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Nawabi Karnatak: Muhammad Ali Khan in the Making of a Mughal Successor State in Pre-colonial South India, 1749-1795

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Citation

Wibulsilp, P. (2019, April 9). *Nawabi Karnatak: Muhammad Ali Khan in the Making of a Mughal Successor State in Pre-colonial South India, 1749-1795*. Retrieved from <https://hdl.handle.net/1887/71028>

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Issue Date: 2019-04-09

Chapter 7: Economic Encounters

This chapter argues that the Nawab was one of the most active economic agents on the Coromandel Coast. More importantly, he used trading channels not only to increase his own wealth but also deployed them as tools for political ends. I will focus particularly on how the Nawab managed to use his relationship with the EIC to gain economic advantages while, at the same time, using various mercantile approaches to resist that Company's domination over his state. I will begin the discussion with some general views on the relationship between early modern rulers and trade that may, at least partly, be responsible for scholars' lack of interest in the Nawab's trading career up to now. Then, a brief overview of the late-eighteenth-century Coromandel markets will be provided, after which the most important economic activities of the Nawab will be discussed and some key observations on the Nawab and trade made.

7.1 Rulers and Trade

Scholars who have studied the economy of the Coromandel Coast in the second half of the eighteenth century have reached a consensus that, during this period, the region experienced only limited economic growth compared to other parts of the subcontinent as a result of various internal and external factors. However, throughout this period of comparative economic decline, in various businesses competition in trade persisted.¹ From the 1750s, British merchants, both the Company and private traders, dominated trade from the Coromandel Coast to Europe and other parts of South Asia. Later, they also moved into smaller-scale port-to-port trading activities within the Coast. Their trade moved from, originally, textiles into many other types of commerce that had, in previous centuries, been dominated by South Indian merchant communities such as the Balijas, Komaties, Chetties, and Chulias. By the late eighteenth century, only one small group, the Chulias—a caste of Tamil Muslim merchants—continued to own big ships and ply the trade-route to South East Asia. Other local mercantile castes declined and eventually stopped trading altogether.² The few exceptions were the various individual merchants who had long been attached to European companies as either “chief merchants” or inferior trading partners.³ However, even these individuals had to withstand strong competition from new groups of local South Asians

¹ Arasaratnam, “Trade and Political Dominion in South India,” 19-40; David Washbrook, *Some Notes on Market Relations and the Development of the Economy in South India, c. 1750-1850* (Leiden: s.n., 1981), 1-5; Subrahmanyam, *Penumbra Visions*, 96; Phillips, “A Successor to the Moguls,” 364-389; see also: Arasaratnam, *Merchants, Companies and Commerce*; Mukund, *The Trading World of the Tamil Merchant*.

² Arasaratnam, “Trade and Political Dominion in South India,” 26, 32, 37-40.

³ Mukund, *The Trading World of the Tamil Merchant*, 60-61, 75.

from other castes or communities who were the direct employees of the Europeans companies and who rose to replace them, such as the aforementioned Brahmin dubashes, and a new type of Company broker known as *gumashtas*.⁴

With regard to the other European companies and private traders on the Coast, three nations require brief overviews: the Dutch, the French, and the Danish. During the seventeenth century, the Dutch VOC had been one of the largest players in the Coromandel mercantile world, especially in the textile trade, along with the EIC and various local merchants. But the VOC's situation significantly changed in the eighteenth century and, as is widely believed by modern historians, went into relative decline. One major factor in this was the rather unwise decision to move its headquarters from Pulicat, in northern Karnatak, to Negapatnam, in the south, in 1690, after which the Dutch quickly lost their competitiveness in many northern Coromandel markets to the British. A second was the rise of the French CIO in Pondicherry as a new economic and political competitor in the area in the early eighteenth century. Some historians, such as Els Jacobs, Sinnappah Arasaratnam, and Om Prakash have suggested that, while the Dutch had lost their northern markets, they could still have had a share of the trade along the Coast by exploring new markets in the south. In fact, as shall be seen in the examples below, the VOC continued to actively participate in the pearl trade and some textile markets in the far south during 1770s-1790s, as both a competitor of the Karnatak Nawab and his collaborator. Yet, as all historians agree, the Dutch, like many others, found it increasingly difficult to resist the growing British domination, and the VOC had to abandon its Negapatnam headquarters in 1781 as a result of the Fourth Anglo-Dutch War (1780-1784). After this, they operated their Coromandel trade from a factory in Ceylon, with only limited success.⁵

The French Company only seriously started trading in the Coromandel Coast as late as 1699 after firmly establishing its headquarters in Pondicherry. But it became increasingly successful and achieved impressive success on the Coast in the 1730s and 1740s, both politically and economically. However, worldwide Anglo-French hostilities led to a number of wars between the two Companies on the Coromandel Coast from the mid-1740s until 1763—known as the Three Carnatic Wars—which were complicatedly intertwined with local politics and the Karnatak state, as discussed in Part I. After the 1763 Treaty of Paris, the EIC,

⁴ Neild-Basu, "The Dubashes of Madras," 23. The role of the *gumashtas* will be discussed later in the chapter.

⁵ Sinnappah Arasaratnam, "The Dutch East India Company and Its Coromandel Trade 1700-1740," *Journal of the Humanities and Social Sciences of Southeast Asia* 123, 3 (1967): 325-328, 333, 337, 342, 346; Els M. Jacobs, *Merchant in Asia: The Trade of the Dutch East India Company during the Eighteenth Century* (CNWS Publications, 2006), 121, 133, 138, 144-145; Om Prakash, *European Commercial Enterprise in Pre-Colonial India* (Cambridge: Cambridge University Press, 1998), 221-225, 297-300.

who had gained the upper hand, placed such great restrictions on French trade that the CIO was unable to grow its commerce back to pre-1749 levels. Soon after, the CIO went bankrupt, and in 1769 all activity ceased. The French Company attempted to re-establish trade in the region once again in 1785, but soon withdrew. However, from the 1770s until the end of the eighteenth century, many private French traders continued to play active roles in the Coromandel markets. As suggested by Arvind Sinha, they could survive in this cut-throat mercantile world, which was being increasingly dominated by the British, mainly by becoming subordinate business partners or financiers of various British traders and EIC servants who themselves traded in a private capacity. It is very interesting that, amidst the global hostilities between the two European nations and despite the EIC's attempts to prevent them, private Anglo-French trading cooperation was extensive. Furthermore, the French traders' situation was similar to that of other local South Asian merchants; those who survived in the Coromandel markets were mainly the subordinate collaborators of the EIC, British private traders, or both.⁶

As for the Danish Company, it had been trading in the Coast ever since the establishment of its fort and factory at Tranquebar in 1620. Its trade was relatively small and sporadic, especially in the eighteenth century, yet, as Arasaratnam suggests, whenever it invested in textiles for the European market, this was significant enough to make an impact on the prices and supply of their competitors. As its fort was located close to Negapatnam, its trade generally affected the Dutch in the southern markets rather than the EIC in Madras.⁷ As well as textile exports, the Danish seem to have been involved in importing European military technology to South Asia; as will be seen, they were a key provider of European firearms to the Nawab of Karnatak.

An important key I would like to make here is that scholars of eighteenth-century Coromandel trade have mainly focused on relations between British traders and local South Asian mercantile groups and/or other Europeans. As such, they have almost completely ignored the role of local rulers, including Nawab Muhammad Ali Khan, in trade. By "trade" I do not mean forms of state monopoly of various goods, which is more a facet of political power than a commercial or mercantile approach.⁸ This lack of attention to the Nawab's

⁶ Sinha, *The Politics of Trade*, 20, 55, 61, 95, 119, 215-216; Arasaratnam, "The Dutch East India Company and Its Coromandel Trade," 330-331, 346; Prakash, *European Commercial Enterprise in Pre-Colonial India*, 252-260, 307-309.

⁷ Arasaratnam, "The Dutch East India Company and Its Coromandel Trade," 331; Prakash, *European Commercial Enterprise in Pre-Colonial India*, 260-261, 309-313.

⁸ A number of historians, such as Subrahmanyam, argue that the rulers of pre-modern South Asia did participate in trade, and often give the examples of the Mughal emperors Shah Jahan and Aurangzeb, who sent substantial trading fleets to promote commerce between Surat and

commercial career in modern studies may be based on the assumption, widespread among scholars, that rulers in pre-modern societies did not participate in trade.⁹ For South Asia, as Marshall writes, merchants had a clearly subordinate place in the ideal hierarchy of Mughal Empire.¹⁰ According to Phillips, eighteenth-century Indian states “lived and died” on their capacity to collect the land tax, which was the most important source of revenue for the government.¹¹ This is probably based on the normative image of pre-modern rulers as seen in various historical texts; Ibn Khaldun’s *Muqaddimah*, for example, condemns the ruler who wants to participate in trade as committing “a great error” and causing significant harm to his subjects. According to him, trading competition between a ruler’s subjects exhausts their financial resources, and so, if a rich ruler were to become their competitor, scarcely a general trader would be able to make a living.¹² In South Asia, two poetic verses ascribed to a sixteenth century Vijayanagara ruler read: “A king should govern his ports so as to increase their trade by encouraging the import [of goods]” and, “[a king should] acquire the friendship of merchants of distant islands [...], by granting them villages, spacious houses in the capital, frequent audiences, presents, and good profits.”¹³ These verses are comparable to the eighteenth-century chronicle of the Karnatak court, *Tuzak-i Walajahi*, in their description of the obligations of rulers regarding trade. In these indigenous sources, a ruler was expected to be a patron of trade but never a trader or money-seeker himself.¹⁴

As such, Sanjay Subrahmanyam, Christopher Bayly, Kanakalatha Mukund, and various other scholars have developed the concept of “portfolio capitalists” (or “merchant capitalists,” in the case of Mukund) to challenge this dichotomy between “political” and “merchant.” This term refers to a special type of South Asian mercantile intermediary who quickly rose to prominence during the first half of the seventeenth century. These merchants dominated economics and politics across South Asia, including in the Coromandel Coast, for many decades, but disappeared before the end of the seventeenth century because they were unable to adapt to the changes brought about by the Mughal expansion southward. Importantly, these people derived their power from “a variety of portfolios”; an individual could, simultaneously, be a large-scale trader inland and overseas of various products, a

the Red Sea and Persian Gulf. However, such “trade” always involved forms of state monopoly; they did not participate in markets and compete as merchants. In Subrahmanyam’s own words: “We normally encounter mentions of the trade [of the rulers] in connection with the existence of monopsonistic practices.” See Subrahmanyam, “Iranians Abroad,” 356-357.

⁹ Mukund, *The Trading World of the Tamil Merchant*, 4.

¹⁰ Marshall, “Presidential Address,” 7.

¹¹ Phillips, “A Successor to the Moguls,” 367.

¹² Ibn Khaldun, *The Muqaddimah*, II: 93-94.

¹³ Sanjay Subrahmanyam, *The Political Economy of Commerce: Southern India, 1500-1650* (Cambridge: Cambridge University Press, 1990), 343-344.

¹⁴ Nainar, *Tuzak-i Walajahi, Part II*, 12, 14-15.

revenue farmer, a banker, and a broker for several European companies, as well as a member of the political elite such as a governor, a warrior, or diplomat for one or several local courts. Their presence challenges previously-held assumptions that the political elites of pre-modern India did not directly participate in trade and that the professional merchant castes did not have direct access to political or military power. Occupying the in-between position between the two worlds—politics and trade—a portfolio capitalist used his access to one sphere to further his ventures in another on a substantial scale.¹⁵ However, in all the examples given by scholars thus far, the seventeenth-century portfolio capitalists were initially traders, with roots in the mercantile world, who later tried to gain access to the political realm to benefit their commerce. Although they subsequently had successful political careers, trade and wealth remained their principal activity and priority; they were not, first and foremost, rulers or chiefs who then ventured into trade while keeping political power as the priority.

In the works of Rajayyan and Phillips on Nawabi Karnatak, the main sources of governmental income are presented as land rents, agrarian taxes, duties on import-export goods, tribute from subordinate chiefs, and other fees. Rajayyan mentions that the state derived additional income from its monopoly on various products, such as arrack, bricks, tiles and other building materials, pearls, and salt. But no further link is made between the court and the mercantile world.¹⁶ In other literature on Coromandel trade, Nawab Muhammad Ali Khan is referred to only as a local ruler who tried, mostly in vain, to protect his merchants, people, and rural society from the oppression of European entrepreneurs. At other times, he is portrayed as the inferior political collaborator of the EIC who was forced against his will to pressurize his own officials to facilitate Company commerce. In one such example, highlighted by Arasaratnam, when a group of weavers were oppressed by a new EIC textile regulation, they fled to other districts under the Nawab's control. The EIC then requested that the Nawab order his local governors to seize the weavers. The Nawab here appears as “a benign ruler” who attempted to protect the weavers by investigating the cause of their grievance. However, the EIC, annoyed at the Nawab's display of independence, demanded that he order the weavers to return to work immediately.¹⁷ This example presents the Nawab as a normative ruler, offering protection to his subjects from apparent injustices. Parthasarathi's work has also discussed the Nawab's involvement in the textile trade, yet the

¹⁵ For further definitions and examples of “portfolio capitalists” or “merchant capitalists,” see: Subrahmanyam and Bayly, “Portfolio Capitalists and the Political Economy of Early Modern India,” 401-424; Subrahmanyam, *The Political Economy of Commerce*, 298-299, 302-304, 307-309, 314-315, 323-324, 327, 342; Mukund, *The Trading World of the Tamil Merchant*, 60-67.

¹⁶ Phillips, “A Successor to the Moguls,” 367; Rajayyan, *Administration and Society in the Carnatic*, 33-34.

¹⁷ Arasaratnam, “Trade and Political Dominion in South India,” 28-30, 35-36, 40.

author explicitly views the Nawab, in his position as ruler, as being in opposition to the merchants. He sees the conflict between the Nawab and the EIC in the Coromandel textile trade through a purely political framework, as a clash demonstrating the incompatibility of “South Indian statecraft” and “English political practices.” To illustrate this further, Parthasarathi argues that, in pre-colonial South India, the concept of the moral order that kings needed to uphold set strict limits on their use of force and coercion against textile weavers. The Company and, later, the colonial state, coming from a different political world, did not share this moral universe.¹⁸

In the articles by Arasaratnam and Neild-Basu, the authors note that, during the second half of the eighteenth century, some commercial activities in the Coromandel Coast increased. These commercial opportunities, which included the textile trade in piece-goods, land-revenue farming (especially in the EIC’s acquired territories), rice trade, and investment in land and houses in the expanding city of Madras, created fierce competition between British traders and South Asian merchants.¹⁹ As this chapter will show, Nawab Muhammad Ali Khan actively participated in all of the aforementioned economic ventures (and many others, such as pearl diving) as an investor, in contrast to the normative character of the pre-modern ruler. For example, Paterson, who witnessed the Nawab’s business activities from close quarters for several years, wrote: “So attentive is the Nabob to everything that produces money”; and “he [the Nawab] would reap every advantage of the merchant, while he conceived such a cobweb covering would save the dignity of the Prince.”²⁰ Paul Benfield, one of the biggest British investors in Madras and someone who frequently did business with the Nawab, also noted the latter’s acute interest in trade: “altho the Nabob never lose sight of his profits as a merchant, he so far maintained the dignity of the prince, as to wish to make it appear that his views were not for advantage.”²¹ Such observations by Europeans demonstrate that the Nawab moved away from traditional societal expectations to play an enthusiastic and important role in regional commerce. His trade dealings seem to have met with some success, as they caused significant problems for his competitors. The rest of this chapter will examine the tactics used by the Nawab to protect and advance his trade interests and how he defeated his competitors using advantages he enjoyed from the multiple positions he held: as ruler of Karnatak, as a local merchant, and particularly as the “old and special” friend of the British Company and nation.

¹⁸ Parthasarathi, *The Transition to a Colonial Economy*, 5-6, 129-130.

¹⁹ Arasaratnam, “Trade and Political Dominion in South India,” 23-26; Neild-Basu, “The Dubashes of Madras,” 9.

²⁰ IOR, Mss Eur E/379/6, DGP, Aug. 1773, 150; E/379/8, DGP, Jun. 1774, 116.

²¹ IOR, Mss Eur E/379/8, DGP, Jun. 1774, 117.

7.2 The Nawab as Merchant: Textiles, Rice, and Pearls

Textile Trade

From the Sangam period, the Coromandel region had been famous as a producer and supplier of various types of textile. In the second half of the eighteenth century, by expanding its political influence the EIC managed to wipe out almost all of its competitors, both South Asian and European, to become the biggest textile investor on the Coast. The EIC focused on acquiring the finest-quality items for discerning European markets.²²

In order to acquire such goods, investors would usually enter into contractual agreements with weavers in the villages that dotted the region and advance them part of the money for their products. For centuries, South Asian middlemen or brokers had gone into these weaving villages to sign contracts with the weavers and would, later, also deliver the finished cloth to larger South Asian exporters or the European companies who were their business partners or employers.²³ By the second half of the eighteenth century, the EIC's strength and political clout allowed it, as the biggest investor, to introduce new approaches to this traditional industry. One such change that the British attempted to make was to reduce costs through bypassing the traditional middlemen and making direct contact with the weavers or head weaver of the village. To replace the traditional brokers, a group of indigenous agents were employed as Company servants, known as *gumashtas*, to make financial advances to the weavers and supervise the looms. Significantly, this resulted in the rise of a new group of South Asian collaborators at the expense of the local merchant castes who had, for centuries, dominated the industry.²⁴

However, this change did not have the desired effect and the Company encountered various problems. For one thing, the weavers complained that they preferred to deal with the middlemen because they were generally sympathetic to their needs, unlike the *gumashtas* and other Company officers. Working under strenuous conditions, the weavers failed to meet production deadlines and the textiles they produced were not of the desired quality.²⁵ Furthermore, the Company suffered from covert operations that were launched against them by the middlemen and brokers who had been put out of work.²⁶ In addition, the Company's

²² Arasaratnam, "Trade and Political Dominion in South India," 27-29. For the development of the Coromandel textile trade from the Middle Ages to 1750, see: Mukund, *The Trading World of the Tamil Merchant*, 15, 27, 20, 58, 72, 103-143; Parthasarathi, *The Transition to a Colonial Economy*, 5-8.

²³ Arasaratnam, "Trade and Political Dominion in South India," 31-32.

²⁴ Arasaratnam, "Trade and Political Dominion in South India," 29-33.

²⁵ Arasaratnam, "Trade and Political Dominion in South India," 34-35.

²⁶ Arasaratnam, "Trade and Political Dominion in South India," 31.

own financial problems often made it impossible to advance money to large numbers of weavers. As such, in some regions, the EIC had to revert to relying on the middlemen. By that time, however, very few South Asian merchants were still rich enough to provide any real competition for private British entrepreneurs.²⁷

The EIC not only exported Indian textiles but also sought to import European wool, mainly broadcloth, from the last quarter of the seventeenth century in the hope that its sale to Indian markets would help reduce the export of bullion required to pay for the Indian textiles. The initial results were very disappointing and the Madras Presidency was under constant pressure from the Court of Directors in London to increase sales. Trying to solve the problem, for a short period the EIC forced local merchants to accept broadcloth as part payment for their textiles; the Indians accepted this unwillingly at invoice value. Demand for and the price of broadcloth improved slightly in the eighteenth century after the region came under Mughal rule. In order to fully exploit the slow but steadily rising demand for the product, the Madras merchants sought to retain a monopoly over broadcloth, thereby ensuring that too many merchants did not flood the market with the commodity and thus cause the price to crash.²⁸ During the mid-eighteenth century, the Court of Directors again ordered Madras to increase sales of broadcloth.

Amidst this competition in the lucrative textile trade between the Company, traditional South Asian merchants, and private British traders, the Nawab tried every means possible to enter it. Considering that he came from a family of religious scholars, soldiers, landed aristocrats, and administrators in Hindustan and the Deccan, the Nawab must have been an amateur in the industry compared to the EIC, other European traders, and, even more so, other Indian merchant castes who had been in the trade for centuries. He nevertheless fought to establish his presence in the textile trade and was successful in so doing.

The earliest evidence of the Nawab's efforts to enter the textile trade comes from the mid-1760s, when he made a "friendly" offer to the Company to help increase sales by buying broadcloth in large quantities—up to the value of 30,000 pagodas or 100,000 rupees annually—in addition to providing the money required to produce uniforms for the sepoy of the Nawab-EIC joint army.²⁹ Around the same time, the Nawab made a foray into the Company's textile exports to Europe. In 1768, when he temporarily acquired the district of

²⁷ Arasaratnam, "Trade and Political Dominion in South India," 38.

²⁸ Mukund, *The Trading World of the Tamil Merchant*, 135-137.

²⁹ IOR, E/4/862, DM, Court of Directors to Madras, 21 Nov. 1764, 1093-1094; E/4/863, DM, Court of Directors to Madras, 4 Jan. 1765, 11; P/240/30, MPP, Nawab to Governor of Madras, 4 Jul. 1770, enclosed in Madras Consultation, 6 Jul. 1770, 635, 642.

Salem from Mysore, well aware that the cloth produced there was in high demand by the Company, he promptly wrote to the EIC offering to be its supplier. As such, he wanted to play the role of traditional Indian middlemen (or broker) and profit financially from the endeavor.³⁰ The EIC's Directors were delighted with the Nawab's proposal, believing that the support of this regional ruler would help facilitate their business. In contrast, the Madras Presidency, which knew the Nawab better and had a keener sense of his business acumen, was skeptical. It tried its best to withhold any promise of a joint business venture with the Nawab and, when it became inevitable, accepted the Nawab's offers only cautiously.

Regarding broadcloth from Europe, the Presidency was worried that the Nawab's real intention was to buy at wholesale prices and then resell at a profit in the South Asian markets. As the quantity of cloth that the Nawab proposed buying was not the total amount that the Madras factory received from Britain annually, if the Nawab's proposal were accepted then he would have become the Company's competitor in selling.³¹ Aware of the Company's concern, and in an attempt to show that he had no intention of jeopardizing the Company's business, the Nawab offered to purchase the commodity at the same price that the Company sold it to other merchants. However, he did not promise or make clear that he would not resell it. The pretext the Nawab used to make the purchase was that he wanted to clothe all his private sepoys in broadcloth and hoped that other princes across India would follow his example in using British cloth for their troops. This, he said, was his expression of gratitude to the British nation.³² From this diplomatic correspondence, it is evident that the Nawab regarded various South Asian courts as prospective markets for broadcloth. Although the Nawab's proposal was rejected time and again by the Madras Presidency, the Nawab persisted for many years, and the Company ultimately acquiesced in 1772. But, by this time, the Nawab's wars (with Tanjore), his debts, and other business dealings rendered such an investment unlikely.³³

As for the Nawab's request to become a supplier of the Indian textiles exported to Europe, the Madras Presidency consented, albeit with conditions that he be a broker who provided goods to the Company without receiving an advance and that he shoulder all the risks during this process. If the Nawab consented, the Company would agree to purchase as

³⁰ IOR, P/240/26, MPP, Nawab to Governor of Madras, 11 Apr. 1768, enclosed in Madras Consultation, 28 Apr. 1768, 343, 350.

