residence in Dhaka where he established many markets. The Khwajas of Dhaka had co-shared many of the large estates of Dulalchand Singh in Bakarganj, Patuakhali, and Comilla districts. Later the Singh family started jute business.

Marwaris were the economically prosperous community living in Bengal of that time. This unique, tiny community dominates the country economy and has pan India presence like no other ethnic group and occupy a pre-eminent position in Indian business. D.K. Taknet himself a Marwari and who has written on their heritage has mentioned that they are genetically disposed to accumulate wealth despite the desert conditions to make money out of nothing. Thomas Timberg, a Harvard graduate has studied expensively the Marwari; in fact his doctoral dissertation was on this community. According to Timberg, Marwari ability to adapt to varied circumstances and places, and being flexible are traits that contribute to their extraordinary success. They are orthodox and are mild mannered, soft-spoken and peaceful. They prefer to live in a joint family; vegetarians who enjoy an assortment of home-cooked dishes, they take vegetarianism seriously. To a certain extent they resemble the Madi terranean and European Jewish trading communities. However the

people that all north Indians used to call Marwari around 1960 did not form a single caste, were very diverse and unequal and did not conduct the same kind of business everywhere. And yet, some features of a community did attach to them. There was a Marwari chamber of commerce each in Mumbai and Kolkata. In eighteenth century India as the Mughal Empire collapsed and the axis of Indian capitalism shifted from overland trade to the ports, a massive migration and relocation of enterprise occurred. Most of the prominent business communities of the nineteenth century had changed the nature of their business at the time of this political shift. Several groups, including the Marwari, moved a long distance away from their original home. They needed to reinvent cooperation bonds. The eighteenth century turmoil did not exactly give birth to the community, but it led to a major consolidation thereof. After the decline of Mughal authority in Bengal, Marwari traders' bankers and financiers migrated to the growing British power in Calcutta. The changed fogies of migration was also encouraged by the British establishment of new trading routes and centres, as well as by the declining political significance of the Rajput courts whose faced conspicuous consumption had been supported by Marwari money. The community welcomed the relative safety that the British presence offered as well as the commercial and legal frameworks that they provided and which were more favourable to Marwari activities Mughal and Rajput rule. They continued to spread into areas of British control throughout the nineteenth century becoming established as sahuikars (money lenders) and inland trade brokers in India. Science the Mughal era Jagat Seth family was a powerful money lender family. The family served as bankers to the Mughals. During the time of Nawab Siraj-ud-Daula, Jagat Seth's family was a famous wealthy business, bankers and money lenders family from Murshidabad, Bengal region. House of Jagat Seth Museum contains personal possessions of Jagat Seth and his family including coins of the bygone era Muslin and other extravagant clothes. Banarasi sarees embroidered with gold and silver threads. This prosperity of this family proved their success in the entrepreneurship. During 1830s some of the best-known Marwari families well established in business, were the Singhani as the Sarafs the Kotharis and the Bagris. After the Battle of plassey many Marwari families settled in Calcutta and flourished often with British favour. Calcutta was one of the busiest trading hubs in India, a centre of many industries as well as an important transit point on roads to Burma and Assam. Jute, textiles, tea, food crops, gold all these and more important commodities

were traded in Burrabazaar of Calcutta densely populated by Marwari. They became famous for charity, building hospitals, inns for the poor i.e. dharmashaalas and temples. Where trading is important to the economy business-minded people will flourish. The other major trading centre of India, Bombay saw the rise of the Parsi and Gujarati business communities, while the Marwari took over Calcutta.

There was an enormous migration of Marwari community in the nineteenth century and within four to five decades they captured control over the whole economy of Bengal region. They had established a complete domination over indigenous finance and trade and for that purpose they had set up commercial firms in the towns of East Bengal like Dhaka, Khulna, Chittagong, Naogaon, and Mymensingh. They established many branches of their trade in all over Bengal. For example Lakshminarayan Rambilash who was a famous entrepreneur of that time had set up his commercial headquarter in Akyab with many branches in Rangoon, Calcutta, Chittagong, Khulna and Sandaway. From these branches they dealt in hundis and gave loans to traders and private persons. In Calcutta they had captured major part of the market in Barabazar. Tarachand Ghanshyamdas, Bansilal Abirchand, Sadasuk Gambhirchand, Harsukhdas Balkissesdas, Kothawal Daga and Ramkissen Bagri were the main great bankers and merchants at Barabazar in Calcutta at that time. They totally subjugated the indigenous money market in Calcutta. They had controlled the financial centres of Marwari banking and trade even in East Bengal also. In the nineteenth century mainly the Shekhavati Agarwal group of Marwaris, who came from Jaipur, had captured the market of Calcutta. They had controlled over most of the shop of Calcutta and other Bengal towns. The main financiers of the opium and indigo trade in Bengal under British monopoly were the Marwaris. Even Dwarkanath Tagore who was a successful entrepreneur of that time had started several indigo concerns with financial support from Marwari houses of Sevaram Ramrikh Das and Tarachand Ghansyam Das. At that time Marwari business community had their business headquarter in Calcutta from where they controlled their business in East Bengal. They had total domination over the jute trade. Dealers, peddlers and cultivators were the secondary instruments of big Marwari firms that financed them and composed their produce. Messrs. Ramkrishandas Sivadajal which was established by Nathuram Ramkishan in Calcutta in 1847, was a headquarter firm which dealt in jute, commission agency and rice and opened agencies in other areas of Bengal during jute season. In 1930s Gulabchandji set

up another firm in Calcutta from where a blooming business in banking, jute bailing and shipping was conducted successfully. Apart from those, several branches were also opened in Dinajpur and Rangpur from where the business successfully carried on. Except these, there were several independent jute traders also like the Lohia, Nag, Shethia, Tularam and Dugar families. They successfully dealt and established themselves.

Conclusion:

The native Bengalis, while immensely cultured and well-educated look down upon money-making, and consider trading beneath their intellectual capabilities, creating a business vacuum- many major East India cities have large influential Marwari populations due to similar reasons. Entrepreneurship is fiercely encouraged in Marwari society. Starting a business will earn you more respect than a higher education degree. Financing is readily available to honest young Marwari and education and Government job often takes a backseat for sons taking over their family business. Marwari are incredibly supporting of members of their community. They have strong sense of family and community among themselves. A successful business man might call unemployed relatives and neighbours from his home village. Though they have many castes among themselves but socially they lived together as a community as an extended family which helps them to be successful in life. Though the Marwaris are very strict in business rules but they are friendly in manner which helps them to win the mind of their customers. And their ability to take risk in business is also appraisable. They are very careful to their workers whom they always want to be satisfied. However the flexible attitude and ability to adapt the changing environment of the Marwari entrepreneurs keep themselves as dominant businessman in the field of entrepreneurship.

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