³¹ IOR, E/4/864, DM, Court of Directors to Madras, 25 Mar. 1768, 91; P/240/30, MPP, Governor of Madras to Nawab, 9 Jul. 1770, enclosed in Madras Consultation, 6 Jul. 1770, 643-645.

³² IOR, Mss Eur E/379/3, DGP, Apr. 1772, 178.

³³ IOR, E/4/865, DM, Court of Directors to Madras, 25 Mar. 1772, 561.

many as 20,000 pieces of cloth from him at the price it paid to other suppliers.³⁴ The Company's proposition did not appeal to the Nawab, and even in the 1770s the two parties failed to reach a consensus on the issue. The Nawab nevertheless continued to pursue his attempts relentlessly, and even sent a large quantity of fine textiles that he had procured from weavers to the Directors in London as a present and sample in order to express his sincerity in helping increase the EIC's investments.³⁵

While the two parties did not manage to agree a trading partnership through the whole of the 1770s, the Madras Presidency constantly had issues with the Nawab over the Company's textile investments in various areas under his jurisdiction. Some of these conflicts between the Nawab and the Company are worth discussing here.

In July 1772, the Nawab complained to a representative of King George III who was visiting his court that he was unable to buy even a piece of cotton for his own use and was forced to make his servants buy it, pretending that it was for themselves. This was because, if it were known to be his order, merchants working with the Company would complain to the Madras Presidency, accusing the Nawab of interfering with the weavers and voiding their contracts.³⁶ This account highlights that the brokers of the Company had, by this time, sensed the danger of the Nawab becoming a competitor in their industry.

In 1777, the Madras Presidency sent to the Nawab, complaining of many impediments to its investment in Nellore province and requesting that he order his amildars to put things right. Although the Nawab promised to remove these obstacles, no action was taken and the British were forced to withdraw their investments. After repeated reminders sent by the Company asking the Nawab to intervene on its behalf, an investigation was undertaken. The Nawab concluded that the cause of the conflict was the Company's gumashta, who had upset the weavers by paying them far less than the agreed price. He pointed out to the Company that, since the weavers were so distressed they were contemplating fleeing Nellore, it was only owing to his and the local governor's intervention that a reconciliation was reached between the two parties.³⁷

A year later, the Madras Presidency corresponded with the Nawab about another, similar occurrence in Trivady (Tiruvadi). The weavers had once again fled the Company's

³⁴ IOR, P/240/26, MPP, Governor of Madras to Nawab (no date), enclosed in Madras Consultation, 28 Apr. 1768, 353-354.

³⁵ IOR, E/4/865, DM, Court of Directors to Madras, 10 Apr. 1771, 233.

³⁶ IOR, Mss Eur E/379/3, DGP, Jul. 1772, 213.

³⁷ IOR, P/240/43, MPP, Governor of Madras to Nawab, 26 May 1777, enclosed in Madras Consultation, May 1777, 355-356; Nawab to Governor of Madras, 7 Jun. 1777, enclosed in Madras Consultation, 13 Jun. 1777, 460-461.

territory and sought refuge in districts under the Nawab's jurisdiction. The local administrators, despite receiving orders from the Nawab to remedy the situation, did not act upon them.³⁸ After a long period of waiting, the Company received an answer from the Nawab that once again implicated the Company's own dubashes for paying the weavers less than the customary rate. One hundred weaver families, having lost faith that they would receive justice from the Company, had decided to leave their villages. Some moved to other districts under the Nawab's control, but many others went to the French territory of Pondicherry. The Nawab proposed that the Company's dubashes and his local officers be sent together to negotiate the return of the weavers, and he promised to use all his influence to this end.³⁹ An important point to note is that, despite the many assurances from the Nawab that he would resolve the situation, the Madras Presidency consistently alleged that he and his servants were consciously working against the interests of the Company.⁴⁰ The Nawab's standard reply when questioned about his intentions was that his soft policies were aimed at preventing the weavers from fleeing to the protection of "our enemies," meaning the French.⁴¹ He proclaimed that his people had made every effort to persuade the weavers to return but they had refused, accusing the Company's representatives of heavily abusing them.⁴² In contrast to the Nawab's claim, the Presidency, as reflected in its correspondence, firmly believed that the ruler and his administrators had intentionally delayed and complicated Company business.⁴³

There are other examples of such conflict. In 1786, the Madras Governor complained to the Nawab that his amildars at Trivady had ordered local officials not to pass any of the Company's threads to a weaving village.⁴⁴ In 1789, the EIC's native brokers in Arni complained that some weavers in that district had been prevented from working for the Company by the heads of that caste. Although these head weavers were in debt to the Company and their ancestors had been employed by it since the British first came to the Coromandel Coast, they were now under the protection of the Nawab's amildars. For these Company brokers, it was plain that it was the Nawab and his subjects who were behind the misconduct of these head weavers.⁴⁵ In 1792-1793, the Madras Presidency also made numerous appeals to the Nawab over the troubles that the Company's representatives were

³⁸ IOR, P/240/45, MPP, Madras Consultation, Apr. 1778, 481-482, 529, 531-532.

³⁹ IOR, P/240/45, MPP, Nawab to Governor of Madras, 5 May 1778, enclosed in Madras Consultation, 8 May 1778, 558-561.

⁴⁰ IOR, P/240/45, MPP, Governor of Madras to Nawab, 13 May 1778, enclosed in Madras Consultation, May 1778, 571-574.

⁴¹ IOR, P/240/45, MPP, Nawab to Governor of Madras, 22 May 1778, enclosed in Madras Consultation, May 1778, 636-637.

⁴² IOR, P/240/46, MPP, Nawab to Governor of Madras, 17 Jun. 1778, enclosed in Madras Consultation, 19 Jun. 1778, 768-771.

⁴³ IOR, P/240/46, MPP, Governor of Madras to Nawab (no date), enclosed in Madras Consultation, 26 Jun. 1778, 791-792.

⁴⁴ IOR, P/240/63, MPP, Madras Consultation, Jun. 1786, 817-818.

⁴⁵ IOR, P/241/10, MPP, Madras Consultation, 14 Aug. 1789, 2415-2416, 1 Sep. 1789, 2517.

facing in various textile-manufacturing areas; their activities were being impeded or delayed by local officials imposing taxes and duties.⁴⁶ This was unusual because their agreement with the Nawab had exempted one another from duties on all goods passing through their territories.⁴⁷ In some cases, the loom taxes—the tax payable by weavers in the Nawab’s districts to his court—were set at higher rates than usual.⁴⁸ As always, the Nawab argued that he had displayed “his sincerity” by insisting that he and his principal servants never ordered subordinate officers to interfere with Company investment and promptly ordered his servants to investigate these allegations. Such issues between the Company and the Nawab were usually resolved, but not without delays.⁴⁹

At first glance, the Nawab’s investigations into the Company’s complaints may appear to be reasonable attempts by the ruler of the state to protect his subjects from abuse and unfairness. But the constant doubts and accusations of the Company’s agents, both British and indigenous, about the Nawab’s intention to delay and hinder Company business should not be underestimated because they knew the local situation and the Nawab relatively well. Yet if it really was the Nawab’s intention to cause such problems, why did he risk conflict with the EIC? It could not have been the Nawab’s objective to extract more money from them in the form of taxes because he did not tax Company trade. Instead, it seems to have been purposefully done to cause the Company financial harm. As the Company noted, “any delay in passing their goods may prove a great injury to their investment.”⁵⁰ I would argue that the Nawab had a strong hidden business agenda here. In causing such trouble to the Company’s trade, the Nawab tried, time and again, to convince the EIC that the solution to all its problems was to let him mediate its business by appointing him its cloth supplier.

This assumption is supported by the Nawab’s correspondence with the Company following a period of hostility in 1778. Here, the Nawab once again offered his services as the Company’s broker in piece goods for the entire Arcot region so as to prevent future losses. His letter reads:

My dear Sir! Should these weavers desert again, but instead of taking protection in the countries belonging to me, go to any others from whence they cannot be

⁴⁶ IOR, P/241/31, MPP, Madras Consultation, 10 Feb. 1792, 555; P/241/35, MPP, Madras Consultation, 9 Nov. 1792, 3163-3165; P/241/43, MPP, Madras Consultations, 29 Nov. 1793, 3967, Dec. 1793, 4169-4170.

⁴⁷ IOR, P/241/34, MPP, Madras Consultation, 14 Sep. 1792, 2655, 9 Oct. 1792, 2867-2868.

⁴⁸ IOR, P/241/35, MPP, Madras Consultation, 9 Nov. 1792, 3167.

⁴⁹ IOR, P/241/34, MPP, Nawab to Governor of Madras, 13 Sep 1792, enclosed in Madras Consultation, Oct. 1792, 2933; P/241/43, MPP, Nawab to Governor of Madras, 26 Dec. 1793, enclosed in Madras Consultation, 27 Dec. 1793, 4211-4222.

⁵⁰ IOR, P/241/34, MPP, Madras Consultation, 9 Oct. 1792, 2866-2867.

brought back, the Company's investment will be greatly affected by it, [...] From this principle [...] I beg leave to propose you that I shall undertake to manage the investment of the Company carried on in the districts belonging to Arcot, at a more advantageous rate, than they now procure their goods at [...]⁵¹

And again, the Madras Presidency refused the Nawab's offer, on the pretext that it had been using its own servants (Company's chief merchants, dubashes, gumashtas, brokers, etc.) to carry out its business since the earliest times. It argued that its servants were well-versed in the existing rules and if the system that was in place was altered then the outcome could have damaging consequences for their trade.⁵²

The Nawab was continuously snubbed by the EIC but, quite evidently, being an agent of the Company was not the only channel through which to engage in this trade and the EIC's refusal did not prevent him from becoming a textile investor. In 1781, the Nawab mentioned to the EIC that he had been trading "bullion for cloths" with the Dutch in the southern town of Tirunelveli, which had brought him "great benefits."⁵³ Although there is no evidence of when that trade began or what its value was, it can be assumed that it was lucrative because it continued into the 1790s. In 1794, when the EIC was planning to expand its textile investment into that southern region, the Nawab apparently tried everything he could to prevent it from doing so. The British protested, claiming that the Nawab supported and protected the VOC's textile trade there when he should have been working in the interests of his staunchest ally, the EIC. Although, eventually, the Nawab could not prevent the EIC's expansion in the Tirunelveli cloth trade, the Nawab's officials ensured that the British could not conduct their trade hassle-free.⁵⁴ And, in April 1795, the Nawab was able to force the EIC into agreements that, to some extent, limited the EIC's influence in this southern market. For example, the Company agreed to pay a loom tax and the number of looms that produced cloth for it was clearly set down; it was accepted that all weavers were under the Nawab's full authority and dependent on his people for both money and grain, and these weavers also needed to cultivate land and pay general taxes to his court. Moreover, the Nawab could now

⁵¹ IOR, P/240/46, MPP, Nawab to Governor of Madras, 17 Jun. 1778, enclosed in Madras Consultation, 19 Jun. 1778, 768-770.

⁵² IOR, P/240/46, MPP, Governor of Madras to Nawab (no date), enclosed in Madras Consultation, 26 Jun. 1778, 792-793.

⁵³ *CPC*, VI, Nawab to Governor of Madras, 29 Sep. 1781, 90.

⁵⁴ IOR, P/241/45, MPP, Governor of Madras to Nawab, 8 Feb. 1794, enclosed in Madras Consultation, Feb. 1794, 336-337; Nawab to Governor of Madras, 15 Feb. 1794, enclosed in Madras Consultation, 21 Feb 1794, 604-606; P/241/47, MPP, Madras Consultation, 25 Jul. 1794, 2087-2094; P/241/55, MPP, Madras Consultation, 24 Mar. 1795, 1545-1548.

ask the Company's factory, in Tirunelveli, to furnish him with as many piece goods produced there as he wished.⁵⁵

As well as his trade with the VOC, there is evidence that the Nawab sold textiles to many Arabian port-cities. In his attempts to supply these markets, there was a fierce dispute between the Nawab and the EIC over the employment of weavers and the acquisition of textiles in Karnatak. In late 1792, the Company accused the Nawab of influencing weavers in the district of Arni who had been working for it. According to an EIC report, the Nawab had instructed his servants to advance money to weavers in villages under his jurisdiction in order to procure muslin cloths worth 6,000 pagodas, which were to be sent on a ship of his that was heading to Mocha, a port city on the Yemeni coast. The Nawab's order threatened to deprive the Company of 193 looms out of a total of 348 and thereby severely reduce its supply. Around the same time, there was a report from Nellore that the Nawab had placed a similar order for cloth worth 6,000 pagodas. In the latter case, the Nawab's sepoys were even stationed in the region to prevent the weavers from working for either the Company or other merchants.⁵⁶ At the same time, the Company's resident in Cuddalore complained about the Nawab's interference with its weavers in Warriorpollam (Udaiyarpalayam). According to the Company's brokers, from time immemorial the weavers of that place had supplied cloth for Company trade and, such was their investment in textile production that, at the time, they had advanced nearly 10,000 pagodas to the weavers of Warriorpollam. These weavers were claiming that the Nawab's amildar had compelled them to weave cloths for the Nawab and to sign contracts that included a fine of 1,200 pagodas if any of them were found to be weaving for other merchants.⁵⁷ The Nawab countered these arguments by saying that it was customary for him to place annual orders for different varieties of cloth in various districts for the use of his court and for charity related to the Hajj pilgrimage. He argued that his orders could be completed in a short period of time and would be no threat to the Company's business. The Nawab also claimed that the weavers in the districts where disturbances had occurred had been weaving and selling cloth to merchants throughout the country and not merely to the Company. He therefore claimed that he was surprised that his routine commands had caused complaints.⁵⁸ It would appear that, although the Nawab declared that textiles valued at 12,000 pagodas were sent to Arabia annually as charity, this claim is questionable. Mocha had been a market for Coromandel products since the late sixteenth century at least, as we know that

⁵⁵ IOR, P/241/56, MPP, Madras Consultation, 28 Apr. 1795, 2111-2115.

⁵⁶ IOR, P/241/35, MPP, Madras Consultation, 23 Nov. 1792, 3297-3300.

⁵⁷ IOR, P/241/34, MPP, Madras Consultation, 9 Oct. 1792, 2863-2864.

⁵⁸ IOR, P/241/35, MPP, Nawab to Governor of Madras, 7 Dec. 1792, enclosed in Madras Consultation, 11 Dec. 1792, 3488-3490.

ships were sent from Masulipatnam to that port under the patronage of the Golconda sultans, laden with pilgrims, rice, and textiles.⁵⁹ The Walajahi court chronicle also provides evidence of the highly profitable trade that had been undertaken by the Nawab's grandfather with the Arabian port of Jiddah during the Hajj:

[T]he goods were unloaded at the port of Surat, where he [the Nawab's grandfather, Muhammad Anwar Khan] invested the trust money of three lakhs [granted from the Mughal imperial Treasury], in various kinds of merchandise with a view to make more money and this to multiply the stock of blessings. Then he embarked on a ship and landed at the port of Jiddah, where all the bags were opened and the commodities offered for sale to the pilgrims. As piously desired by him, he realized large profit by the grace of Allah. He made nine lakhs of rupees including the capital and the profit. Then he distributed the amount among the great men and the gentle of holy Makka [Mecca] and got receipts.⁶⁰

From a combination of sources, it can be assumed that the large quantity of textiles, as well as other products, that the Nawab sent on pilgrim ships to Mecca and other ports on the Arabian Peninsula each year were likely to have been for sale in those markets as well, although the profits were eventually spent on charity. The trade also seemed to have been very lucrative, as, many decades earlier, the Nawab's grandfather was able to make profits reaching 200 percent.

We also know that the Nawab attempted to send ships to Manila, another traditional market for Indian textile traders—both South Asian and European—from the early seventeenth century.⁶¹ In 1769, the EIC mentioned a private freight ship that had been sent from Madras to Manila under the Nawab's pass and colors. However, this was not a successful venture as the Nawab later requested British intervention to help deal with the Spanish (which the EIC politely declined). In 1774, presumably as a show of goodwill, the Nawab sent textiles to the Spanish Governor of Manila as a present, through Varswa, a private trader, who is referred to in the EIC records as a “shipping merchant.”⁶² This suggests that the Nawab may have wanted to expand his textile trade to Manila and was able to secure

⁵⁹ Subrahmanyam, *The Political Economy of Commerce*, 318.

⁶⁰ Nainar, *Tuzak-i Walajahi*, I, 17.

⁶¹ Mukund, *The Trading World of the Tamil Merchant*, 99, 116, 130; Bayly, *Saints, Goddesses and Kings*, 78-79.

⁶² IOR, E/4/864, DM, Court of Directors to Madras, 17 Mar. 1769, 507; TA, Catalogue of Persian Records, bundle 67, *Ruznama*, 8, 11 and 16 Jul. 1774.

the assistance of established overseas private merchants for the purpose. Yet, the evidence reveals the Nawab's foreign commercial interests and engagements ended there.

To return to the conflicts between the Nawab and the EIC in the early 1790s, the Company thought it best to prevent the Nawab from entering the textile trade. It promised to supply the Nawab with the textiles he needed from the Company's warehouse at the best possible price so long as he abstained from any involvement with the weavers; this was to ensure that all the looms in the "Arni Payaket" remained "as they [had] hitherto done," under the sole control of the Company. In the EIC's consultations, it appears that the British were not worried about the value of the Nawab's investment in the textile business. However, what was a significant cause for concern was its long-term consequences. For if the Nawab continued his policy it would put a strain on the relationship between the Company and the weavers in the area, who had worked for the British for many years and considered themselves dependents of the Company. With the interference and authority of the Nawab's representatives, the weavers could be released from their dependency, and, if that happened, there would be no certainty of their service for the Company in the future.⁶³ This discussion within EIC circles clearly indicates that both the Nawab and the Company were vying for the loyalty and service of the weavers—something that they sought to secure through either extortionary or contractual means—and attempting to prevent them from entering the employment of the other party.

The Company's proposal (for the ruler to receive textiles from the Company's own warehouse) was firmly rejected by the Nawab, who then reverted to the approach he had employed for over three decades: he offered to be the middleman between the weavers and the Company. Displaying his eagerness to take up the role of agent, he asked the Company to send him a sample of the cloth required so that he could order its manufacture in his country and dispatch the finished product to the Company. If the Company agreed, he could deliver it as many as three times a year without any trouble for its servants.⁶⁴ This again confirms that the Nawab's ultimate goal was to enter the textile trade and become the broker of the Company in his own territory.

⁶³ IOR, P/241/35, MPP, Madras Consultation, 23 Nov. 1792, 3297-3299.

⁶⁴ IOR, P/241/35, MPP, Nawab to Governor of Madras, 7 Dec. 1792, enclosed in Madras Consultation, 11 Dec. 1792, 3490-3491.

The Rice Trade

According to the Arcot gazetteer by Fox, it was customary in Karnatak, as in other parts of Hindustan, for governments to tax cultivators in kind, and only a small portion of the produce would remain in the hands of the producer.⁶⁵ Collectors of taxes were either court officials or revenue farmers in cases where the land had been rented out. The authorities then chose to either collect the produce as tax or permit the cultivator to sell part of the produce for cash, which was then paid as tax. Under this system, traders who wanted to invest in the rice trade in Karnatak could acquire the produce by farming the lands either from the Nawab's court or the EIC, or by buying grains directly from the cultivators.⁶⁶ They could also import rice from other regions, such as Bengal. According to Arasaratnam, the price of grain in South Asia rose at times of scarcity that were caused by frequent droughts and wars; such was the case in the second half of the eighteenth century. This allowed the grain trade to become a very profitable and rapidly-expanding business. The participants were mainly employees of the English, Dutch, French, and Danish trading companies (on their private ventures), European private traders, and South Asian investors.⁶⁷

Again, modern scholars have thus far failed to observe that the Nawab was one of the largest entrepreneurs in this business. According to Paterson, "the Nabob [was] the great rice and paddy merchant of all his country."⁶⁸ The Nawab received grain from those lands under the control of the central government mainly through the land-tax system. In addition, he also rented out many tracts of agricultural land from "the Jagirs" that he had granted to the EIC.⁶⁹ It is thus not surprising that, owing to his rights as ruler and a renter of the lands, the Nawab managed to take possession of a large percentage of the grain produced in Karnatak. Furthermore, as the diary of Paterson and the EIC's records show, it was the Nawab's usual practice to buy up rice from his subjects at the lowest price during the harvest season; this was then stockpiled in the Nawab's forts and sold when demand rose, "by which he ma[de] immense profits in all the times of the greatest scarcity."⁷⁰ The key markets for the Nawab appear to have been the local one in Karnatak, the British enclaves, the military camps of

⁶⁵ According to the gazetteer, the usual proportion that the cultivators would receive was four-five out of ten but, in practice, it was usually one-three out of ten. Fox, *North Arcot*, 119.

⁶⁶ IOR, Mss Eur E/379/3, DGP, Jul. 1772, 214.

⁶⁷ Arasaratnam, "Trade and Political Dominion in South India," 37; Love, *Vestiges of Old Madras*, III: 229-230. For a good introduction to the rice trade in this area, see: Sinnappah Arasaratnam, "The Rice Trade in Eastern India 1650-1740," *Modern Asian Studies* 22 (1988): 531-549; Tsukasa Mizushima, *Nattar and the Socio-Economic Change in South India in the 18th-19th Centuries* (Tokyo: Institute for the Study of Languages and Cultures of Asia and Africa, Tokyo University of Foreign Studies, 1986), 269-327.

⁶⁸ IOR, Mss Eur E/379/8, DGP, May 1774, 115.

⁶⁹ See the discussion on "the Jagir lands" in 7.3.

⁷⁰ IOR, Mss Eur E/379/8, DGP, May 1774, 115. See also Mss Eur E/379/2, DGP, Feb. 1771, 170; P/240/24, MPP, Madras Consultation, 15 Dec. 1766, 630.

both the Nawab and the EIC, and, in times of scarcity, the neighboring kingdoms of Mysore, and the Deccan.⁷¹

Participating in this market brought the Nawab into conflict with the EIC's servants (working in their private capacity) and with private traders, both of whom were also working hard to profit from this business. The following examples reveal how the Nawab attempted to thwart his competitors. In 1771-1772, the Nawab reported to a representative of King George III who was visiting his court two cases of Company corruption and abuse, both of which related to the rice trade. In the first case, according to the Nawab, the Madras Governor, Josias Du Pré, had ordered 75,000 to 100,000 bags of two-mound rice be sent from Bengal to Karnatak under the supposition that the whole region would soon be overrun by a Maratha invasion and the price of paddy would then dramatically increase. If that had happened, the servants of the Company who were involved would have made immense fortunes at the expense of the native population of Karnatak. However, the Maratha invasion did not materialize. Forced to dispense all the rice purchased from Bengal on the Company account, the Madras Presidency decided to coerce indigenous laborers employed in the Company's service to buy the rice at market price, and also paid them with rice instead of cash, causing them great suffering.⁷² In the second example, some Company officers bought paddy from the inhabitants at an arbitrarily-set low price, but sold them at extraordinarily high rates. They also forbade other rice merchants from contracting sales when their grain was on the market. The inhabitants who resisted this order were flogged in public.⁷³

These allegations may be taken at face value as representing the Nawab's attempts to protect the local population. But from a commercial standpoint, I would argue that one can interpret them as part of the Nawab's attempts to complicate matters for his main competitor in the rice trade, the EIC's servants. Keenly aware of the conflict between the British crown and the Company at this time, the Nawab was certain that charges of corruption and despotism against the Company's agents would further deepen the rift between the two parties. How and why the EIC and the British government became rivals in this period will be discussed in the next chapter. For now, it is possible to see how the Nawab sought to work the situation to his advantage by playing them off against each other. The following examples will further illustrate the Nawab's business acumen and strengthen my argument that the Nawab was a seasoned entrepreneur.

⁷¹ Rajayyan, *Administration and Society in the Carnatic*, 108.

⁷² IOR, Mss Eur E/379/4, DGP, Feb. 1773, 181.

⁷³ IOR, Mss Eur E/379/3, DGP, Aug. 1772, 236.

The first example is from 1774, when Karnatak was experiencing a period of acute scarcity that resulted in a sharp rise in the price of provisions and meant that tensions soon broke out between the Nawab and the EIC over the issue of rice distribution. The Company had repeatedly requested the Nawab supply some rice from his lands to its people within the Madras Presidency. However, the Nawab did not wish to do so, claiming that harvests had failed throughout the country and stating that, if he helped the Company, his own people would starve. However, the Madras Presidency believed this was an excuse for the Nawab to sell his rice for the highest profit. In fact, the Nawab admitted as much to his secretary, Paterson. According to the Nawab, it was far more lucrative for him to sell his grains as a merchant at market price at opportune times rather than sell them to the Company at a fixed price. As for the subjects of the Company, the Nawab reasoned that they could buy rice whenever they wanted, from cultivators or local merchants in Karnatak, at market price.⁷⁴

The second example is a dispute between the Nawab and Paul Benfield—the previously-mentioned famous British private investor in Madras and a principal creditor of the Nawab—that arose during the famine of 1774. As part of an agreement to pay his debt to Benfield, the Nawab had mortgaged to him a portion of that year’s revenues from Tanjore.⁷⁵ The initial settlement was that the Nawab would pay Benfield in the form of grain produced in the region because he could not afford payment in cash. The quantity of grain that was owed was fixed on the basis of the market price of the day. Subsequently, however, when the prospect of famine became apparent and everyone saw the possibility of a rise in the price of grain, the Nawab sought to keep the paddy for himself and offered to pay Benfield by other means, which severely soured relations between Benfield and the Nawab. To get a sense of the extent to which the price had risen and consequently appraise how much the Nawab stood to gain by going back on his promise, the price of the quantity of rice owed to Benfield had risen by over 40,000 pagodas, and was set to rise still further.⁷⁶ This illustrates the enormous profits that could be made in the grain trade, which caused intense competition between all parties.

Pearl Diving

At least from the Sangam period, many coastal villages in the southernmost part of the Coromandel region, around the port-town of Tuticorin and the banks of the Gulf of Mannar

⁷⁴ IOR, Mss Eur E/379/8, DGP, Jun. 1774, 115; P/240/37, MPP, Madras Consultation, 3 Jun. 1774, 361.

⁷⁵ Tanjore temporarily came into the Nawab’s possession in the years 1773-1776.

⁷⁶ IOR, Mss Eur E/379/8, DGP, Jun. 1774, 117-121.

down to the coastal areas in the north-west of Ceylon, were centers of pearl diving. The professional divers belonged to a caste of native inhabitants called “Paravas” and they engaged in pearl diving from small canoe-like boats called “tonie.” The boat owners or investors who furnished the divers with tonies were usually South Indian Muslim merchants. Customarily, the harvest from this activity was divided into three unequal portions: one part for the diver, one part for the government as tax in kind, and the rest for the boat owners. During each pearl diving season, the areas were flooded with merchants who would buy pearls from anyone who had some. One important market where Karnatak pearls were resold for high profits was Bengal.⁷⁷

From medieval times, taxes on pearl diving was a contentious issue for many rulers, particularly the rajas of Chola mandalam, Trichinopoly, Madurai, Ramnad, and the raja of Kandy, in Ceylon. In the second half of the eighteenth century, the two most prominent competitors in this business, not only as regards taxes but also investing as entrepreneurs, were the Nawab of Karnatak and the Dutch VOC. The Nawab claimed his right to the pearl diving taxes since he was the overlord of all the aforementioned South Indian rulers who had had the rights over them. On the other hand, the VOC was the *de facto* ruler of the port towns of Negapatnam and Tuticorin and also claimed the right to fish in the Gulf of Mannar because it controlled Ceylon (and had done since 1640). In reality, however, the Dutch had been investing in the business and competing with local Indian merchants long before the reign of Muhammad Ali Khan. As well as claiming the portion of the raja of Kandy in the industry, they had rented the rights to fish from rulers of Ramnad and paid them part of the harvest in return. By the mid-eighteenth century, the VOC was the chief player in this regional industry. However, in the late 1760s, the Nawab gained control over the southern regions of Tirunelveli, Madurai, and Ramnad for the first time. As a consequence, armed clashes over pearl diving broke out between the Nawab and the VOC.⁷⁸

Around 1767-1768, a group of armed men, led by a Hindu servant of the Nawab in Tuticorin, interrupted Dutch activity in the region on the grounds that the Nawab’s court was entitled to a greater share in the trade. This act of aggression forced the VOC, in September 1770, to send an envoy to open negotiations with the Nawab in his position as the new overlord of the pearl diving areas. According to the VOC report, the Nawab demanded a

⁷⁷ IOR, Mss Eur E/379/9, DGP, Jul. 1774, 22-23; Rajayyan, *Administration and Society in the Carnatic*, 109; More, *The Political Evolution of Muslims in Tamilnadu and Madras*, 14-15; Mukund, *The Trading World of the Tamil Merchant*, 15, 49.

⁷⁸ NA, VOC 3292, Mission to Arcot by Pieter Sluysken, Sep.-Dec. 1770, [ff.] 714r-715v, 718r-720v; IOR, Mss Eur E/379/4, DGP, Feb. 1773, 186-187; E/379/9, DGP, Jul. 1774, 22-23; IOR, Mss Eur E56, JB, Nawab to Buchanan, 5 Dec. 1788, 56.

larger number of tonies and divers for his court (in addition to the usual rights of other local Poligars) and a share in all the large pearls procured by any party. These demands, the Nawab claimed, were in accordance with the customs established in 1480 by the raja of Madurai and the people of Colombo (Ceylon).⁷⁹ After this first meeting, both sides exchanged emissaries several times more during 1770-1773, but they failed to reach a consensus. According to the Nawab, the Dutch offered less than what was rightfully his, while the Dutch, on the other hand, believed that the Nawab sought more than he was entitled to.⁸⁰ Owing to the lack of agreement between the two parties, disputes often broke out at diving sites, interrupting the harvest of pearls.

I would like to focus here on an important strategy used by the Nawab in his conflict with the Dutch: his frequent attempts to use his special friendship with the British Company and government to threaten them. This can be seen in his instruction to his ambassador Muhammad Abrahah Khan, who was sent to the VOC in Negapatnam in July 1773: “to talk to them [the Dutch] in such a manner as to shew the protection given to the Nabob by the King of England and of the friendly escort given his servant on the present occasion.”⁸¹ Before the envoy was dispatched from Madras, the Nawab ensured that his ambassador received full honors from the EIC, including a thirteen-gun salute, to show the Dutch that the British supported the mission.⁸² When the conflict worsened in 1774, the Nawab wanted his British secretary Paterson to inform the British government that, if they ever wanted rid Ceylon of Dutch rule and place him in control of Kandy, he would finance the expedition and grant the British the same privileges that the Dutch enjoyed on the island.⁸³ Later, in 1781, when the British and the Dutch were at war in Europe and the tensions between them were being played out in India, the Nawab wrote to the EIC requesting that it broker an agreement with the Dutch over the pearl diving in his favor in the event that the British won the war.⁸⁴ Despite repeatedly stating that he enjoyed British protection and making such requests for British help, both the Nawab and the Dutch were aware that the British would not readily become involved in their quarrel as the two European nations would not risk yet more conflict simply to secure the Nawab’s interests. However, the Nawab’s actions certainly

⁷⁹ NA, VOC 3292, Mission to Arcot by Pieter Sluijsken, Sep.- Dec. 1770, [ff.] 705-738; IOR, Mss Eur E56, JB, Buchanan to VOC Governor of Colombo, 22 Mar. 1788, 4-5; 4 Apr. 1788, 8.

⁸⁰ IOR, Mss Eur E/379/3, DGP, Apr. 1772, 180; TA, Catalogue of Persian Records, bundle 65, *Ruznama*, 22, 26 Jun, 24, 26 Jul. 1773.

⁸¹ IOR, Mss Eur E/379/4, DGP, Feb. 1773, 186-187; E/379/6, Jul. 1773, 16.

⁸² IOR, Mss Eur E/379/6, DGP, Aug. 1773, 63.

⁸³ IOR, Mss Eur E/379/9, DGP, Oct. 1774, 188-189.

⁸⁴ *CPC*, VI, Nawab to Governor of Madras, 29 Sep. 1781, 90-91.

prevented the VOC from employing overly-aggressive policies towards Karnatak, as doing so would risk the British becoming involved.

After the mid-1770s, it is unclear which direction the negotiations between the VOC and the Nawab took, but the conflict appears to have raged on into the 1780s. In 1787-1788, the Nawab appointed two experienced private British commercial agents, James Dott and James Buchanan (one after the other), as his representatives with plenipotentiary powers to negotiate treaties with the VOC. In July 1788, a treaty was concluded in which it was agreed that the profits would be divided between the two parties, although this failed to put an end to the conflict.⁸⁵ In November 1789, it was reported that the pearls in Tuticorin could not be harvested since the Dutch had been attempting to convert local divers from Catholicism to Protestantism, causing many Paravas to flee the area. In December 1789, the Nawab complained to the VOC that it had been preventing his officers from participating in a joint examination of the fishing banks. In January 1790, the frustrated Nawab accused the VOC of dishonesty, because the VOC's chief in Mannar had supposedly informed his people that the pearls were not ripe enough, but he later found out that, two months prior to the chief's claim, the Dutch had harvested the pearls and then put the empty oysters back into the sea to prevent detection.⁸⁶

Eventually, in March 1790, the Nawab received a report that pearl diving in Mannar might be able to proceed as planned. However, he struggled to find funds for the venture and neither Itibar Khan (his governor of Tirunelveli) nor his tributary, the Poligar of Ramnad, could support him financially. Nevertheless, the Nawab would continue to invest in the business by borrowing money from the aforementioned James Buchanan, who provided the Nawab with the much-needed sum of 100,000 pagodas.⁸⁷ A point particularly worth noting here is that, although the Nawab had earned a notorious reputation for amassing debts with the EIC and private creditors, experienced British commercial agents like Buchanan and many of his compatriots saw the Nawab as credit-worthy even as late as the early 1790s and eagerly lent him money to run his financial operations.

⁸⁵ IOR, Mss Eur E56, JB, VOC representatives in Colombo to Buchanan, 3 Apr. 1788, 6-7; Treaty between the Nawab and the VOC in Colombo, 8 Jul. 1788, 19-22.

⁸⁶ IOR, Mss Eur E56, JB, Buchanan to Nawab, 25 Nov. 1789, 133-134; Buchanan to the VOC chief in Tuticorin, 134-135; Nawab to VOC Governor of Colombo, 15 Dec. 1789, 138; Buchanan to VOC Governor of Colombo, 18 Jan. 1790, 143.

⁸⁷ IOR, Mss Eur E56, JB, Buchanan to Nawab, 18 Feb. 1790, 147, 10 Mar. 1790, 156.

7.3 The Nawab as a Revenue Farmer

Land revenue farming was a form of financial management. A landlord would farm out or rent out his land to other investors at a negotiated price that was paid in advance. The renter was granted the right or license to reap the benefits of the land (such as taxes from the inhabitants) for a certain period of time. The value at which the land was farmed out was usually lower than the real value of what could be generated from the land in the rental period, so the farmer was usually able to enjoy the profits in exchange for his labor in managing revenue collection and shouldering all the production risks. The traditional view, which is seen in British records from the period, presents revenue-farming as an exploitative system that impaired agricultural production. This indirect form of revenue collection was introduced by local rulers who were desperately attempting to collect higher taxes so they could respond to potential economic crises and political instability in the region. More recent scholars, such as Wink, have argued that revenue farming was not necessarily harmful; instead, it was a means by which rulers attempted to promote the restoration and expansion of the land under cultivation. It could also help reduce the fluctuation of a court's income from the arrears of tributary chiefs and thus improve a dominion's political stability.⁸⁸ Revenue farming was dispirited by the Mughal court for much of the seventeenth century, but it was occasionally introduced in some areas in an attempt to recover rural prosperity. In the Deccan sultanates and the Maratha Confederacy, on the other hand, revenue farming was widespread. In eastern Tamilnadu, too, revenue farming emerged as a popular form of taxation among the landed aristocrats from the seventeenth century onwards. The farmers were primarily from the local merchant castes—Balijas, Beri Chettis, and Komatis—and the practice was later continued by the Mughal officers who conquered the region.⁸⁹ By the second half of the eighteenth century, revenue-farming had become a very competitive business for investors all over South India. As Neild-Basu observes, while trade was a means of supplementing the official salaries of EIC servants, “the real sources of wealth for ambitious Europeans and Indians now lay in other directions, most notably in revenue farming in the Company's new territories [...]”⁹⁰ According to Arasaratnam, the amount and value of farmed land considerably increased in Karnatak during the Nawab's reign. Before 1750, a dozen farms rented out in the region ranged in value from 100 pagodas to 7,000 pagodas, but later the revenue farm of the Poonamallee country (part of “the EIC's Jagirs”) alone was worth 55,000

⁸⁸ André Wink, “Maratha Revenue Farming,” *Modern Asian Studies* 17, 4 (1983): 591-595, 602.

⁸⁹ Wink, “Maratha Revenue Farming,” 599; Subrahmanyam, *The Political Economy of Commerce*, 330; Subrahmanyam, *Penumbral Visions*, 97; Richards, *The Mughal Empire*, 263.

⁹⁰ Neild-Basu, “The Dubashes of Madras,” 9.

pagodas. Before 1750, the merchant castes were the only communities with the capital to invest in these farms. Later, however, many other people entered this business, including European private traders and members of the Brahmin scribal castes who had accumulated their capital serving European companies, private European merchants, or Muslim courts.⁹¹

Renting “the Company’s Jagirs”

Before the mid-eighteenth century, the EIC’s territory in Tamilnadu was limited to a small area around Fort St. George in Madras and several factories in nearby port towns. In the years 1749, 1756, and 1763, the EIC requested that Nawab Muhammad Ali Khan grant it many tracts of land and villages as compensation for its military assistance. These lands were adjacent to Madras and are collectively referred to in the EIC’s documents as “the Company’s Jagirs.”⁹² The whole area of the Company’s Jagirs consisted of most of present-day Chingleput District. Poonamallee, to the west of Madras, seems to have been the most valuable part, and was sometimes regarded as a tract of land separate from the rest of the Jagirs. The total value of the EIC’s land was very high because it was productive agrarian land in close proximity to the new regional center of Madras. However, its exact value is difficult to estimate because the approximations of contemporaries vary. According to Thomas Pelling, a free-merchant, it yielded an annual income of 1,000,000 pagodas, while Sunku Rama, a dubash of Robert Orme, estimated its yield to be 2,000,000 rupees (or around 700,000 pagodas).⁹³ Immediately after these lands were granted, in order to earn interest from them, the Madras Presidency chose to divide them into sections and sell the rights to collect the land revenue to the highest bidders in a public auction. A condition for renting the Company’s Jagirs, one which had been specified by the Nawab before these lands were granted to the British, was that the Nawab would have the right to veto individuals who were to become the farmers or renters of them. This meant that the names of the chosen bidders were submitted by the Madras Presidency to the Nawab’s representative to receive his approval. The agent appointed by the Nawab to preside over the matter was the Brahmin Guntur Venkatachalam, a former dubash who was connected to some EIC officers, as mentioned previously in Chapter Five.⁹⁴

⁹¹ Arasaratnam, “Trade and Political Dominion in South India,” 26.

⁹² Aitchison, *A Collection of Treaties*, X: 32-42; Love, *Vestiges of Old Madras*, II: 431; IOR, P/240/9, MPP, Fort St David Consultation, 17 Dec. 1750, no page.

⁹³ Love, *Vestiges of Old Madras*, II: 435, 567.

⁹⁴ IOR, P/240/21, MPP, Madras Consultation, 1 Dec. 1763, 461.

The table below shows part of the expected land revenues of the Madras Presidency from November 1778 to November 1779. The first two rows in the list show the rental values of Poonamallee and the other lands of the Company's Jagirs, granted by the Nawab.⁹⁵

Land farmed out	The value
Fort St. George Poonamallee (rented by the Nawab)	44,350 Pagodas
Fort St. George Jaghire (rented by the Nawab)	324,000 Pagodas
Masulipatnam farms	124,906 Pagodas
Masulipatnam Jamabundy for circars	620,674 Pagodas

As this table shows, the Nawab was the tenant of the entire Company's Jagirs in 1778. In fact, the involvement of the Nawab in business related to the Company's Jagirs had begun in the 1760s. In 1763, when the Company rented out the Jagirs for the first time, the Nawab's representative had objected to the tenant appointments of the two highest bidders. After various discussions between the Nawab and the Madras Governor, the names of the two individuals were eventually excluded from the bidding.⁹⁶ Then, the Nawab made his next move, requesting that the Company rent the Jagirs out directly to himself, promising to pay rent equal in value to the annual revenue of the lands recorded in the sanads—the formal bills of grant submitted to the EIC. The Madras Presidency refused his offer on the grounds that it was under the strict orders of the Court of Directors to auction revenue farming rights to the highest bidder.⁹⁷ In response, the Nawab did not dispute the decision but cleverly changed tactics. In 1764-1765, the highest bidder in the public auction, who was awarded farming contracts for most of the Company's Jagirs, turned out to be the Nawab's own representative, Guntur Venkatachalam, while the Nawab would be his guarantor for the whole rental tenure, which itself was extended from one to three years. It was said that he offered a rent of 50,000 rupees, which was hard for the British to turn down because it was more than its market value. In 1765, when Venkatachalam had to leave Madras for Bengal to resume his position as dubash to Robert Clive, the Nawab's most trusted general, Muhammad Najib Khan, was named as the replacement tenant in the contract. When a request was later made to extend the period of tenancy from three to seven years, the Madras Presidency consented because the Nawab agreed to be the guarantor for Muhammad Najib Khan for the whole period.⁹⁸ A

⁹⁵ Love, *Vestiges of Old Madras*, III: 142.

⁹⁶ IOR, P/240/21, MPP, Madras Consultation, 1 Dec. 1763, 463.

⁹⁷ IOR, P/251/49, MP, MMSC, 15 Nov. 1763, no page.

⁹⁸ Gurney, "The Debts of the Nawab of Arcot," 51.

report from Madras from 1765 reveals why its officers did not contest this arrangement in which the Nawab's appointees became its chief tenants: other tenants of the Company's Jagirs had failed to keep up with their rental payments, something that was often due to the fact that the revenue farming rights were often purchased at a price that was far higher than the yield of the land. The Madras Presidency suspected that Guntur Venkatachalam had intentionally inflated the land yield estimates to oust other competitors from the market.⁹⁹

The evidence indicates that the Nawab was behind these arrangements. In the first few years after he granted these territories to the EIC, as the nominal renter the Nawab succeeded in influencing this branch of the Company's investment and brought control of the lands back into his own hands, at least partly. This situation was a cause for concern for the Court of Directors in London. They were more than certain that the Nawab had rigged the auction, though he was not officially present as a bidder. They accused their servants in Madras of accepting bribes and falling under the Nawab's influence, and became concerned that the Nawab's meddling in EIC territories would cause future conflict between the Company and his court. In 1765-1768, the Directors repeatedly sent orders to Madras telling them to reduce the rental tenure and then evaluate the performance of the tenants. They also asked the Presidency to make an enquiry into the actual revenues of these lands to prevent overestimation by the Nawab.¹⁰⁰ This final order also suggests that the main reason the Company chose to farm these lands out to native people was their inexperience and lack of knowledge about the region in this early period of territorial acquisition. Yet they desired that, in the near future, the Jagirs would be entrusted to the management of their own servants, and in 1768, as the first contract neared its conclusion, the Directors were concerned that the leases might again fall into the hands of dependents of the Nawab for a lengthy period of time. In 1771, therefore, it was decided that the next renting contract (cowle) would be awarded annually.¹⁰¹ However, over the course of the subsequent half-decade, the Directors again complained to Madras that the situation had not improved. They wrote that, if the Nawab continued to rent the majority of the Jagir lands surrounding Madras, "it almost enables him to shut us [the British] up within the walls of Madras, and even to prevent us from obtaining a proper supply of provisions for our settlement."¹⁰² This time, in 1775, the Directors gave strict orders that the Nawab should only be allowed to continue renting the

⁹⁹ IOR, E/4/863, DM, Court of Directors to Madras, 4 Jan. 1765, 31.

¹⁰⁰ IOR, P/240/22, MPP, Madras Consultation, 1764, 553; E/4/863, DM, Court of Directors to Madras, 26 Apr. 1765, 145-148, 24 Dec. 1765, 251-254; E/4/863, DM, Court of Directors to Madras, 4 Mar. 1767, 514-515.

¹⁰¹ IOR, E/4/864, DM, Court of Directors to Madras, 25 Mar. 1768, 155-157; E/4/865, DM, Court of Directors to Madras, 10 Apr. 1771, 246.

¹⁰² IOR, E/4/866, DM, Court of Directors to Madras, (no date) 1775, 391-392.

Company's Jagirs if the contracts were for no longer than a year, and that the Company should be at liberty to explore the country and to ascertain the real produce and revenues of its lands. But even with this arrangement, four years later, in 1779, London again expressed its displeasure to the Madras Presidency that the Nawab continued to be awarded contracts for longer periods.¹⁰³

Despite repeated opposition from the London Directors and some members of the Madras Council, the Nawab was still able to use his influence with the Madras Presidency to essentially become, and remain, the sole tenant of its lands, either himself or through his representatives, until at least 1780.¹⁰⁴ The Madras Presidency resorted to using the same explanation every time it was questioned by the Directors, arguing that it was inclined to accept the Nawab's tenancy because he was always the highest bidder, sometimes offering as much as ten percent more than the other bidders and that he paid in ready money. Furthermore, the rents were paid regularly.¹⁰⁵ Additionally, the Madras Presidency was inclined to award the Nawab long-term contracts instead of annual ones due to practical concerns; as the Nawab explained to the British in 1773, only with a long-term contract was a renter able to invest large amounts of money to improve the conditions of the land, repair irrigation system, or pay advances to the cultivators. If such improvements were carried out, the productivity of the land would improve and, as a consequence, future rents would rise.¹⁰⁶ In the early 1780s, the Nawab went so far as to request that the Madras Presidency grant him a 20-year tenancy.¹⁰⁷ But it was impossible for the EIC to consent to such a proposal at the time because the EIC's senior officers in London and the British government were both very concerned about the Nawab's freehand in the tenancy allotments in the Company's Jagirs and his financial problems. These will be discussed further in Chapter Nine.

Another important point worth observing is that from the late 1760s until the 1770s the Company's servants had encountered problems surveying the land and assessing local land revenues. One Company officer, Robert Kelly, recorded that he had determined to conduct a proper survey of the country since 1770 but the plan was never carried out because of the Nawab's interference. It was not until 1779 that a select committee was appointed to survey Karnatak.¹⁰⁸ Judging from this evidence and the tone of a Directors' letter from 1779,

¹⁰³ IOR, E/4/868, DM, Court of Directors to Madras, 16 Jun. 1779, 459-461.

¹⁰⁴ Phillips, "A Successor to the Moguls," 376.

¹⁰⁵ IOR, Mss Eur E/379/3, DGP, Aug. 1772, 240-241; P/240/24, MPP, Madras Consultation, 1766, 161.

¹⁰⁶ IOR, Mss Eur E/379/7, DGP, Dec. 1773, 135-136.

¹⁰⁷ IOR, P/240/50, MPP, Nawab to Governor of Madras, 22 Mar. 1780, enclosed in Madras Consultation, 25 Mar. 1780, no page.

¹⁰⁸ Love, *Vestiges of Old Madras*, III: 172-173.

the Nawab seems to have been playing a crucial role in preventing the British from gaining better knowledge of the country. Presumably, the Nawab hoped that the Company would remain dependent on him and his people in managing its Jagir lands.

By ensuring that he became the renter of the EIC's lands despite having to pay larger sums of money in order to do so, and by repeatedly impeding the Company's efforts to survey its own lands, it seems that the Nawab's actions were not driven by financial profit alone but political interests, too. The question that remains is: how did the economic system of revenue-farming impact the political sphere? As several scholars have suggested, revenue farming was used, in various ways, by many South Asian rulers as a principle political tool to further their territorial ambitions.

One prominent example, highlighted by Satya Gupta, is the case of Raja Jai Singh, a Mughal warrior of Rajput origin who, in the early eighteenth century, used revenue farming as a peaceful way of gaining possession of some imperial lands adjacent to his watan-jagir in Rajasthan. He first managed to acquire these lands as jagirs from the Mughal emperor, then farmed them out to lesser Rajputs from various clans that were connected to him. Through the management of these renters, direct Rajput rule and political influence were developed in that society. Later, when other Mughal jagirdars, from outside the Rajput circles, tried to collect their own revenues in this region, they found their agents stalled and harassed by Rajput officers and farmers. Then, when the power of the Mughal emperor Farrukhsiyar weakened, Raja Jai Singh simply assumed full control over these jagirs, turning them into his hereditary properties (watan-jagirs). With this annexation, it was the first time since Akbar had conquered eastern Rajasthan in the 1560s that the Mughals had lost control over the lands and revenue of the region.¹⁰⁹ Stein suggests that the Nawab's neighbor, Hyder Ali of Mysore, also used revenue farming as a tool to centralize his power when he wanted to eliminate the influence of unruly local chieftains, many of whom had had control of rural resources in peninsular India since the Vijayanagara period. The sultan ordered a large proportion of the territories under these local chieftains to be auctioned off to new groups of ambitious warriors, most of whom were Hindu. As they had become state revenue farmers with the sultan's support, these warriors assisted the latter in furthering the accumulation of revenue and eliminating the influence of the formerly independent chieftains.¹¹⁰ Wink points to a similar occurrence in the contemporaneous Maratha state. There, revenue farming was used

¹⁰⁹ Satya P. Gupta, *The Agrarian System of Eastern Rajasthan, c. 1650-1750* (Delhi: Manohar, 1986), 1-37; Richards, *The Mughal Empire*, 274-275.

¹¹⁰ Stein, "State Formation and Economy Reconsidered," 401.

by the new rulers, the Peshwas, to eliminate the economic and political support bases of the hereditary zamindars.¹¹¹ The grievances of the EIC over textile procurement is another good example of the political clout of revenue farmers. Since the seventeenth century, the EIC had been complaining of how some powerful South Asian overseas merchants had been using their advantageous positions as revenue farmers in strategic areas in the Coromandel to block other competitors from accessing the weaving villages and control the procurement of cloth for its own businesses.¹¹² This was similar to the conflicts that erupted between the Nawab and the EIC over control of textile production, discussed earlier.

These examples demonstrate the political influence that the revenue farmers wielded over local society and how revenue farming rights meant both economic profit and political control for the tenant. I argue that Nawab Muhammad Ali Khan used method of revenue-farming to keep the management of the Company's territories in his own hands and prevent direct British control over local populations, thereby curbing the EIC's growing political power in Karnatak territory. A similar case can be made for the territories that were under the Nawab's control, where he tried to keep them under his direct rule, as far as possible. As one EIC officer wrote in 1767, "he [the Nawab] had determined not to let it [Arcot province] out to the renters, but kept the whole in his hands."¹¹³ This necessitated the maintenance of a large band of his private troops, headed by the Nawab's amildar, which proved to be a sore point in his relationship with the EIC.¹¹⁴ It is said that from the early 1770s, the EIC's Bengal Presidency had been able to appoint British revenue collectors and revenue farmers within the Company's possessions, thereby allowing them to exploit the regions fully and so amass large fortunes.¹¹⁵ The Nawab must have attempted to prevent similar occurrences in Karnatak and his degree of success in so doing is evident from the lamentation of an EIC officer in 1778. On the inability of the Company to obtain revenues from its own lands, he ruefully remarked: "as the Nabob is Renter we must intreat and be thankful for that assistance which we have a right to command."¹¹⁶ The fact that the EIC could begin the survey of their Jagirs in Karnatak only in 1779 is also another good proof. However, the Nawab could maintain this politico-economic strategy well only until the end of 1770s, as the treaty of revenue assignment which the Nawab was forced to sign with the Madras Presidency in 1781 would

¹¹¹ Wink, "Maratha Revenue Farming," 623.

¹¹² Subrahmanyam, *The Political Economy of Commerce*, 302-303.

¹¹³ IOR, P/251/59, MP, MMSC, Aug. 1767, 767-770.

¹¹⁴ This issue will be discussed further in Chapter Nine.

¹¹⁵ Bayly, *Indian Society*, 53.

¹¹⁶ Phillips, "The Development of British Authority in Southern India," 206.

significantly alter the situation. This treaty and its effects will be discussed further in Chapter Nine.

Renting the “Northern Circars”

The Nawab’s investments in revenue farming were not confined to the territories of the EIC within the Karnatak State but stretched into the “Northern Circars,” in the land of the Deccan Nizams. The sources allow us to see how the Nawab made use of his relationship with the Company to serve his commercial and political designs even within that neighboring state.

The “Northern Circars” is the collective term used in late-eighteenth-century British records to refer to the five districts of the Deccan state that lay along the Coromandel Coast between Orissa in the north and Karnatak in the south, namely Chicacole (Srikakulam), Rajahmundry, Condavir (Godavari), Kondapalli (Mustaphanagar), and Guntur (Murtezanagar). During the Third Carnatic War, the French and the Deccan Nizam were defeated by the Nawab of Karnatak and the British. As a result, in 1759, the Nizam was forced to hand over the Northern Circars (previously French) to the British as a free gift (*inam*). In 1765, the British managed to receive a farman from the Mughal emperor Shah Alam II officially acknowledging this acquisition. The Nizam had tried on several occasions to regain these areas but had not succeeded so, in 1768, after his attempt to defeat the EIC through a coalition with Mysore had failed, he decided to negotiate with the British. According to the treaty agreed, the EIC promised to render military assistance—two infantry battalions and six pieces of artillery—to the Nizam in every “proper” business and pay him an annual sum of 800,000 rupees. In return, the Northern Circars were transferred to the EIC as gifts, on condition that Guntur remained in the possession of one of the Nizam’s brothers, Prince Basalat Jang, until the latter’s death. However, the Company was allowed to rent that district from Basalat Jang in exchange for money and the services of Company mercenaries.¹¹⁷

The territory of the coastal Northern Circars was 470 miles long with a total area of about 30,000 square miles. It was rich in natural produce: Rajahmundry in teak; Chicacole was a rice-producing region; Guntur was so fertile that most of its villages produced more than 10,000 pagodas annually, being valued at 400,000 pagodas a year, and full of cotton plantations. The neighboring district, Masulipatnam, was famous for its textiles. These areas

¹¹⁷ Aitchison, *A Collection of Treaties*, IX: 21, 28-29, 35, 38-40; M.K. Chancey, “The Making of the Anglo-Hyderabad Alliance, 1788-1823,” *South Asia: Journal of South Asian Studies* 29 (2006): 186; Frykenberg, *Guntur District*, 26-29.

were so valuable that, during the early eighteenth century, the Mughal emperors had designated them crown territories, meaning that they could not be granted as jagirs.¹¹⁸ In addition, the Northern Circars were strategically important: they constituted the border between the states of Karnatak and Deccan. Hyder Ali of Mysore also kept his eyes on the neighboring area of Cuddapah since the 1760s, and when the latter region was annexed to Mysore's territory in 1779, the border of Mysore also connected to Guntur district of the Northern Circars.¹¹⁹ This made the areas a highly sensitive zone militarily as it was a site where conflict frequently broke out between the three states. The EIC was desperate to control these districts so as to maintain peace between them in order to ensure its own commerce was not negatively affected and to maintain its position as the main power in local politics. The wealth and strategic significance of the region attracted the attention of all the southern Indian potentates and large investors, including Nawab Muhammad Ali Khan. The areas that the Nawab was particularly interested in were the districts of Guntur, Condavir, and Chicacole. According to the Nawab, several of Guntur's southern sub-districts were inseparable from the northern Karnatak districts of Ongole and Palnaud, and the proximity of Guntur to his kingdom implied that it could be easily administered by Karnatak. Condavir, situated near the Krishna River, was also a frontier zone between Karnatak and the Deccan. With regard to Chicacole, the Nawab laid claim to this territory on the grounds that it had been long managed by his father when he was in the service of Nizam al-Mulk.¹²⁰ The Nawab closely watched the moves of his adversaries vis-à-vis the Northern Circars and, immediately after dispute over control of them broke out between the EIC and the Nizam of the Deccan in the late 1750s, attempted to lay claim to them.

In 1762-1763, Nizam Salabat Jang sent one of his servants, named Husain Ali Khan, to Madras to negotiate the issue of the Northern Circars with the EIC. During this mission, Husain Ali Khan approached the Nawab, offering his services to help him secure rental contracts in the region from his master, the Nizam. Eager to take advantage of this opportunity, the Nawab invested as much as 1,000,000 rupees in the venture as payment to the Nizam and the EIC. With this money and the support of the Nawab, Husain Ali Khan successfully managed to gain the consent of both the Nizam and the EIC to rent large parts of the Northern Circars to him. However, subsequent events revealed that the Nawab had been

¹¹⁸ Sarojini Regani, *Nizam-British Relations, 1724-1857* (New Delhi: Concept Publishing Company, 1988), 73; Richards, *Mughal Administration in Golconda*, 266; Sinha, *The Politics of Trade*, 25; IOR, Mss Eur E/379/4, DGP, Jan. 1773, 122.

¹¹⁹ C. F. Brackenbury, *Gazetteer of the Cuddapah District*, vol. I (Madras: Superintendent Government Press, 1915), 44.

¹²⁰ IOR, E/4/863, DM, Court of Directors to Madras, 4 Mar. 1767, 582-583; E/4/869, DM, Court of Directors to Madras, 10 Jan. 1781, 476-506; Mss Eur E/379/2, DGP, Dec. 1770, 140.

duped, because Husain Ali Khan, whose name was in the rental contract, pocketed the land revenue instead of handing it over to the Nawab.¹²¹ Nevertheless, the Nawab continued to pursue his interests in the Northern Circars. In 1765-1766, he turned to his “ancient and faithful” ally, the EIC, and requested that it grant him revenue farming rights in the Northern Circars for as long as the British continued to remain in India. He even proposed a compromise whereby the-then tenant, Husain Ali Khan, was allowed to continue as revenue farmer for another three years but in the new role of diwan to the Karnatak Nawab. The Nawab also managed to extract a promise from the Madras Governor, Robert Palk, that he would become renter of all, or at least a large part, of the Northern Circars when each of them became a full possession of the EIC (many parts, at the time, were still under negotiation with the current Nizam, Ali Khan Asaf Jah II). However, the Nawab was once again rebuffed by the EIC, who claimed that the London Directors wanted to continue with the tenancy of Husain Ali Khan, who, supposedly, managed the territories expertly. Furthermore, the Directors decreed that they would reach a decision on any subsequent revenue farming requests (such as the two villages that were attached to the Ongole district of Karnatak for only 1,600 pagodas annually) submitted by the Nawab on a case-by-case basis.¹²² Although it is possible that the EIC’s refusal to accept the Nawab’s request was because it really preferred the tenancy of Husain Ali Khan, it is more likely to have been the outcome of the Directors’ policy of preventing the Nawab’s increasing influence over Company territories, as had occurred in its Jagirs within Karnatak. They were, moreover, afraid of angering the Deccan Nizam and provoking frontier conflict between Karnatak and Mysore, so when the Directors were confronted with the Nawab’s proposal to rent Condavir they ordered the Madras Presidency to refuse, stating that: “such a boundary as the river Kishtnah [Krishna] must certainly prevent all colour of dispute touching limits.”¹²³

Yet the Nawab was not a man to retreat from an objective that he had set his sights on, so when the British king’s representatives visited his court in the early 1770s he sought their support on this issue. The Nawab told the royal representatives that management of the Circars had been offered to him several times by the Deccan Nizam without the knowledge of the British on condition that he repudiated his alliance with them. He asserted that he had rejected these unethical offers because he wished to accept the Circars only “with the good

¹²¹ IOR, Mss Eur E/379/2, DGP, Dec. 1770, 115, 130, 140-142.

¹²² IOR, P/240/24, MPP, Madras Consultation, 23 Jan. 1766, 22.

¹²³ IOR, E/4/863, DM, Court of Directors to Madras, 4 Mar. 1767, 582-583.

will of the English.”¹²⁴ The Nawab, moreover, alleged that the two current chief tenants of the Northern Circars, Husain Ali Khan and Joggy Pundit, oppressed the locals to the extent that they were driven to suicide.¹²⁵ Although the British king’s representatives appeared sympathetic to the Nawab’s position, the latter was never able to convince the EIC to comply to his demands, as the Court of Directors was increasingly anxious to limit the Nawab’s influence over the Company’s territories. There was significant movement on the issue again in 1779, when the Madras Governor, Thomas Rumbold, successfully induced Prince Basalat Jang of the Deccan to cede Guntur to the Madras Presidency in exchange for military assistance and protection. This agreement was reached without consulting Nizam Ali Khan, the ruler of the Deccan, thus invoking the latter’s displeasure. The sultan of Mysore, with whose territory Guntur bordered, was also unhappy with the decision, and Prince Basalat Jang himself soon changed his mind and retracted his agreement with the Company. Senior EIC officers, both in London and Bengal, were outraged at this diplomatic blunder orchestrated by the Madras Presidency, as it placed that strategically important region at risk. Adding to their annoyance was the fact that, within six months of its signing the treaty with Basalat Jang, the Madras Presidency granted the revenue farming rights of Guntur to the Nawab of Karnatak for a period of ten years.¹²⁶ Importantly, one of the letters that the Nawab wrote to Rumbold revealed that it was through his efforts that Basalat Jang had agreed to cede Guntur to the EIC. He claimed that he had also advised Basalat Jang to dismiss the French soldiers from his army and replace them with Company troops. The Nawab’s claims suggest that the entire business may have been engineered for the benefit of (or even by) the Nawab and his British friends in the Madras Council.¹²⁷

The Madras Presidency found itself in the difficult position of having to justify the allocation of revenue collection rights to the Nawab. First, it argued that it wanted to fulfil a promise made to the Nawab in 1767 to rent the territory to him for a period of ten years when it fell into the Company’s hands. Secondly, it said that the Nawab proposed a higher rent than the revenue obtained by Prince Basalat My Masters’ thesis, completed in 2012, was an initial experiment that explored Karnatak’s history by applying such a biographical approach. in the previous years. Thirdly, it noted that there was no-one else to whom such a responsibility could be entrusted. And fourthly, it pointed out that the Council of Madras had legally voted

¹²⁴ IOR, Mss Eur E/379/2, DGP, Dec. 1770, 140.

¹²⁵ IOR, Mss Eur E/379/4, DGP, Dec. 1772, 68; Jan. 1773, 123-124.

¹²⁶ Love, *Vestiges of Old Madras*, III: 146; Turnbull, *Warren Hastings*, 144.

¹²⁷ CPC, V, Nawab to Governor of Madras, 23 Feb. 1779, 294-295; Phillips, “The Development of British Authority in Southern India,” 221; Frykenberg, *Guntur District, 1788-1848*, 29-30.

in favor of renting Guntur to the Nawab. These justifications were, however, rejected by their superiors and they were ordered to immediately cancel the contract. The Madras Presidency, clearly revealing its somewhat underhand dealings with the Nawab, continued to delay the annulment of the contract for various reasons, and relations between Madras and its superiors deteriorated to the point that John Whitehill, the temporary successor to Rumbold as Governor of Madras, was suspended from office.¹²⁸

The Nawab eventually failed in his efforts to make political inroads into the Northern Circars, but what is particularly illuminating in this episode is his influence over the Council of Madras, which was so great that he managed to convince it to make decisions which invited the ire of the Company Directors and the Governor-General of Bengal. This convinced the Company's higher echelons that its employees in Madras were corrupt and an investigation was ordered into their conduct. The report found that Sir Thomas Rumbold had received from the Nawab alone 1,600,000 pagodas within twenty months of his governorship. Rumbold also supposedly received another 2,500,000 rupees from other "Northern Rajahs" for letting out other parts of the Company's lands to them. However, without cooperation from the Nawab and other local rulers the investigator could not find sufficient proof to implicate Rumbold and so the enquiry was subsequently abandoned.¹²⁹

7.4 The Nawab as Real Estate Investor

Madras was the biggest beneficiary of the growth in South Coromandel trade in the seventeenth century. It grew from being a small port town in the 1630s to a city housing a population of 100,000 by 1700.¹³⁰ The White Town, which was the core of the British settlement and was connected to Fort St George, emerged as the new center of Madras and the area experienced extraordinary growth from the mid-eighteenth century onwards. Its population grew from around just 200 in the 1740s to 2,500 in 1769.¹³¹ To house this expanding population, demand for land and houses within Madras steadily rose, impacting their sale and rental prices. Consequently, real estate became a profitable business there, one in which merchants and investors of all nationalities participated. There is evidence of British, other Europeans, Armenians, and Indians all renting out their houses in Madras on long leases and receiving the full rent while they themselves left the settlement to live or

¹²⁸ See the details of the Guntur conflict in: IOR, P/240/51, MPP, Governor-General to Madras, 10 Oct. 1780, enclosed in Madras Consultation, 7 Nov. 1780, 960-970; E/4/869, DM, Court of Directors to Madras, 10 Jan. 1781, 476-506.

¹²⁹ Love, *Vestiges of Old Madras*, III: 224-225; Phillips, "The Development of British Authority in Southern India," 227.

¹³⁰ Asher and Talbot, *India before Europe*, 259.

¹³¹ Gurney, "The Debts of the Nawab of Arcot," 63.

work elsewhere. The profits that could be made from such arrangements were staggering, and investors who owned several estates made large fortunes. A Tamil merchant, Cashia Chetty, for instance, is said to have owned three houses and seven gardens in Madras, and so did a number of other important Indian merchants. Their tenants included the EIC (for their numerous offices), Company servants, and free merchants from other nations, among others.¹³² The high demand for accommodation in the White Town rendered its land and houses very expensive. Real estate in the area could only be bought with permission from the Madras Presidency, and applications were often rejected.¹³³ In the second half of the eighteenth century, the value of areas in the hinterland of Madras also rose, as increasing numbers of Europeans sought houses with gardens.¹³⁴ The grounds were in such high demand that limits were sometimes placed on the size of the plots sold, and sometimes the sale of land was temporarily suspended. Each time “a purchase” (which was, in actuality, a 99-year lease) was allowed, the Madras Council had to deal with a flood of purchase applications.¹³⁵ The house and land crisis of Madras, especially in the Fort St. George and White Town areas, became so severe that the Committee of Distribution of Civil Apartments was established in April 1771 to help manage the problem.¹³⁶

The Nawab, astute businessman that he was, did not miss this opportunity, and in 1770 the Madras Presidency expressed concern about the Nawab possessing lands and houses in Madras only two to three years after he had moved there to live (since 1767/1768). According to EIC accounts, as well as purchasing a large plot of land adjoining his palace in Chepauk in order to expand his own grounds, the Nawab owned at least a dozen houses in Madras: one on Choultry Plain, one near the Spur (Egmore), one at Vipary, four at the Mount, several at St. Thomé, and several more in the Black Town. Within the fort, where the Company’s permission was required to buy property, the Nawab possessed at least three capital houses in the names of several of his British secretaries or friends: one in the name of Boswall, another in the name of Storey, and the third in the name of Johnson. The Committee of Distribution of Civil Apartments stated that, although it could not officially determine whether these houses were purchased by the Nawab, it had little doubt that he was behind their acquisition. And, according to the committee, if the Nawab wished to expand his ownership of houses, he could do so very quickly. This was because the houses there were

¹³² Arasaratnam, “Trade and Political Dominion in South India,” 23; Love, *Vestiges of Old Madras*, II: 496-500.

¹³³ Love, *Vestiges of Old Madras*, II: 464.

¹³⁴ Love, *Vestiges of Old Madras*, II: 614.

¹³⁵ Love, *Vestiges of Old Madras*, II: 615-616; III: 55.

¹³⁶ Love, *Vestiges of Old Madras*, III: 50.

frequently sold or transferred upon the death or departure of Company officials, and the Nawab could always afford to offer far more for them than any other potential buyer.¹³⁷

Importantly, Paterson's diary reveals the logic behind the Nawab's real estate investments. According to this, it was common practice in the 1770s for members of the Madras Presidency and other British to build European-style houses in Madras, which were then purchased by the Nawab even as their former owners continued to live in them. In other instances, the Nawab rented them out to prominent British gentlemen visiting the town. The Nawab thus fashioned himself as a benefactor to these gentlemen while investing in real estate. After the Europeans departed—back to Britain or other parts of the world—the houses and lands came into the Nawab's full possession. This practice was not confined to Madras alone, as Paterson found a similar practice taking place in Trichinopoly. There were also many British gentlemen who, before leaving the country, offered to sell their estates directly to the Nawab as it was well known that he was a keen investor.¹³⁸ The list of land sales permitted by the Company in November 1774 mentions the names of the Nawab and "Cawn Sahib" (presumably the Nawab's minister Abd al-Rashid Khan) as buyers.¹³⁹ The evidence shows that the Nawab was one of the main real estate investors in Madras. However, it has not proved possible to find clear evidence of how the Nawab profited from these investments, except for the fact that he saw it as a means of patronage. We can only assume his activities were like those of other investors in this business at that time; he chose to either rent the houses to Company servants and free merchants or re-sell them after at a higher price, as their value was constantly rising.

7.5 The Nawab and Trade

The active role of the Nawab in various regional mercantile activities is reminiscent of the "portfolio capitalists" who lost out to their competitors and disappeared from the mercantile scene before the end of the seventeenth century. Some scholars, such as Tsukasa Mizushima, have argued that there was a revival of the portfolio capitalists in the eighteenth century Coromandel Coast, i.e. the so-called *nattar*, comprising of the Reddi, Pillai, and Brahmin castes (dubashes), who held various market ventures.¹⁴⁰ However, according to Subrahmanyam, they were not comparable to the portfolio capitalists as they worked on a far

¹³⁷ Love, *Vestiges of Old Madras*, II: 612; III: 55.

¹³⁸ IOR, Mss Eur E/379/1, DGP, Jul. 1770, 287-288; Mss Eur E/379/5, Mar. 1773, 29, 33; Mss Eur E/379/8, Jun. 1774, 204.

¹³⁹ Love, *Vestiges of Old Madras*, II: 622; III: 59, 61.

¹⁴⁰ Mizushima, *Nattar and the Socio-Economic Change in South India*, 114-138.

more limited scale.¹⁴¹ What about the Nawab? Should we view him as an eighteenth-century portfolio capitalist? In my view, the activities of the Nawab in the second half of the eighteenth century did, in many ways, replicate those of the seventeenth-century portfolio capitalists. The Nawab used similar tactics to try to control the middle ground between the two worlds of politics and commerce, and to use entree to one to benefit the other. However, in his case there were also some crucial differences. One is that he was not able to regain control of the overseas trade from the Europeans, and so his participation in overseas commerce was very limited. Another difference between the Nawab and the seventeenth-century portfolio capitalists is that the latter were initially traders who tried to gain access to the political realm to benefit their commerce; although they subsequently built distinguished political careers, trade remained their principal activity and priority. The Nawab, on the other hand, was first and foremost a head of state, one who sought access to the mercantile world for political ends. He used various mercantile approaches to increase or (re)gain political influence over local society. The trading relationship between the Nawab and the EIC also suggests that the line that separated the worlds of “politico” and “merchant” was even more blurred in the second half of the eighteenth century than at any prior point in time. On the one hand, a merchant, the EIC, was gaining increasing access to the realm of politics at the expense of local landed aristocrats to expand its trade. On the other, a ruler, namely the Nawab, was attempting to penetrate the realm of commerce, which was being increasingly dominated by the EIC. The Nawab used various mercantile tactics—mostly subtle strategies—to resist, or at least slow, European domination over his territory.

Next, it may be useful to compare the Nawab’s mercantile activities with those of some neighboring South Indian rulers. According to Parthasarathi, towards the end of the eighteenth century, and as a result of their desire to develop permanent standing armies and adapt their military to suit the new type of warfare, many South Indian rulers realized that their land incomes and the revenue they received from taxing trade was no longer enough to cover their expenses. Such financial pressure caused these rulers to turn to the commercial world to profit, and they mainly did so by establishing monopolies in their dominions’ most lucrative commodities. One of the earliest and most successful was the raja of Travancore, who monopolized the pepper trade in southern Malabar. However, the most ambitious was Tipu Sultan, who monopolized many of Mysore’s most expensive export goods, including

¹⁴¹ Arasaratnam, *Merchants, Companies and Commerce*, 139-142; Subrahmanyam, *The Political Economy of Commerce*, 336.

sandalwood, areca nuts, pepper, and cardamom.¹⁴² Parthasarathi also mentions the Karnatak Nawab as one example here, briefly mentioning his attempts to monopolize the textile and rice trades. But, on the basis of my analysis of the Nawab's various economic activities, it seems that the latter's participation in the commercial world was significantly different from those of his neighbors. Although the Nawab did sometimes use his political power to facilitate his business ventures, he still generally needed to follow the existing mercantile rules and compete to earn his share in the Coromandel markets as a merchant, one who was in fierce competition with many other traders, both South Asian and European. Unlike the neighboring rulers, he did not or, more precisely, could not set up a state monopoly in any business area on the Coast. In the grain trade, for example, the Nawab could only use his status as a ruler to buy up rice from his subjects at the lowest price during the harvest season; he was never the sole rice trader in Karnatak. As I also suggest, it was not because the Nawab did not want to have a monopoly or that he respected the free markets. More likely, it was because the context of Karnatak's politics and the Coromandel mercantile world did not allow him to do so. As discussed, from the mid-eighteenth century, trade on the Coast was increasingly dominated by the EIC and British private traders, while many local South Asian mercantile castes, and even the Dutch and the French, who had actively participated in these markets in the past, gradually disappeared. The merchants who did survive or rose to prominence in the late eighteenth century were mainly those who collaborated with the EIC or British private traders, or those who were satisfied with only limited success. It was thus hardly possible for the Nawab, as a new trading player, to use coercive power to beat this formidable European entrepreneurial force. The political and military interdependence between the two parties also prevented the Nawab from taking any particularly harsh measures, such as a trade monopoly, to remove a market-share from British hands. So, the only choices for the Nawab in order to profit, as well as for other competitors, were either to compete "fairly" with the British Company and private traders by following the existing commercial rules—which were, in fact, being increasingly defined or dictated by the EIC—or to become one of their collaborators. The Nawab seems to have tried both methods at different times and through various trading activities. However, as the evidence shows in many subtle ways, by using combinations of methods and his different positions (as a merchant, as the ruler of Karnatak, and as a "friend" of the Company), the Nawab was able to

¹⁴² Parthasarathi, *The Transition to a Colonial Economy*, 133-134.

gain significant trading privileges at the expense of both other competitors and the Company itself in the various markets.

Lastly, I would like to argue against previous historians and the way they have limited the Nawab's role to that of ruler, rather than merchant. The clearest example is Parthasarathi, who has discussed the conflict over the textile business between the Nawab and the EIC as a battle between two conceptions of authority that were derived from different political worlds. He believes that the rulers of South India did not coerce the weavers (and laborers in general) as it was not a legitimate use of power in South Asian rulership, while the EIC could do so because the Europeans had no similar moral obligation.¹⁴³ In order to support his argument, Parthasarathi used a similar source as I have, namely letters in which the Nawab refused the request of the Madras Governor to force the weavers to return to the territory they had left and resume their work. Parthasarathi also highlighted the tone of the Nawab's message and how it was similar to that of other official revenue regulations, such as those issued by Tipu Sultan of Mysore, which supposedly shows the sultan's gentleness and his desire to protect cultivators and producers.¹⁴⁴ However, the rhetoric of these two local rulers did not necessarily represent reality. An article of Kaveh Yazdani indicates signs of Tipu Sultan's uses of forced labor.¹⁴⁵ Also, I have shown that the Nawab of Karnatak could use coercive force just as much as the EIC to compel the weavers to work for him. He could also send soldiers to control the weavers and force them work for him. Yet, often, the Nawab instead chose to use soft measures, in deliberately contrast to the Company's brokers, something that can be seen as one of his strategies to gain the weavers' trust, cooperation, and eventually their labor, at the expense of the EIC. From another perspective, one may suppose that, in the late eighteenth century, the EIC might not have had or might not have wished to use as much coercive power towards the local laborers as is usually believed, so needed help from the local Nawab. As such, both the Nawab and the EIC were playing the same game under the same rules; there are no indications of ideological or political incommensurability between Europeans and South Asians here.

¹⁴³ Parthasarathi, *The Transition to a Colonial Economy*, 121, 148.

¹⁴⁴ Parthasarathi, *The Transition to a Colonial Economy*, 126-127.

¹⁴⁵ Kaveh Yazdani, "Foreign Relations and Semi-Modernization during the Reigns of Haidar 'Ali and Tipu Sultan," *British Journal of Middle Eastern Studies* 45, 3 (2018): 402-403.

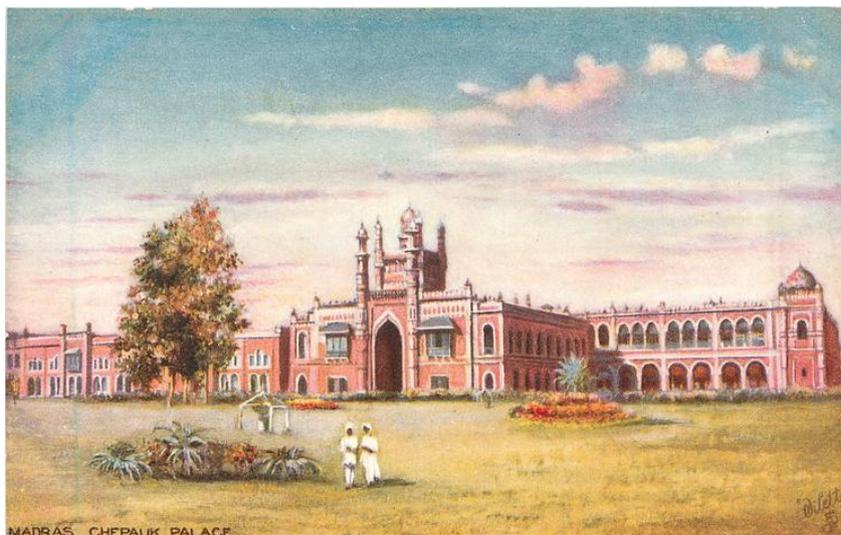
Chapter 8: Cultural Encounters

This chapter argues that, by embracing various European cultural elements in his microcosmos at Chepauk Palace, the Nawab was not only attempting to use them for practical purposes such as military support, political consultation, or facilitating trade; he also used them for ideological purposes, in his self-representation or self-reposition. The Nawab's main goals were to raise his honor and prestige in local society and to counter-balance the image of him as a British dependent. How and to what extent he was successful in these aims are the main questions to be explored in the following discussion. This chapter, which focuses on cultural encounters, has two main themes: his embrace of European material culture, and ritual and diplomatic exchanges. The discussion is divided into three sections. First, I will explore various aspects of European material culture that the Nawab adopted at his court—such as architecture, decorations, *objets d'art*, and customs and practices—and analyze their function from the Nawab's standpoint. Secondly, I will highlight the triangular relationship between the Nawab and the two rival British groups—the EIC and the representatives of the British king and government—who confronted one another at Chepauk Palace during the first half of the 1770s. These three parties were the main players whose interactions at the court during this time can provide us with vivid historical scenes of the “ritual battles” between East and West, or between South Asian elements and European ones. These tripartite ritual battles will be the main focus of the third section.

8.1 European Material Culture at the Nawab's Court

Chepauk Palace, the center of the Nawab's power in Madras, is a good starting point for our discussion. From the year 1758, the Nawab had repeatedly sent requests to the EIC to be allotted an area of Madras in or near Fort St. George where he could build his permanent residence, citing the convenience of conducting business with the EIC and his safety as the main reasons. Yet this was not accepted until the mid-1760s, because some of the EIC's officers initially objected to his wish, fearing that the Nawab, being so close, would have too much influence over the Madras Presidency. Eventually, however, the EIC's Directors granted approbation.¹ The Nawab then ordered a grand palace to be constructed right next to the EIC's headquarters. Chepauk Palace became the main residence of the Nawab and his descendants from 1767/1768 until 1855.

¹ IOR, E/4/861, DM, Court of Directors to Madras, 5 Jul. 1758, 949; E/4/863, DM, Court of Directors to Madras, 4 Mar. 1767, 511-513.



A painting of Chepauk Palace, printed on a postcard (1907)²

This royal court was a two-story building facing the Madras seashore, immediately to the south of the EIC's Fort St George. It was famous for its lime mortar, red-brick walls, wide arches, and intricate carvings, and has been widely viewed by scholars as the very first building constructed in the Indo-Saracenic style.³ This artistic term represents a synthesis of Indic and Islamic (Saracenic) architectural features, symbols, and materials, and the Gothic and Neo-Classical arts favored in Victorian Britain, which integrate Greco-Roman features such as columns and triangular pediments, all of which were successfully combined using the advanced engineering of Western Europe. Indo-Saracenic architecture was mainly developed by British architects in India during the late nineteenth and early twentieth centuries.⁴ From its completion until the late nineteenth century, Chepauk Palace must have been through several restorations and renovations and, as far as I have been able to ascertain, there is no evidence of what the palace originally looked like. However, it is believed that it was the earliest attempt by a British engineer and architect to integrate “the dome and arches, the inlay and fretwork of the Mughals, with the spaciousness and the decorativeness of the Indian” and, therefore, the palace has been recognized as the genesis of Indo-Saracenic art, and its design would go on to have a great influence on many famous British Raj architects.⁵ The name of the British engineer is still debated, being either Thomas Call or Paul Benfield,

² Raphael Tuck, “Chepauk Palace,” TuckDB Postcards, accessed 15 Jul. 2018: <http://www.tuckdb.org/postcards/84466>.

³ M. Ramanathan, “The Majesty of Chepauk,” *Madras Musings* 19, 24, accessed 16 July 2018: <http://madrasmusings.com/Vol%2019%20No%2024/the-majesty-of-chepauk.html>.

⁴ Samita Gupta, *Architecture and the Raj: Western Deccan, 1700-1900* (Delhi: BRPUB Corp, 1985), 18-29, 155-156.

⁵ Subbiah Muthiah, *Tales of Old and New Madras: The Dalliance of Miss Mansell and 34 Other Stories of 350 Years* (New Delhi: Affiliated East-West Press, 1989), 72; Ramanathan, “The Majesty of Chepauk.”

both of whom had been EIC servants.⁶ If, in its original form, Chepauk Palace was indeed the first building in this new hybrid style when it was built—or at least one of its earliest examples, as is widely believed—a hundred years before the style actually became popular and widespread, this would reflect just how unique and innovative this palace must have been at its unveiling. Its ingenuity also reflects, I would argue, a crucial aspect of Nawab Muhammad Ali Khan’s self-representation. Chepauk was to be a royal palace, a principal symbolic representation of the Nawab and his family. Instead of choosing to build in either the classical Indo-Islamic style to celebrate his Mughal imperial background or the traditional Indic arts of South India to reflect his current prestige among the Hindu rulers, the Nawab chose this new hybrid style, from both civilizations, to represent himself. Furthermore, while we are not sure how far the original Chepauk Palace represented a hybrid of Islamic and Indic styles, certain facts about its production mirror the Nawab’s openness to European ideas and culture. Instead of employing indigenous servants—either Muslim or Hindu—the Nawab chose to entrust the design and construction of his new palace to a British engineer. Living in the heart of the European settlement and observing closely their formidable and expanding power in South Asia, something that was aided by their advanced technology, the Nawab incorporated European features into the building that was to represent the center of his power.

Inside the walls of Chepauk Palace, the enthusiasm of the Nawab for embracing European elements can be observed through many of his daily practices. As recorded by Paterson on first meeting the Nawab, the ruler had “a pretty good notion of English and spoke several words in that language very distinctly.”⁷ All of his sons, who spent most of their lives in Madras, knew the language better than their father. It was common to see the sons of the Nawab visiting, hanging out with, and having public and private conversations with European noblemen and officers.⁸ It was a regular habit of the Nawab, as noted in Paterson’s diary and the *Ruznama*, to follow and discuss news from Europe with his European secretaries and visitors regarding what was going on in Britain and other nations such as France, Turkey, and Russia. A favorite topic was his image and reputation in Britain.⁹ It was also not rare to see the Nawab and his family learning and adopting some new European technology, manners, or lifestyle. Once, the Nawab used a telescope to view the ship he had sent to Mecca after it was

⁶ Eaton, “The Art of Colonial Despotism,” 71.

⁷ IOR, Mss Eur E/379/1, DGP, Jul. 1770, 293.

⁸ IOR, Mss Eur E/379/2, DGP, Jul. 1771, 299-300; E/379/8, DGP, Apr. 1774, 56-57.

⁹ IOR, Mss Eur E/379/2, DGP, Feb. 1771, 182; TA, Catalogue of Persian Records, bundle 65, *Ruznama*, 2, 13, 20-22 May, 7 Jun., 19 Jul. 1773, bundle 68, 14 Jan. 1775.

reported that it had returned to Madras.¹⁰ On another occasion, the Nawab and his courtiers gathered to observe the Western clocks just arriving from London.¹¹ And, one morning, Paterson went to the court and found the Nawab in “the chateau at the corner of his gardens” having breakfast with his family “in quite the English manner” with “tea, cakes, and several sorts of salading on table, a cloth laid and all on chairs.”¹²

Occasionally, Georgian-style parties were held in Chepauk Palace’s garden, and such events provide us with interesting examples of how Western entertainment was integrated into the local court. It was a custom that, during British national events such as the king’s or queen’s birthday, the British noblemen in Madras would celebrate them with grand entertainments similar to those they would have put on in London, possibly wishing to display Georgian prestige and grandeur to the locals. On one such occasion, celebrating the birthday of Queen Charlotte in 1770, a magnificent European-style temporary building was erected near Fort St. George to use as a grand ballroom. It is said to have been an immense construction made of spars and bamboo and measuring 120 feet by 160 feet. The front and back were decorated with nine gothic arches, and a European atmosphere was produced via European music, marching beats, food, wine, and fireworks. Seeing the splendid European architecture, the Nawab conceived the idea that, for the upcoming weddings of his two eldest sons, he would organize a similar, European-style ball to host the whole British settlement. The same temporary building was borrowed and re-placed in the Nawab’s garden, with a few small alterations. While, on one side, the initials G.R. referred to King George III, another side had the Nawab’s name and titles placed in its center and, on the right-hand side, his eldest son’s name and, on the left, his second son’s name, all in Persian characters. Entertainment was provided in the evening and the event was put on as close as possible to the queen’s birthday party, and the Nawab and all his family were at the ball.¹³

Chepauk Palace was filled with European furniture, portraits, miniatures, and “novelties” such as magic lanterns, telescopes, and clockwork toys, thanks to various European agents.¹⁴ Such European adornments were not confined to Chepauk alone. When Paterson had the chance to visit another of the Nawab’s palaces, in Trichinopoly, he also found some of the galleries there decorated with European paintings of French royals and nobles and various pieces of European furniture. The main hall, where usually the local court

¹⁰ TA, Catalogue of Persian Records, bundle 65, *Ruznama*, 7 Jul. 1773.

¹¹ TA, Catalogue of Persian Records, bundle 67, *Ruznama*, 19 May 1774.

¹² IOR, Mss Eur E/379/6, DGP, Aug. 1773, 57.

¹³ IOR, Mss Eur E/379/2, DGP, Jan. 1771, 161, Feb. 1771, 164-168.

¹⁴ Bayly, *Saints, Goddesses and Kings*, 169.

would be held, was furnished with full-length portraits of the king and queen of France. All the European items in the Trichinopoly palace were said to have been part of the spoils taken following the capture of Pondicherry in 1761, and which the Nawab had purchased from the EIC.¹⁵ The French were always considered by the Nawab as an enemy, as they had played a role in the murder of his father. Hence, his use of French royal portraits and furniture in the palace was certainly not out of admiration for the Bourbon dynasty or to indicate good diplomatic relations. This suggests that European collections, an orientation towards European artistic tastes by the Nawab, and the European manners he embraced were not simply to show his admiration for or friendship with a specific European nation. Yet what, then, were his motives in such representations? Some examples of the Nawab's production of portraits of himself may provide some clarification.

During the Nawab's reign, many British painters traveled in or were dispatched by the EIC to Karnatak. At least two of them, Tilly Kettle (1768-1771) and George Willison (1774-1780), were hired by the Nawab at extraordinarily handsome rates to produce portraits of himself and his sons in the European style. These paintings were for both his private collections and as presents to the British king and noblemen.¹⁶ His portraits, just like his palace, are said to be pioneering examples of Western art adopted and applied in South Asian courts.¹⁷ One of the portraits—of him and his five sons—given as a present to the Madras Governor Charles Bouchier and exhibited in London in 1771, is believed to be the first portrait of South Asian monarchs to have appeared in Britain.¹⁸ Some of these paintings have survived to the present day in the British Library, the Victoria and Albert Museum, and the National Gallery of Scotland. One of them, the portrait by Willison that was sent by the EIC's Court of Directors to the Society of Artists' exhibition in 1777, is shown below as picture (1). This painting represents a full-length, larger than life-size Nawab Muhammad Ali Khan standing in a grand neoclassical durbar hall which is supposed to be in Chepauk Palace. The hall was decorated with a classical column and a baroque curtain. Wearing a ceremonial dagger and scimitar and flourishing a scarlet-sheathed sword, it seems to project the Nawab's majestic style and military prowess. In the background, local servants are giving him the

¹⁵ IOR, Mss Eur E/379/8, DGP, Jun. 1774, 207-208; Nainar, *Tuzak-i Walajahi, Part II*, 272.

¹⁶ Eaton, "The Art of Colonial Despotism," 73, 77, 91.

¹⁷ See a summary depiction of the portrait of Nawab Muhammad Ali Khan by Tilly Kettle in: Victoria and Albert Museum's Collections, "Muhammad Ali Khan, Nawab of Arcot," Victoria and Albert Museum, last accessed 16 July 2018:

<http://collections.vam.ac.uk/item/O136746/muhammad-ali-khan-Nawab-of-painting-kettle-tilly/>

¹⁸ Ramaswami, *Political History of Carnatic*, 347.

salaam, while further outside the hall stands a regiment of sepoy, indicating the military cooperation between the Nawab and the EIC.¹⁹



According to Natasha Eaton, the Nawab's portraits by various European painters all have these same facets, which reflects the fact that the Nawab had little interest in the individual originality of these European artists. Instead, he wished the repetition of this image of him within these portraits to transform him into "an icon." This iconography was clearly borrowed from contemporaneous European monarchs, as can be perceived by comparing painting (1) with (2)-(4).²⁰ As Eaton goes on to argue, the likeness with the European counterparts

¹⁹ Eaton, "The Art of Colonial Despotism," 73.

²⁰ (1) Nawab Muhammad Ali Khan by George Willison (1777). Current place of conservation: National Galleries of Scotland, digital file from: "Mohamed Ali Khan Walejah (1717-1795) Nawab of the Karnatak by George Willison," National Galleries of Scotland, last accessed 16 Jul. 2018: <https://www.nationalgalleries.org/art-and-artists/38236/mohamed-ali-khan-walejah-1717-1795-Nawab-Karnatak>.

(2) Louis XV (r. 1715-1774) by Louis-Michel Van Loo (1707-1711). Current place of conservation: Bibliothèque Municipale de Versailles, digital file from: "Portrait en Pied de Louis XV," L'Histoire Par L'Image, last accessed 16 Jul. 2018: <https://www.histoire-image.org/fr/etudes/portrait-pied-louis-xv>.

mirrors the desire of the Nawab to demonstrate his importance by presenting himself as a world player on a par with European monarchs. Many of these portraits reflect the way he wanted to be seen by prominent Europeans, and by incorporating the European style—which was faultless in its production—the Nawab could be certain that the recipients would receive the political messages they carried correctly and easily.²¹ As Susan Bayly also suggests, such displays of extravagant spending in artistic patronage were indispensable displays of power and kingship in pre-modern societies. In this light, paying twice the usual rate was not a sign of the Nawab’s ignorance or unawareness; rather, it was a deliberate sign of his generosity and high artistic taste. Moreover, the European painters who profited from the lavish distribution of the ruler’s patronage could be seen as his retainers.²² I fully agree with these historians’ proposals and suggest, further, that the Nawab’s hidden political agenda—to show that he could be compared to other European kings through paintings and the patronage of artists—can help explain his enthusiastic embrace of other aspects of European culture. His palace was situated in a town governed by the British, he received many European visitors, and he made sure that he could not be viewed as inferior to his European counterparts in cultural refinement by both the European and South Asian populations of the town. Other Europeans—artists, architects, and engineers—who were hired by the Nawab for other projects may also be seen in this light, as his servants or protégés. Their presence at his court enhanced the Nawab’s standing as a patron and, as Eaton points out, it became a trend in Europe during the latter half of the eighteenth century for royals and nobles to embrace artistic elements of the Oriental World—Indian, Chinese, Turkish, Iranian, etc.—in their residences as a way of asserting and demonstrating their self-empowerment. The patronage of “exotic” arts became a vital manifestation of power, of multifaceted kingship, and of their immodest engagement with the world.²³ I argue that the Nawab was pursuing similar goals in his adoption of Occidental culture.

8.2 Triangle: Nawab, Company, and King

Whatever his critics—whether his contemporaries or later scholars—may have said regarding the Nawab’s policies in tightly linking his fate to that of the British people, the Nawab

(3) George III by Allan Ramsay (c. 1765). Current place of conservation: Art Gallery of South Australia, digital file from: “King George III in Coronation Robes by Allan Ramsay,” Google Cultural Institute, last accessed 16 Jul. 2018: <https://artsandculture.google.com/asset/king-george-iii-in-coronation-robos/vgGv1tsB1URdhg>.

(4) Catherine the Great of Russia by Alexander Roslin (c. 1777). Current place of conservation: The State Hermitage Museum, St Petersburg, digital file from: “Portrait of Catherine II by Alexander Roslin,” The State Hermitage Museum, last accessed 16 Jul. 2018: <http://www.hermitagemuseum.org/wps/portal/hermitage/digital-collection/01.+paintings/38686>.

²¹ Eaton, “The Art of Colonial Despotism,” 73.

²² Bayly, *Saints, Goddesses and Kings*, 170-171.

²³ Eaton, “The Art of Colonial Despotism,” 67.

himself, as reflected in his chronicle *Tuzak-i Walajahi*, chose to justify his actions as “far-sightedness” and “rich and powerful commonsense.” The goodness of the British is described in the following example:

[the British] were celebrated for their virtue and fidelity, well-known for sincerity and friendship, famous for their qualities of justice and equity, firm in the organization of war and battle, bold in the field of battle and fighting, the pearl of wisdom and sagacity, faithful in their friendship [...], bound to and united with the people of Islam [...].²⁴

However, notably, the court chronicler also put a great deal of effort into implanting in the mind of his audience—the chronicle’s readers—that it was more the Nawab who was the benefactor of the British than the other way around. As it suggests, the main reason the British Company continually supported him was its extreme gratitude for his benevolence towards it and, therefore, considered it a duty to return the favor. There are at least four occasions in the chronicle where it describes how, in the mid-1740s, the Walajah family helped save the EIC’s headquarters and the lives of its officers from a French siege and, after that, the Nawab consistently gave patronage to the British nation, helping it to become the most glorious power in South Asia, at the expense of the French.²⁵

It is noteworthy that, although the Nawab praised the friendship of the British highly, his attempts to underline the distinction between the EIC and the British king should not be ignored, this clearly reflects how this local ruler positioned himself in their relationship. The chronicle accurately explains, in good detail, what the British East India Company was, how this economic institution had been formed, and how it rose from being a group of merchants to holding the exalted rank of ruler in South Asia, something that owed much to the kindness and energy of his family.²⁶ While presenting the EIC’s men as being of inferior social rank (as merchants) and the (former) dependents of his family, the Nawab also emphasized the close friendship between him and the British kings George II (r. 1727-1760) and George III (r. 1760-1820). At several points, the chronicle emphasizes the strength of the friendship and love between the Nawab and the British monarchs. The Nawab called one British king, supposedly George III, “our [the Nawab’s] brother dear as life” and mentioned that “the bond

²⁴ Nainar, *Tuzak-i Walajahi, Part I*, 104.

²⁵ Nainar, *Tuzak-i Walajahi, Part I*, 104-106, 115-124; Nainar, *Tuzak-i Walajahi, Part II*, 51.

²⁶ Nainar, *Tuzak-i Walajahi, Part I*, 104; see also 97-106.

of union between them reached such a limit that the result was a brotherly treaty.”²⁷ It was also claimed that the British king gave his word that: “As long as our authority over England and the administration of Ḥaḍrat-i-A‘lā [the Nawab] in the Carnatic continues generation after generation, the friendship and union between the two powers will be permanent and firm.”²⁸ According to Francis Buckler, in the context of Islamic courts, calling someone a brother often meant that brother was inferior or subordinate.²⁹ However, it may be going too far to claim that the Nawab viewed the British king as his inferior. On the contrary, the chronicle referred to the British king by the Persian term *padshah*, which the populations and subordinate rulers of South Asia used for the Mughals. In this light, it indicates that the Nawab saw the British king as one such superior a suzerain. Receiving brotherly love and protection from a greater power could certainly elevate the Nawab’s status on the inter-regional stage, in the same way that the honors and acknowledgements from the Mughal emperors and Ottoman sultans he received also did. His relationship with and the acknowledgement from the British monarch would also have been increasingly relevant within local South Asian contexts in the second half of eighteenth century, at the expense of Mughal prestige.

The above is an idealized depiction of the triangular relationship between the Nawab, the EIC, and the British king that the local ruler wanted the world to see. It can be viewed as his primary means of dealing with the representatives of these two institutions at his court. We will see how each of the two parties was used by the Nawab in order to achieve his purposes. Prior to that, some background on British politics and the beginnings of the relationship triangle between the Nawab, the EIC, and the British king, will be provided.

In the late 1760s, the issue of “nabobs” became a hot topic, one that was extremely important within British politics. “Nabob” was a corruption of the word “Nawab,” a Mughal title for a regional ruler. But it was used in Britain at that time in another way, to describe some of their own countrymen, mostly EIC employees, who had returned from South Asia with extraordinary fortunes. In the motherland, Indian wealth helped these *nouveaux-riches* to enter elite society and national politics. The numbers and influence of the nabob MPs rose rapidly in Britain in the 1760s, causing widespread envy and disgust among the old nobility on the national political stage, and turning many of them into fierce opponents of the EIC.

²⁷ Nainar, *Tuzak-i Walajahi, part II*, 170; Nainar, *Tuzak-i Walajahi, part I*, 106.

²⁸ Nainar, *Tuzak-i Walajahi, part I*, 124.

²⁹ Francis W. Buckler, “The Oriental Despot,” in *Legitimacy and Symbols: The South Asian Writings of F.W. Buckler*, ed. Michael N. Pearson (Ann Arbor: University of Michigan, 1985), 183.

Many old elite groups or classes then attempted to control the Company and gain a share of the South Asian wealth. As a result of their efforts, several special committees were established to investigate how the British nabobs had made their fortunes in South Asia and revealed them to the public. Whatever the reality was, in the early 1770s, the British public was presented with various allegations of South Asians being tortured to open their treasure and local rulers dethroned and murdered by EIC servants. Soon, the EIC and its officers became a type of monster in British public opinion, and sympathy was with the local rulers who were believed to have been deceived by the Company in the name of the British nation. This was followed by a public outcry for the king and government to intervene in order to stop such acts of despotism by the Company's servants in South Asia. However, there was a wide range of ideas regarding how this should be done. For example, the two main political parties in Britain, Tory and Whig, proposed different degrees of government intervention. The more moderate Tories wanted to give the British Parliament more control over the Company through the imposition of new laws and regulations. On the other hand, Whig supporters sought a complete end to the Company's role in South Asia and the transfer of all its business and possessions to the government. Yet, behind this conflict were larger ideological clashes. The EIC had been a national symbol of how British private property was protected by law. Hence, any infringement of its rights could risk the British government and the king being accused of stepping on private rights by the Company's supporters and other private sector groups, leading to a constitutional crisis. The British governments who were elected during this period thus needed to step very cautiously.³⁰

One concrete outcome to the enquiry, the clamors in the press, the ministerial conspiracies, and the responses from the Company's members and supporters, was the Regulating Act of 1773, passed by the Tory government under Lord Frederick North. It was a first step, albeit not an extreme one, by the British government in controlling the EIC. Previously, the EIC in South Asia had been administered by three independent "Presidencies"—Bengal, Madras, and Bombay—each of which had its own governor and council, all equally under the supervision of the Court of Directors in London. By the Act of 1773, the Presidency of Bengal was elevated to the position of Supreme Council of the EIC administration in South Asia, superior to Madras and Bombay. The Governor of Bengal thus became the EIC Governor-General of India. However, three of the five members of the Supreme Council, who were to vote on every decision, would be appointed by the British

³⁰ James, *Raj*, 45-51.

government. Furthermore, although the Court of Directors maintained the right to issue the Company's directives, all such instructions had to be submitted for governmental approval. One crucial compromise that the government gave the EIC and its supporters was that it allowed Warren Hastings, a long-standing and prominent Company servant, to be the first Governor-General. The appointment of Hastings sought to prevent the fierce protests which could have erupted by members of the EIC if the government had appointed one of its own people or an outsider to such a crucial position.³¹

The intervention of the British government in Indian affairs, which began with the Regulating Act of 1773, would eventually lead to the dissolution of the EIC and the establishment of the British Raj in the following century. One point I would like to make here is that Nawab Muhammad Ali Khan played a significant role in allowing this intervention by the British government. However, it is not my aim to simply restate the assumptions of other historians, such as Rajayyan and Gurney, who have interpreted the Nawab as having unwisely facilitated the process of British imperial expansion. Instead, I argue, the Nawab had no intention of assisting the British crown to expand its power over the Company. Neither he nor British contemporaries could have foreseen at the time that their actions would be part of the larger subsequent process of British imperialism. Within their own time and context, the Nawab and the various British factions who were involved each had their own immediate aims. For the Nawab, his main wish was to make direct diplomatic contact with the British king and government, bypassing the EIC. Prior to this, contact between the British state and the South Asian polities had generally been monopolized by the EIC, with the exception of some British private traders and adventurers. Nawab Muhammad Ali Khan was, in fact, the first South Asian ruler to successfully break the hold that the EIC had. Ever since 1765, or even earlier, the Nawab had been trying to get direct access to the British king, as can be seen from a complaint by the EIC's Directors over this issue:

It is extremely improper for the Nabob to convey any letters to the King through other channel than our Governor and Council. [...] This observation arises upon his addressing His Majesty Colonel Monson a copy of which letter have sent us by the Deptford. [...] We shall depend upon your taking the proper care to prevent a repetition of it in future.³²

³¹ Turnbull, *Warren Hastings*, 71-72.

³² IOR, E/4/863, DM, Courts of Directors to Madras, 4 Jul. 1765, 65-66.

Evidently, though, despite receiving direct orders from its superiors, the Madras Presidency failed to stop the Nawab. In March 1767, a Scotsman and adventurer named John Macpherson sailed for South Asia as a purser on a ship to South Asia. Landing in Madras, like many other Europeans seeking their fortune in South Asia, Macpherson found his way into the service of the local ruler of Karnatak.³³ The meeting between the Nawab and the Scot was private and nobody in the EIC knew it had taken place until its consequences bore fruit a few years later. Nothing is known of the conversation between the two of them nor of what specific results the Nawab was expecting from this private deal. However, the next part of the story, which occurred in November 1768, is well known. When Macpherson returned to Britain, he claimed he was an agent of the Karnatak Nawab, and approached the Prime Minister of England, the Duke of Grafton, with messages regarding the ill-treatment of the Nawab of Karnatak by the EIC's servants. He alleged that the EIC's officers in Madras used various tactics to extort money from the Nawab. Macpherson's arrival came at exactly the same time that the British government's jealousies over the Company's "nabobs" were at their peak and it was keenly looking for legitimate reasons to intervene in the EIC's affairs. Therefore, the Nawab of Karnatak had given them the perfect excuse. Having been provided with words from the Nawab's "secret" envoy, Macpherson, the British government immediately dispatched the Royal Navy commodore Sir John Lindsay to South Asia to act as the "British king's minister"—the king's representative extraordinary with plenipotentiary power—offering the Karnatak Nawab the British crown's friendship and protection and investigating corruption in the EIC in Madras.³⁴ The unexpected arrival of Sir John with his commission in late 1770 aroused strong protests from EIC members. In Madras, the Company's officers and the king's staff were in conflict from the very beginning. As a result, in 1771, Sir John was called back to Britain and replaced by the Royal Navy admiral Sir Robert Hartland, the second British king's minister, who had higher prestige and better-defined authority. He stayed in Madras until 1774. Through the king's representatives and other private adventurers, from the beginning of the 1770s the Nawab had regular and direct contact, and made friends, with many prominent British statesmen, outside the EIC's control. In 1774, Paterson mentioned some letters that the Nawab had prepared to send on a ship to Britain. Among the recipients were King George III and Queen Charlotte of Britain, Lord Frederick North (the British Prime Minister, 1770-1782), Lord Rockford (the Secretary of the State, 1770-1775), the Duke of Grafton (the British Prime Minister, 1768-1770), and Sir John

³³ Turnbull, *Warren Hastings*, 181.

³⁴ Fisher, *The Politics of the British Annexation of India*, 99-100.

Lindsay (of the Royal Navy, the first king's minister to India). He also sent letters to various senior EIC officers, most of whom had once been in Madras, such as Robert Clive, General Eyre Coote, George Pigot, Laurence Sullivan, Colonel Donald Campbell, and Charles Campbell, etc. Clive, Pigot, and Coote had returned from South Asia and at the time sat in the House of Commons as MPs. Sullivan had been an MP and was, at the time, on the EIC's Court of Directors and one of the most influential figures in the Company. The Campbells, meanwhile, were important EIC military commanders.³⁵

8.3 Tripartite Ritual Battles

It is not clear whether and to what extent the Nawab knew of the conflict that was brewing between the Company and the British government before he invited the latter onto the platform of Madras-Karnatak politics; it is possible that he only learned of it upon seeing the situation following the arrival of the king's ministers in Madras. Whatever the case, the Nawab had achieved a significant coup by escalating the level of his diplomatic relations with the British to the highest rank, i.e. between the two heads of state. This was not the first time that royal ambassadors from the British kings had been sent to South Asia, but, in the past, the British royal ambassadors had only been sent to the imperial court; for instance, Thomas Roe had been sent to Emperor Jahangir (1615-1619) and William Norris to Aurangzeb (1699-1702). On the other hand, regional courts had usually only received officers of the Company (who were basically merchants) or even South Asian brokers. Moreover, the previous royal ambassadors' visits had been organized by the Company, so they had essentially been sent by it, not directly on behalf of the British king.³⁶ So the Nawab's success was unprecedented and superior to anything achieved by other regional rulers of his rank. I would also argue that the Nawab was not only able to bring the British king and government into his micro-cosmos, but throughout the first half of the 1770s the Nawab sought to achieve the greatest possible advantage for himself from the presence and rivalry of the two British groups. Proof will be further provided by examining various diplomatic ceremonies and related entertainments that occurred at Chepauk Palace during that period, in which these three parties—the Nawab's court, the EIC's officers, and the king's ministers—were the main players.

³⁵ IOR, Mss Eur E/379/9, DGP, Oct. 1774, 186.

³⁶ Van Meersbergen, "Ethnography and Encounter," 143, 146.

Khilat, Nadhr, and Durbar in the Reception of the British King's Letters

Before discussing East-West cultural encounters in the diplomatic ceremonies and entertainments at Chepauk Palace, I would like to introduce three principal rituals or practices that were usually included in any ceremony at a Perso-Islamic court, and which will play significant roles in our debate. First is the granting of khilat or the ceremonial “robe of honor” from a superior to his servants as a symbolic expression of rewards, compliments, appointments, and promotions. Through this, physical contact was established through clothing; the grantor was including the receiver within his own person through the medium of his cloth; it was the public establishment or confirmation of a patron-client relationship. In other words, the acceptance of the robe was an act of homage and an acknowledgement of the superiority or suzerainty of the donor, and the refusal to receive such a gift was a declaration of independence or treason vis-à-vis the master. But, at the same time, the reception of the robe also distinguished the receiver from the common people and enhanced his status among his noble peers. As well as valuable clothing, the gift could also be other body decorations, such as a necklace or dagger, and to receive something that the ruler actually used, perhaps from his own wardrobe, would be the highest honor for the receiver.

Second was the offer of nadhr. Nadhr literally means a vow or dedication (giving something to the receiver), and it was expressed symbolically through various kinds of gifts, such as small gold or silver coins, a small amount of soil, or even a daughter in marriage. The ritual of nadhr was the counterpoint of khilat, as the giver who presented nadhr was displaying his acknowledgement of the recipient as “the source of all his wealth and being”,³⁷ in other words, nadhr was presented from an inferior to a superior or when the giver wished to show deference to the receiver. Both the granting of khilat and the offering of nadhr were customary at all levels of the Mughal imperial hierarchy, meaning that every royal and office-holder participated in the rituals of giving to his masters and receiving from his subordinates at various times.

Thirdly, the *darbar* (or *darbar*) refers to the presence or attendance of servants at the darbar—the court of a ruler—and it was a duty of a vassal to show himself whenever he was summoned so as to prove his loyalty to the ruler. On the other hand, it was a quality that a

³⁷ Buckler, “The Oriental Despot,” 181.

ruler required to be able to summon his servants to his durbar. The sharing of a meal with the ruler was also part of this practice.³⁸

As is clear from various documents, the Nawab was always extremely pleased to receive signs of friendship and favor from the monarchs of Britain. He loved to publicly discuss the contents of the letters that they wrote to him with his nobles and foreign visitors, and made sure that they were written in the court's diary and chronicle as permanent testimony to his dignity and to reach as broad an audience as possible.³⁹ The events surrounding the delivery of these letters received the Nawab's attention no less than did the contents themselves. Many details of the special events that occurred during the years 1770-1773 were recorded in Paterson's diary, as he had the chance to participate in and eventually took a central role in organizing them. The *Ruznama* also occasionally provides some depictions of these events. In what follows, I summarize the details of several of such ceremonies and the evening entertainment: deliveries of the king of Britain's letters by the two king's ministers (August 1770, September 1771, March 1772, April 1773) and the granting of the Order of Bath to Sir John Lindsay, the first king's minister (February 1771). Through these events, the reader will gain a general idea of what happened in Madras and Chepauk Palace in those days.

One indispensable part of the ceremony was a display of military might and military cooperation between the Nawab and the British. A large military force was summoned to take part in processions. It was made up of the Nawab's cavalry, the battalions of the Nawab-EIC joint force, the marines of the British royal squadron under the king's ministers, and the Company's ships. The ships were anchored opposite the broad walk that led from Chepauk Palace to the sea, and the Nawab's flags, which were on the king's minister's ship, were to be hoisted on the mizzen topmast as a compliment to the local ruler. In the morning, the "four khans"—which seems to refer to the four highest ministers of the Karnatak court—would be sent to the residence of the king's minister with palanquins to conduct him and his escort to the palace. Royal letters were placed on a cushion which was richly laced and fringed, and carried by the secretary of the king's minister. The Nawab's diwan was at the head of this deputation, leading the group to meet the grand procession that was waiting at the gate of Fort St. George. Here, the Nawab's elephants, richly dressed, waited to carry the presents from the king of Britain. The procession was surrounded by military forces. There were

³⁸ Buckler, "The Oriental Despot," 178-182; Van Meersbergen, "Ethnography and Encounter," 174-177.

³⁹ TA, Catalogue of Persian Records, bundle 65, *Ruznama*, 30 Apr. and 1 May 1773; bundle 67, 15 Jul. 1774; Nainar, *Tuzak-i Walajahi, Part II*, 250-252.

hundreds of dancing girls and musicians, some on foot and some on bullocks, playing various instruments including tom-toms, kettle drums, horns, trumpets, flutes, clarinets, and cymbals. As the parade proceeded, it was met by one of the Karnatak royal family, who was waiting on horseback. This prince dismounted, and the king's minister came out of his palanquin, whereupon they embraced each other. The procession then resumed, and the prince rode by the side of the king's minister's palanquin. The whole road, from the Madras Governor's Garden House to Chepauk Palace, was lined with sepoy, drawn up on both sides and forming a lane through which the procession passed. At one point, the parade would halt in order to receive salutes from the military officers, and the drums beat a march in the European military style. At another place, the procession stopped again, where more members of the Nawab's party, of higher rank than the previous ones (either the Nawab's brothers or eldest sons), were waiting. Then, the princes of the state directed the king's minister to the palace, where the Nawab was waiting for him at the bottom of the stairs to lead him into the court hall.

The Nawab was very richly dressed on these occasions. He had jewels on his head that were bound to a turban, from which a fine feather sprung up on one side. His body was also decorated with jewels and several strings of very fine pearls, along with a necklace with a large square diamond pendant. The court hall was covered with handsome carpets, in the middle of which was the *musnud*, a royal seat in the Indo-Persian style. However, the Nawab did not sit on the musnud on such a day but stood before it all through the ceremony, after which he would sit on a chair in the European manner, in the same way as did his guests. The Karnatak court hall was filled with an immense number of people. Every royal family member and officer was summoned to the durbar to bear testimony to the significance of the event. In the presence of all the indigenous and European noblemen, who were standing round in a circle, the king's minister pulled off his hat to deliver letters from the king and queen of Britain to the Nawab, and words of friendship were passed between the two of them. The Nawab received the letters with a great show of respect before the indispensable step of opening and reading them aloud publicly. The secretary of the king's minister read the English version, after which a local official read the translation in Persian to a very crowded durbar. Another essential part of the ceremony was the royal salute, which followed the European military custom. After the letters were read out, the Nawab's gun would fire the royal salute for the British king. This would be followed by a 21-gun salute—the number of shots representing the sovereign or head of state—from the king of Britain's ship for the

Nawab of Karnatak, followed by more salutes from other ships and Fort St. George. During the gun salutes, the local custom of offering nadhr to the Nawab would be performed by everyone assembled, except for the king's minister, who represented the king of Britain. After the ceremony in the hall was finished, the Nawab's regiment of horses assembled in the middle of the garden to perform an exercise of evolutions and firing, reflecting once again that the Nawab paid particular attention to exhibiting his military prowess to the world on such occasions. Thereafter, a luxury European-style lunch was prepared at the court. All throughout, the highest praise, along with gun-salutes, was exchanged between the king and queen of Britain—through their representative—and each of the Nawab's family members. On one such occasion, the Nawab insisted he wanted to toast the king's minister and ordered nineteen guns to fire from his own field-pieces to honor the royal envoy, something the latter was not expecting. Such an occurrence demonstrates that the Nawab knew European manners extremely well and was accustomed to using them to please his honored guests. The lunch ceremony ended with a local custom whereby the Nawab presented everyone with a garland of flowers, putting them around the neck of those sitting close to him himself and, at the same time, giving everyone betel and rose-water. In the evening, Chepauk Palace and its garden were brightly lit for a European-style dinner, supper, ball, and entertainments, such as traditional dancing and fireworks. All the English noblemen, including the king's minister's attendants and the Company's high-ranking officers, were invited to celebrate the special occasion, and the party again became a means by which everyone involved could exchange compliments and give each other dignity and honors.⁴⁰

As well as the reception of the king's letters, in the period 1770-1773 there was another important ritual relating to the British royal house that took place in Chepauk Palace whose details are worth discussing here: the granting of the Order of Bath. In February 1771, a ship from Britain arrived in Madras with a decree from King George III to promote Sir John Lindsay, the first king's minister to India, to the fourth most senior order of British chivalry—known as “the Most Honorable Order of Bath”—and also to grant some royal ensigns to General Eyre Coote, a high-ranking British soldier in the EIC's army. This filled the Nawab with excitement because he was informed that he had been chosen by the king of Britain to invest the two British servants with these honors. He was “very inquisitive” to know how the right that had been conferred on him by King George III would do honor to himself, and whether this showed he was particularly distinguished in the eyes of the British

⁴⁰ IOR, Mss Eur E/379/2, DGP, Aug. 1770, 17-29; E/379/3, Sep. 1771, 3-4, Mar. 1772, 166-167; E/379/5, DGP, Apr. 1773, 107-108.

king. As Paterson explained to the Nawab, when the British monarch chose to confer such an honor on any of his officials resident at a foreign court, it was customary for the sovereign prince at whose court that official lived to be the representative of the king. As such, the local ruler—in this case the Nawab—represented the king of Britain himself, the sovereign of the Order of Bath. Sir John Lindsay was appointed as the king’s minister to all the princes of South Asia. But Paterson went further, intending to please the Nawab, by saying: “His Majesty the King of Great Britain has made choice of your Highness in preference to them all on this occasion to represent his person” and “to perform a ceremony which is done by His Majesty alone in his own dominions,” and as the Nawab of Karnatak he was particularly chosen; “had it so happened that Sir John had been at Shah Allum’s Durbar at that time; even the Emperor of Hindustan could not have performed the ceremony.”⁴¹

After learning all the details of the ritual and being assured that this mission from the king of Britain would increase his dignity and fame, the British-Christian ceremony of knighthood was held at Chepauk Palace, following the rules set down by the British government in London. However, some additions were proffered by the Nawab; he wished to present Sir John with a dress (a suit of cloth in the European fashion) and some indigenous honors and titles on this occasion “as it was the custom of the country.”⁴² Evidently, this referred to the ceremonial granting of khilat in the Indo-Persian tradition, from a ruler to his subject. Sir John approved the Nawab’s offer with pleasure, as he probably saw that such honors from the local ruler would increase his own standing. On the other hand, the Nawab’s intention seems not only to have been to please the king’s minister, since, with these offers, he was able to make the honorable king of Britain’s minister make a significant symbolic gesture of submission towards him. All the hidden meanings in the khilat ritual could easily be understood by the locals. The case of Sir John was not unique as regards how the British were used in this way at the Nawab’s court. The *Tuzak-i Walajah* and the *Ruznama*, which were aimed directly at local audiences, emphasize that the Nawab frequently bestowed presents of khilat, horses, and swords on senior EIC officers, such as Stringer Lawrence (the first Commander-in-Chief of the EIC in India), George Pigot (the Madras Governor, 1755-1763), and General Joseph Smith (Madras Commander-in-Chief) as reward for their service in wars. Pigot, for example, was also bestowed a mansab of 7,000, a *nawbat* (drum), and a palanquin, all of which were the dignitaries received by a mansabdar in the Mughal

⁴¹ IOR, Mss Eur E/379/2, DGP, Feb. 1771, 183-184.

⁴² IOR, Mss Eur E/379/2, DGP, Feb. 1771, 185, Mar. 1771, 210-212.

tradition.⁴³ From the South Asian standpoint, in receiving them, these senior British officers were showing their submission to the Nawab's authority and becoming integrated into his micro-cosmos as retainers.

During the preparations for the Order of Bath ritual, the Nawab also earnestly investigated the British royal ensigns from King George that were to be granted to Sir John Lindsay and General Eyre Coote. The ensigns of Sir John—collar, ribband, and star—to be used in the ceremony were shown to him, and it was recorded that the Nawab was extremely pleased with them and tried them all on, before then hinting to the secretary of the king's minister that he would not mind if the king of Britain also sent him some of these ensigns. He requested that the ensigns of Coote be brought to him, too, saying: "If the king has ordered me to invest him, he should receive them from my hands alone," and "it will be a great honour to me and will look well amongst the people here."⁴⁴

The above accounts reveal some significant aspects of East-West cultural encounters at the Nawab's court. First, they reveal how the local and European codes of honor, rituals, customs, and ideologies could be mixed in this South Asian court as long as they were considered by both parties as amplifying both the ceremony and their own prestige. During one such event, the streets of Madras and the "darbar" were full of both local and European nobles, while the Indo-Islamic elements of nadhr, khilat, betal, rose-water, richly-dressed elephants, and local Indic music were mixed with Christian rituals of knighthood, Western-style royal salutes, toasting, music, balls, etc. Next, the evidence suggests that the Nawab was not only quick to understand and grasp the western codes of honor, he was also often able to use them smoothly and fluently as diplomatic tools with which to please his foreign guests and serve his own interests in the local context by adding some commensurable indigenous codes. One thing that should also be noted here is that what was always of ultimate concern to the Nawab in these diplomatic exchanges and his embrace of various European elements into his micro-cosmos was not how to please the British but how to "look well amongst the people here."⁴⁵

⁴³ Nainar, *Tuzak-i Walajahi, Part I*, 105; Nainar, *Tuzak-i Walajahi, Part II*, 173, 248; TA, Catalogue of Persian Records, bundle 66, *Ruznama*, 15 Nov. 1773.

⁴⁴ IOR, Mss Eur E/379/2, DGP, Feb. 1771, 183, 186.

⁴⁵ IOR, Mss Eur E/379/2, DGP, Feb. 1771, 183, 186.

Theatres of Honor: Conflict and Competition for “The First Place”

As is shown in the records, all the ceremonies and entertainments that were related to the British were of great importance to the Nawab. He paid attention to every minute detail, including the furniture, food, and decorations in the palace, the way his servants should behave, and even the dress of the attendants. Wine was purchased from European ships for the drinks of European officers. Every possible enquiry was made regarding what had been customary on previous occasions to make sure that no mistake was made by doing either too much or too little.⁴⁶ Any deviation from the usual customs had to be discussed and consent given by both the Nawab and the British groups concerned. As discussed earlier, the Nawab was keen to add new features if it was considered that they would improve the sanctity of the ritual and his dignity. One more example can be given. For the reception of the king’s letter in March 1772, it was agreed that a pair of state British Jacks from the Madras Governor, as well as a fringed parasol given to the Nawab by the Mughal emperor as a mark of high rank “which had never attended on any such occasion before,” should be included in the morning procession.⁴⁷ However, any proposed reduction in the number of important elements was usually rejected, even when there were practical reasons for so doing. For example, in April 1773, after many such ceremonies related to the delivery of the king’s letters, the British proposed shortening the procession route and cutting out the country music “to give less trouble and to make it less tiresome.”⁴⁸ The Nawab, however, insisted on continuing as usual.

The Nawab’s and his retainers’ desire to increase his prestige by integrating various Eastern codes of honor were not always permitted by his European counterparts. Sometimes, such issues led to serious conflict. One such example occurred between the Nawab and the second king’s minister, Sir Robert Hartland, over the offering of nadhr. As mentioned earlier, the offering of nadhr was usually part of the delivery of the king of Britain’s letters to the Karnatak court. However, there had been an agreement between the Nawab and the party of Sir Robert that every participant, both European and local, would offer nadhr to the Nawab except the king’s minister himself, who was at that moment representing the king of Britain and, therefore, could not pay homage to others. However, this exception must have proved unpopular with the Nawab’s faction since, during one such event in April 1773, the princes Modal al-Mulk and Seif al-Mulk, the second and third sons of the Nawab, tried to challenge the custom. Using their familiarity with the king’s minister, they took hold of Sir Robert’s

⁴⁶ TA, Catalogue of Persian Records, bundle 65, *Ruznama*, 1 May and 3 Jun. 1773; IOR, Mss Eur E/379/2, DGP, Aug. 1770, 19-20.

⁴⁷ IOR, Mss Eur E/379/3, DGP, Mar. 1772, 166-167.

⁴⁸ IOR, Mss Eur E/379/5, DGP, Apr. 1773, 105.

hands and urged him: “you present nazir [i.e.nadhr], you present nazir,” at the same time putting a few rupees in a handkerchief and forcing it into his hands.⁴⁹ Paterson, at that time secretary to both the king’s minister and the Nawab, tried to stop Sir Robert from such action, but the situation forced the latter to go along with it and the Nawab thus received his nadhr. The two young princes probably wanted to enhance their father’s honor and did not expect it to cause a significant reaction from the British. Yet the issue was more serious than they seem to have presumed, and the dispute continued for days after.

Prince Modal al-Mulk justified his actions and convinced Sir Robert to follow this local custom in future by arguing that previous high-ranking British officers, including the first king’s minister, Sir John, all used to give nadhr to the Nawab. Paterson responded that these other officers were not the representative of His Majesty, the king of Britain, who should not pay such a compliment to anyone on earth. Regarding Sir John, he had given nadhr on only one exceptional occasion, when he was invested with the Order of Bath by the Nawab, at which time the Nawab was representing the British king. In support of the local princes’ action, Venkatachalam, the Nawab’s Brahmin counselor, proposed that Sir Robert have a double identity on this one occasion. As the Brahmin suggested, as soon as Sir Robert had delivered the royal letter, he could cease to be the king’s minister and give nadhr simply as a British admiral. This proposal, and the local politics behind it, left Paterson bewildered. The Nawab tried to explain to Paterson that the nadhr implied no inferiority because one king could give it to another. However, Paterson was not convinced by this as he had researched the practice from other sources and found a reference in a record of the French Company that implied that nadhr was tribute offered by those subordinate to the prince: “Le Nazi reste un homage, qu’on accompagne d’un tribute de roupies d’or. Les Indiens offrent ce tribute a leurs Princes dans des jours de fêtes et de cérémonies!”⁵⁰ Eventually, Paterson, seeking a compromise, said to the Nawab that, if he believed it essential to his honor, he would ask the king’s minister to write to the British government to ask permission to do so in the future. However, such debates caused the Nawab great unease. He was afraid that Paterson and the king’s minister, the principal channels through which he could send messages to the British government, would harbor resentment towards him that would have negative consequences for his reputation in Britain. Eventually, the Nawab decided to attempt a conciliation, concluding that he would, from then on, leave it to Paterson to ensure that neither the honor

⁴⁹ IOR, Mss Eur E/379/5, DGP, Apr. 1773, 107.

⁵⁰ IOR, Mss Eur E/379/5, DGP, Apr. 1773, 113.

of the Nawab of Karnatak nor that of the king of Britain would suffer. However, he insisted that the episode be entirely forgotten and not mentioned in any letter or report.⁵¹

The Brahmin Venkatachalam's suggestion to the British king's minister, that he consider having a double identity, at one point being the royal representative and another himself—a British admiral—is worth paying particular attention to here. This may help in the ongoing debate within the recent work of Van Meersbergen regarding how one should interpret or perceive the meaning of receiving khilat, as well as other symbolic gifts, in early modern diplomatic exchanges. According to Van Meersbergen, the normative meaning of receiving khilat, first given by Buckler—which is solely about the recipient's acknowledgement of the supreme authority of the donor and the recipient's becoming a servant of the donor through this ritual—could not have been the case in the context of royal representatives of another king. Van Meersbergen thus does not fully agree with Pete Emme and Jos Gommans, who to some extent have followed Buckler, stating that during diplomatic exchanges between VOC envoys and the Persian court, “[b]y wearing such a robe of honour [...] without [the Dutch] noticing the VOC had thus become a subject of the Persian Shah!”⁵² In other words, the receiving of a robe by a “foreign” officer or envoy could be interpreted in ways other than simply the submission of one sovereign to another. One historian who has tried to solve this problem, Stewart Gordon, suggests that multiplicity of meanings of the practice and the variety of contexts in which it occurred should be considered; thus, in a reciprocal exchange between two sovereigns, strict meaning of incorporation should not be applied.⁵³ However, Van Meersbergen also does not agree with Gordon's interpretation, and continues to incline towards Buckler's, Emme's, and Gommans's view of incorporation, albeit with some convincing modifications. First of all, when a royal ambassador or Company agents accepted the khilat, it was not “without noticing.” Second, it was not “the VOC” as a whole (or their kings, in other cases) who became “a subject of Persian Shah.” The seventeenth-century foreign envoys in Van Meersbergen's studies were fully aware of the significance of their acts and the meaning of the practices. They accepted being symbolically incorporated into the ruler's patronage network, which in practice implied they would receive his protection for the duration of their stay in his domain and formally pledged to remain the ruler's faithful servants in exchange for achieving what they had set out to in their missions: cultivating their relationship with the ruler, personal advancement, or trading privileges.

⁵¹ IOR, Mss Eur E/379/5, DGP, Apr. 1773, 107-114.

⁵² Van Meersbergen, “Ethnography and Encounter,” 178.

⁵³ Van Meersbergen, “Ethnography and Encounter,” 178-179. See also: Stewart Gordon, *Robes of Honour: Khil'at in Pre-Colonial and Colonial India* (New Delhi: Oxford University Press, 2003), 2, 9-10, 21-22.

More importantly, this ritual rarely led to problems for them, mainly because they understood fully that the ceremony signified the establishment of “personal allegiance” and not a claim of sovereignty over the Company or the king they served. In other words, it was a personal relationship, one that did not compromise their overlord’s authority.⁵⁴ The viewpoint of South Asians, such as Venkatachalam, regarding nadhr offerings, described above, confirms and supplements the perspectives of the European agents towards the gift-giving rituals as presented by Van Meersbergen. What the Karnatak elites expected from the European participants in such rituals was an expression of “personal allegiance.” The Nawab’s aim was not to jeopardize the dignity of the British king or incorporate the latter into his suzerainty, but his target was the person of Sir Robert. If that British who was both the Royal ambassador and Royal Navy accepted his suzerainty, then other British agents in Madras, especially those of the EIC, who were merely merchants, had no right to deny the Nawab’s overlordship; the Nawab would thus be perceived, throughout society, as the overlord of all the British in Madras.

There were other issues, similar to the incident above, that could not be seen as “unintentional” mistakes resulting from different cultural ideas or traditions, and which frequently occurred during these ceremonies and entertainments at Chepauk Palace. These could be caused by the British faction just as easily as by the Nawab. I would suggest that these cultural “clashes” were often deliberately concocted by one group as tools to insult and lessen the greatness of their “rivals.” The ceremonial events could be seen, metaphorically, as theatres or battlefields in the competition for honor, prestige, and dignity. A prime example occurred during the reception of the first British king’s letter from Sir John Lindsay. As mentioned earlier, the arrival of the first king’s minister in August 1770 was a shock, and his authority was unacceptable to the Company’s people. To protest against both the king’s minister and the Nawab, who had played a crucial role in his posting there, the Madras Governor declared that the EIC would not participate in this ceremonial event. Such a rejection by the Company’s people would, naturally, risk bringing dishonor on both the king’s minister and the Nawab in the eyes of the public. In order to not lose face, the king’s minister and secretary offered the Nawab a simple solution: the royal letter could simply be delivered to him in private. This clearly demonstrates that the king’s minister’s party was too new to understand the mind of the Nawab and the real function of both the British royal’s friendship and the various related ceremonies within the local context. However, they soon

⁵⁴ Van Meersbergen, “Ethnography and Encounter,” 179, 181.

learned. In many subtle ways, the Nawab made the king's people understand clearly that he would in no way be happy with a private ritual. He wanted to be presented with the royal letters in a public ceremony because he knew full well that accounts of those letters "would be written everywhere and talked of all over the country; and the more show and parade made about this business, it would make the greater noise and would be the more for his honor."⁵⁵ Despite his declaration to the British minister that his wish was, as far as possible, to show respect to the British king, the Nawab's real concern was always the local audience.

Determined not to be defeated by the Madras government, the Nawab and the king's minister's party prepared the public ceremony themselves, in the most splendid way possible. It was essential that the ceremony should not look or be inferior to any previous occasion, i.e. any of those that had been organized by the Company's people, and, in the end, the ceremony and the evening's entertainment were a success. During the banquet, the Nawab was richly dressed, with a sword at his side in the European manner, a sword that he had received from the king of Britain only that morning.⁵⁶ Through this simple act of gratitude and by displaying his friendship towards the British crown, it seems that the Nawab was declaring in front of everyone his victory over the EIC's officers. By accepting a piece of royal clothing (the sword), the Nawab was incorporated into the royal person and the patronage network of the British king. Being the friend of and receiving protection from their overlord, the Nawab thus became the master of these British agents in South Asia.

After some time had passed, the situation between the British king's minister and the Company's people "improved." The Company's troops and officers were allowed by the Madras Governor to participate in subsequent ceremonial events, for the general benefit of the British nation. However, during the years 1770-1773, the Governor himself continued to insist that he was unable to take part in any official ritual whose leading role was assigned to the king's ministers. Governor Josias Du Pré made a stand that, as the chief of Madras, he could not give up "first place to anyone" in official rituals.⁵⁷ The term "first place" used by Du Pré seems to refer to the position of the most honorable or the most important individual on whom the spotlight should primarily be in a ceremony, event, or place. In the reception events for the British king's letter, the Nawab (as the host) and every participant should customarily give "first place" to the British king's minister, and, if the Madras Governor was there, he would be placed only in the second rank. Yet, as supreme leader of the British

⁵⁵ IOR, Mss Eur E/379/1, DGP, Jul. 1770, 297.

⁵⁶ IOR, Mss Eur E/379/2, DGP, Aug. 1770, 9-10, 17, 27-28.

⁵⁷ IOR, Mss Eur E/379/2, DGP, Apr. 1771, 247.

settlement in Madras, the Governor did not want that. Eventually, Du Pré made a compromise with the Nawab and the British king's faction: he could join any "unofficial" party and entertainment in the evening, either to celebrate the delivery of the king's letters or any other event hosted by the Nawab for the British people. This compromise by the Governor was likely due to the fact that, if he refused to take part in any event, it could either have been interpreted as rudeness and disrespect to the Nawab or people may have started to think that the Madras Governor was not as important as the king's minister so the Nawab did not invite him. In such circumstances, the Madras Governor would also have lost "first place" in the even wider context of being the premier British gentleman in Madras. I find the term "first place" crucial for understanding the competition between the Nawab and the British factions. As is seen frequently in the sources, whenever all the honorable people of Madras—both Indian and British—gathered together, there were always attempts to gain "first place."

The scene from one evening in March 1771, when the Nawab invited all the British gentlemen to congratulate his eldest son on his upcoming wedding, is a good illustration. According to local custom, the bridegroom had to sit in the musnud in the center of the *pandal*—a temporary pavilion erected for public meetings or rituals—for many nights to receive the respect and blessing of all the important people in the kingdom. Traditionally, the musnud consisted of rich carpets that were placed on the floor and surrounded by luxury cushions. But, on this specific night, when the European guests came, the musnud for the Nawab's son was specially designed; it was raised to the height of the chairs as a reflection of European manners of sitting, since it would be a disgrace for the prince "to sit lower than any person in the presence."⁵⁸ It is likely that this was because the Nawab was concerned that his son's "first place" would be taken by the Europeans. Among the British, there was also competition for "first place" at the same event, and, by a cunning trick, the Madras Governor Du Pré managed to make himself the first British gentleman to walk up to the musnud to congratulate the bridegroom, and thereby relegated the king's minister Sir John Lindsay to second place, before other Europeans of lower rank were allowed to follow. The king's minister immediately perceived the trick and was greatly annoyed with how he had lost first place.⁵⁹ The following month, such an event was held once more so that the British could celebrate the wedding of the Nawab's second son. The Madras Governor, probably afraid of some sort of retaliation, declared from the very start that he would only accept the invitation if both he and the king's minister were not "in competition;" while Sir John was with the

⁵⁸ IOR, Mss Eur E/379/2, DGP, Mar. 1771, 215.

⁵⁹ IOR, Mss Eur E/379/2, DGP, Mar. 1771, 214.

Nawab, he would stand with the bridegroom, and when Sir John chose to be with the bridegroom, he would attend to the Nawab.⁶⁰

Another important example that clearly reflects the fact that the Nawab had good understanding of the “first place” concept and the competition between the two British factions occurred in March 1771, when he hosted two consecutive evenings of European entertainment at Chepauk Palace. The first night was a celebration for Sir John on the occasion of his receiving the Order of Bath; according to Paterson, the Nawab was determined to give the king’s minister “the first place” in that event, considering it “his night” and paying him the greatest attention. This was the case from the outset, as, when the Madras Governor arrived and Prince Abd al-Wahab Khan, the Nawab’s brother, started to walk up to welcome him, the Nawab suddenly took hold of his brother and ushered him in the direction of Sir John first. Paterson immediately noticed the king’s minister’s satisfaction at this, while the Madras Governor felt the polar opposite. This was probably why the second night of entertainment—claimed to be a party to celebrate the upcoming weddings of his two sons—was organized very shortly after the first. On this occasion, the Nawab dedicated the party to the Company’s people and the first honor was paid to the Madras Governor.⁶¹ Paterson also remarked that the Nawab was very cautious regarding how he preserved his own “first place” when with the British nobles during such events. The Nawab made the polite excuse that he did not know the European custom of the right and left hand; all he wanted was to have his two best friends near him. But Paterson noticed that, at several times during the first night—that in honor of the king’s minister—when the Nawab received the Madras Governor he always placed himself to the Governor’s right; afterwards, he would call the king’s minister to sit by him to his right. In this manner, the Nawab, as host, would be in the middle, gracefully supported on his right side by the British king’s minister and on his left side by the EIC’s Governor of Madras. This situation was acceptable for the king’s minister because the most significant guest was the person sat to the right of the Nawab. But the Madras Governor, who was placed on the left, was certainly not pleased with the arrangement.⁶²

The crucial point I would like to underline from these accounts is that the Nawab clearly understood this British rivalry. He recognized that, during these entertainments, his behavior—as well as that of other Karnatak notables—towards the competing British parties was seen by all participants as a significant indicator of loss or gain in their standing. He

⁶⁰ IOR, Mss Eur E/379/2, DGP, Apr. 1771, 247.

⁶¹ IOR, Mss Eur E/379/2, DGP, Mar. 1771, 212-213.

⁶² IOR, Mss Eur E/379/2, DGP, Apr. 1771, 247.

knew perfectly well how to play the game, how to control the situation, and when to play one off against another to his own advantage. Above all, in all these ceremonies and entertainment events, the Nawab knew very well how to keep “first place” himself. Seeing this through the lens of South Asian sensibilities, the Europeans who were invited to his entertainments were turned into part of his *darbar*, i.e. attendance at the ruler’s court by his subjects when summoned to come into his presence and share his food.

“Arddasht”: Titles and Honors, “Governor” or “King”

One consequence of the visit and temporary stay in Madras of the king’s ministers that is clearly reflected in the sources was the Nawab’s changed attitude and approach towards the Madras Presidency. In the words of Paterson, who witnessed this development closely, “[...] lest anything which he [the Nawab] did, should even in the eyes of his own people, make him appear greater than the Governor [of Madras].”⁶³ One illustration of the Nawab’s display of his own superiority over the Company’s agents came when he wanted them to resume the custom of a gun-salute upon the arrival and departure of both him and his family at the Company’s fort. This practice seems to have been followed previously, but in the recent past at least had not received much attention from either the Nawab or the Madras Presidency, probably due to their visits being fairly frequent.⁶⁴ The Nawab’s seriousness in wanting to resume this custom was seen in June 1773; upon the departure of his second son to war, the Madras Governor said that there was no gun available at that moment, implying that the custom could be skipped. However, the Nawab would not accept this and did not let his son leave without first receiving the salute from the Company.⁶⁵ On another occasion, when the Nawab sent his ambassador to negotiate some business with the Dutch VOC in Negapatnam, he asked the Madras Governor for a salute for his representative to ensure an honorable departure. This was unprecedented, as the EIC claimed that it never saluted anyone but the Nawab’s family, and the Madras Governor naturally refused. This idea of the Nawab had been put to him by Paterson, his British secretary, with the agreement and support of the British king’s minister. As the king’s faction argued, it was widely known that the Madras Presidency saluted representatives from every Indian power that arrived, even from petty Poligars. Therefore, it was necessary for them to pay this proper compliment to the Nawab’s ambassadors. Furthermore, the king’s minister had already given the order to salute the Nawab’s envoy with thirteen guns, so the Company had no right to refuse a compliment that

⁶³ IOR, Mss Eur E/379/3, DGP, Aug. 1772, 252.

⁶⁴ IOR, Mss Eur E/379/3, DGP, Aug. 1772, 233.

⁶⁵ IOR, Mss Eur E/379/5, DGP, Jul. 1773, 232.

the representative of the British king was willing to make. Eventually, the Madras Governor was obliged to salute the Nawab's envoy.⁶⁶ These examples show that the Nawab attempted to position himself above the EIC in the pecking order, making use of the king's ministers as his assistants or supporters in order to do so.

Two other particularly important disputes between the Nawab and the EIC took place while the king's ministers were present, and I will discuss them in detail in this and the subsequent section. The first was a dispute over the terms "Highness" and "arddsht," while the second was related to extraterritorial jurisdiction. Before the mid-1770s, it had been customary of the EIC to address or refer to the Nawab using the term "Excellency" in its daily English-language correspondence and this had solicited no protest from the ruler. However, in August 1770, the Nawab for the first time objected to this to the Madras Presidency, expressing that he did not feel it appropriate that he be referred to by such a low title. Astonished at first, the Presidency soon learned that this idea had come to the Nawab, albeit unintentionally, through the first king's minister, who had just arrived in Madras. The king's people were unsure as to how they should address the Nawab in their interactions. Regarding himself in the honorable rank of the British king's ambassador, Sir John wanted the local ruler to address him publicly by the title of "Excellency." In that case, the Nawab, as the indigenous sovereign, should be called by a higher title than that. After consulting with his secretary Paterson, they resolved to proclaim that the king's people would address the Nawab in the style usually given to princes in Europe, namely "Highness." His decision pleased the Nawab exceedingly, but immediately provoked gripes from the Madras Presidency.

The king's minister must never have imagined that this trifling act, which sought to aggrandize his own honor and, at the same time, flatter the local prince, would spark off a battle for honor between the Nawab and the Madras Presidency that would last for more than two years, from August 1770 to December 1772. During this time, the Nawab insisted that the Company's people change their way of addressing him, while, for a year and a half, the Madras Presidency under Governor Du Pré claimed ignorance of the Nawab's desire and repeatedly demanded that the king's minister stop calling the Nawab "Highness," arguing that the Nawab of Karnatak was only a fawjdar—the Mughal term for petty provincial governor—and was never "sovereign" or "independent."⁶⁷ From August 1772, a time when

⁶⁶ IOR, Mss Eur E/379/6, DGP, Jul. 1773, 15, 21.

⁶⁷ IOR, Mss Eur E/379/2, DGP, Sep. 1770, 69.

the first request regarding the use of the term “Highness” had not yet been accepted, the Nawab put a further condition on the Company, one which was even harsher. The Nawab claimed that, since he did not understand English, the Company’s letters must be translated for him into Persian. In those letters, the Company must refer to the text as “arddasht,” rather than the term “*niaznama*,” which had been used thus far. This was because arddasht was the proper Persian term for writings sent to sovereigns, comparable to the rank of Highness in English. But, to everybody’s astonishment, despite this request being more demanding, the Nawab was successful and, in so doing, able to change Governor Du Pré, who just the previous year had called him a fawjdar and been his strongest opponent, into a supporter. In the last three months of 1772, Du Pré himself brought this issue to the Madras Council and consented to the Nawab’s wishes, not only with regard to the title of Highness in English but also arddasht in Persian. The problematic demands of the Nawab and the perplexing behavior of Du Pré generated “a most violent dispute” and split both the Madras Council and public opinion in Madras into two rival factions.

Some of the details of the arguments that both parties used in their dispute are worth discussing here, as they reflect clearly the complicated context in which both the Nawab and the British were operating. The first argument that opponents of the Nawab used related to the theoretical status of the Nawab within the Mughal imperial structure. From their perspective, a Nawab of Karnatak was only a fawjdar, not a sovereign prince, since he received his authority from his imperial masters. Although, by the treaty of 1768, the Nawab had become independent from the Deccan state (as discussed in Chapter Two), he was still under the authority of the imperial court. As was widely known, the Nawab always acknowledged the superiority of the Mughal emperors. The Nawab, exceedingly angry over being called a fawjdar, declared that that was a position very much below his current dignity judging by all the *de facto* rights and authority he had over his own country.⁶⁸ The Nawab and his supporters, both Indians and Europeans, put forth various pieces of practical evidence and ideological arguments to back up his claims. First, the imperial farmans, the sanads from the Deccan Nizams, the letters from the Maratha leaders, and letters from previous EIC Governors that were written to him were presented to the king’s ministers and the Madras Presidency. According to the Nawab’s interpretation, the honors, titles, and other marks of distinction given to him by all significant power holders in South Asia and high-ranking Company servants, as reflected in those documents, were almost the highest possible. They

⁶⁸ IOR, Mss Eur E/379/2, DGP, Aug. 1770, 31-32, 35-36, Sep. 1770, 69, Mar. 1771, 231.

were testimony to how other rulers at the time viewed him as an independent sovereign.⁶⁹ A number of previous Company servants had even addressed him in the highest terms, as “His Majesty” and “Royal.”⁷⁰ Prince Modar al-Mulk used the roles of the ancient rajas and sultans of South Asia to support the position of his father. He explained that, in the past, the whole empire of Hindustan had been divided and ruled by many rulers in their respective countries; they truly had royal power and royal titles. It was not until “the great Timur” [Emperor Babur?] overran the whole country that all those rulers were displaced and Nawabs named as provincial governors, under the one emperor. In the words of the prince, “my father is an independent as any of those kings were.”⁷¹

Not only were the customs and practices of the South Asian context used, but European traditions were also frequently employed in the disputes, too. Some of the British declared that the status of the Nawab was certainly equal in rank to a viceroy, thus having the same position as the Lord Lieutenant of Ireland, who was addressed by the British using the term “Excellency.”⁷² Paterson, supporting the Nawab, argued against this, and stated that the Nawab was more like a “prince,” such as their Highnesses Prince Lewis and Prince Ferdinand of Brunswick. The Nawab’s rivals claimed that he could be demoted by the Mughal ruler whenever he pleased, to which Paterson responded that such could only happen if the emperor had enough force to execute the command, similar to the case of imperial Germany (i.e. the Holy Roman Empire).⁷³ Charles Smith, one of the Madras Council members who agreed with using the terms Highness and arddasht, used the position of the British king in his justification; he argued that the Nawab was an ally of the king of Britain, and the latter could not have an alliance with a subject, only with other sovereigns.⁷⁴

One point worth highlighting is that, by late 1772, the way in which the Nawab was addressed in English was of no concern anymore. With the powerful influence of Governor Du Pré, who had given his support to the Nawab, the Madras Council eventually “agreed” to a concession regarding the term Highness.⁷⁵ But, for many of the British, what could not be accepted was the use of the term arddasht in the Persian letters, as they were convinced that it would jeopardize the Company’s prestige locally. These British men had carried out significant research into the local culture and thereby learned that the term arddasht was used

⁶⁹ IOR, Mss Eur E/379/2, DGP, Aug. 1770, 35-36, Sep. 1770, 52.

⁷⁰ IOR, Mss Eur E/379/2, DGP, Aug. 1770, 20; E/379/3, Aug 1772, 252.

⁷¹ IOR, Mss Eur E/379/4, DGP, Nov. 1772, 34-35.

⁷² IOR, Mss Eur E/379/2, DGP, Mar. 1771, 231.

⁷³ IOR, Mss Eur E/379/4, DGP, Nov. 1772, 15.

⁷⁴ IOR, Mss Eur E/379/4, DGP, Nov. 1772, 53.

⁷⁵ IOR, Mss Eur E/379/4, DGP, Nov. 1772, 54-55.

only by an inferior to a superior, implying a slavish submission to a master. As they argued, it was a rule in the empire that a Nawab of the provinces could not receive the title of arddasht even from those who were imperial diwans.⁷⁶ The EIC's officers raised this argument because, from 1765, the Company was appointed the imperial diwan of Bengal, Bihar, and Orissa by a farman of the Mughal emperor.⁷⁷ As the EIC went on to claim, at that time the Company was the only noteworthy European power in India, possessing full sovereignty over large areas and immense revenues, and it frequently received titles from the emperor. In its conclusion it stated: "[f]rom the dignities given them by the Mogul," it had a right to deal with and act towards the Nawab "on an equal footing."⁷⁸ However, the Nawab absolutely denied the Company's equality regarding the Mughal rank. As he firmly argued, "the Company were not subadar of Bengal, [but] only dewans [of Bengal]."⁷⁹ In addition, even though it was evident that the EIC was the *de facto* supreme ruler of Bengal, the Nawab still insisted on its inferiority to him in Karnatak, stating "[...] they are not sovereigns in this country [Karnatak]. That is true, neither is the Nabob of Arcot sovereign in Bengal."⁸⁰

Before we examine how this incident came to a close, one important question should be explored: Why was the issue of the words "His Highness" and "arddasht" so important for the Nawab and the British officers that they devoted significant time and energy to it? A reported conversation between the Nawab's Brahmin, Venkatachalam, and Paterson may help us better understand the wishes and concerns of these eighteenth-century elites:

⁷⁶ IOR, Mss Eur E/379/4, DGP, Nov. 1772, 17, 28, 51-52.

⁷⁷ Metcalf and Metcalf, *A Concise History of Modern India*, 53.

⁷⁸ IOR, Mss Eur E/379/4, DGP, Nov. 1772, 15, 18-19.

⁷⁹ IOR, Mss Eur E/379/4, Nov. 1772, 44.

⁸⁰ IOR, Mss Eur E/379/4, DGP, Nov. 1772, 21.

Paterson: I supposed they [the EIC] never would call their letters Arzdasht [i.e. arddasht] for the reasons that occurred to me about Bengal [...]

Venkatachalam: why did they give it to the Nizam [of Deccan] then?

Paterson: I did not think they did.

Venkatachalam: Yes they do. If they did not he would not receive their letters.

Paterson: perhaps that might be formerly but could not be so now.

Venkatachalam: if they do not give it to him [the Nizam], I am sure the Nabob will never ask it.⁸¹

The Nawab's people claimed that there was evidence of the Company addressing Nizam Ali Khan (recently, in 1768), whom the Nawab perceived as his equal, not his superior, with the title of Highness and that of arddasht in its Persian-language correspondence. Furthermore, all the rajas of the small ancient kingdoms that formed part of the Karnatak state, such as the Tanjore raja, had also been called kings and addressed in the royal style by the EIC, and the remnants of their royal houses still had those appellations at the time. The Nawab viewed himself as both superior to and the inheritor of all the authority and honor of those Hindu rajas and, therefore, he had the right to the royal titles.⁸² Yet the Nawab's opponents argued that, while such had been true in the past, it was primarily due to the limited economic and political power of the British in South Asia, as well as their lack of knowledge in local languages and customs, and everything was different now. Recently, the Company had been accustomed to writing to all significant rulers in the same manner, using the word niaznama, which put themselves almost equal to the receiver. It was also concerned that, if it compromised with Nawab Muhammad Ali Khan on this matter, other rulers would probably demand the same, something that would severely compromise the Company's dignity.⁸³

The dispute had started two years earlier, when the Nawab became angry after hearing that Governor Du Pré had called him a fawjdar. But, as I argue, the true motivation of the Nawab in all this was not as superficial as simply teaching the company's officers to learn how to respect him. As reflected in the conversation above and various other conversations between Paterson and the Nawab and his people, the principal reason was more related to

⁸¹ IOR, Mss Eur E/379/4, DGP, Nov. 1772, 20.

⁸² IOR, Mss Eur E/379/2, DGP, Mar. 1771, 232; E/379/3, DGP, Aug. 1772, 252; E/379/4, Nov. 1772, 26-27, 42-44; E/4/864, DM, Court of Directors to Nizam Ali Khan, 12 Jan. 1768, 37; Court of Directors to Nawab, 12 Jan. 1768, 41.

⁸³ IOR, Mss Eur E/379/4, DGP, Nov. 1772, 51-52.

jealousy and the competition between himself and other local power holders. How the Company referred to him would be used by the Nawab to advance his status and dignity in the local, South Asian context. The Nawab and his Brahmin also told Paterson directly that the Persian title would do him great honor and was significant in the eyes of all his servants.⁸⁴ Paterson believed that, when the Nawab received the British company's letter with the term *arddasht*, he would immediately "acquaint all the courts of India with it."⁸⁵ The same was true for his opponents. What the rivals of the Nawab worried about most was, similarly, the potential impact of the Company's status and prestige on the indigenous people's views.

Eventually, after intense debate, the dispute ended with the Nawab's victory over his rivals after he secured the use of the word *arddasht* as a result of the influence of Governor Du Pré, securing a majority of votes in the Madras Council by five to four, and the constant support of the king's ministers.⁸⁶ After this incident, the British, his powerful allies, continued to be used by the Nawab as a tool in order to achieve similar results whenever the Nawab felt himself deserving of higher standing and wished to refashion himself in the eyes of the public. For example, near the end of 1773, when the Nawab had just received the latest *farman* from Emperor Shah Alam, he immediately sent an English translation of it to the Madras Governor, explaining that he had received the new titles "Asaf al-Dowlah," "Zafar Jang," and "Sipah Sarlar." His purpose in so doing was to ensure the Company added all of these new titles to his name in its future letters to him. Furthermore, the Nawab also told his secretary, Paterson, to pass this information on to the British government via the king's minister, and expressed his great desire that, in future, the king of Britain would address him by the term "Prince of the Carnatick" instead of "Nabob" saying it would be more suitable for the new Mughal titles to which he had just been promoted.⁸⁷ No doubt, if and when he received such letters, they would have been circulated to the public as widely as possible.

Regarding this episode, Governor Du Pré's behavior in turning from the Nawab's sternest opponent into his most powerful supporter is important. His case is a good illustration of how the Nawab managed to make "friends" with individual British. Stunned at the beginning, Paterson soon began to understand why Du Pré had changed his mind. This was mainly related to the end of his term as Madras Governor, which was fast approaching, in late 1772. As had many of his predecessors, Du Pré wanted to leave his position with

⁸⁴ IOR, Mss Eur E/379/4, DGP, Nov. 1772, 44.

⁸⁵ IOR, Mss Eur E/379/4, DGP, Nov. 1772, 27.

⁸⁶ IOR, Mss Eur E/379/4, DGP, Nov. 1772, 39.

⁸⁷ IOR, Mss Eur E/379/7, DGP, Dec. 1773, 150, Feb. 1774, 217.

generous gifts and promises from the Nawab. He also needed positive recommendation letters from the Nawab to present to his masters in Britain. In this light, the Nawab's attitude towards him—friendly or hostile—was significant for his future career and fortune. The two parties, therefore, proceeded with their “secret” compromises.⁸⁸

Conflict over Extraterritorial Jurisdiction

The dispute over extraterritorial jurisdiction was not directly related to cultural encounters. Yet it is worth discussing here as one more example of the Nawab's attempts to place himself above the EIC's Madras Presidency from the early 1770s. One factor that meant the fate and business of the Nawab and the EIC were complicatedly entangled was the Madras Presidency's possession of a vast region within Karnatak's heartland (i.e. the Jagirs). Before the early 1770s, there seems to have been an agreement between the Nawab and the EIC that legal jurisdiction over the people living within the Jagirs was the Company's alone. This meant that both the Europeans and the indigenous people living in the Company's domain were subject to British law. In addition, the EIC also had extraterritorial jurisdiction, meaning that, within his territory, the Nawab only had full jurisdiction over the native population, not over British people and some indigenous servants who were registered as subjects of the EIC.⁸⁹ When the Nawab had consented to this, he may have been extremely grateful to and trusting of the EIC as a result of its past military efforts, or he may have considered that it would not be wise to resist the Company's wishes. But the situation must have been more complicated in practice, particularly after 1767 when the Nawab moved to Madras along with a large number of his family and servants, who in theory came under British law. It must have been a great embarrassment for the Nawab, as ruler of Karnatak, to allow himself and his people to be subject to foreign rules. When his attitude and self-regard began to change, especially after the arrival of the British king's ministers, the Nawab attempted to renegotiate with the Company, just as he had with the issue of his title. In 1771, the Nawab requested that the Madras Presidency give him certain privileges over legal jurisdiction in Madras so that the matter would not affect his dignity. However, there was no breakthrough for a year. However, in December 1772, there was a clash over juridical rights that was extremely irritating for the Nawab but which also allowed him to bring the issue to the negotiating table once more, something he did through a series of increasingly aggressive gestures. One Abu Mahomed, a kotwal of Arcot, was arrested by the British Mayor's Court, while entering

⁸⁸ IOR, Mss Eur E/379/4, DGP, Nov. 1772, 24-26, 48, 54.

⁸⁹ IOR, Mss Eur E/379/2, DGP, Feb. 1771, 169; E/379/5, Mar. 1773, 22.

Madras to meet the Nawab, the result of a debt he owed to a Frenchman. The Nawab immediately protested to the Madras Governor, asking what right the British had in exercising their jurisdiction over the people of Arcot. To this the Governor replied that, although Abu Mahomed was a kotwal of Arcot, he was within the jurisdiction of the British Mayor's Court at the time he was arrested.⁹⁰

The Nawab: I gave you a Jaghire that you might enjoy the revenue of it; but I did not give you the sovereignty over my subjects: and you never can expect then that I shall ever consent to give you a jurisdiction over my family. [...] but if you claim any superiority, in your country [the Company's possessions] over my people, I must do the same over your people in mine.

The Governor: No our laws must follow our arms.

The Nawab: So must my laws follow my arms.⁹¹

As can be seen from this conversation, the Nawab offered the Madras Presidency two choices. The first was focused on people: the Nawab agreed to let the British do whatever they pleased with their own subjects (British men and indigenous servants) anywhere, but he must also have the same exclusive jurisdiction over all natives, wherever they were, including in the Company's territory. The second option was spatially oriented. If the Nawab's subjects were under British laws in Madras and the EIC's Jagirs, then British subjects must be under the Nawab's authority in any part of Karnatak outside the Company's territory. The Nawab not only sent his appeals on this matter to the EIC but also to the king's minister in an attempt to make sure that the issue reached the British government in London.

As a result of Abu Mahomed's case, a previously-hidden fact was revealed to the public: that, at the request of the Nawab in 1771, the EIC's Court of Directors had already produced a compromise for the Nawab and sent it to the Madras in March 1772.⁹² This EIC compromise owed much to the political atmosphere and public opinion in Britain—which wanted the Company to be more respectful of the rights of local rulers—and also to the pressure from the king's minister in Madras. The Directors had decided to grant the privilege to the Nawab that, from that point on, his family, servants, and dependents would all be free from arrest in civil cases within the Company's dominion. But in order for the Company to

⁹⁰ IOR, Mss Eur E/379/4, DGP, Dec. 1772, 86-88.

⁹¹ IOR, Mss Eur E/379/4, DGP, Dec. 1772, 87-88.

⁹² IOR, E/4/865, DM, Court of Directors to Madras, 25 Mar. 1772, 681-682.

have a clear definition of who were the “people of the Nawab” covered by this new privilege, the Nawab was asked to send a list of all such names to the Madras Presidency. However, after the new regulation arrived in Madras, the Presidency there delayed sending it to the Nawab and the Mayor’s Court for further enforcement. This may have simply been due to ignorance on the part of the Madras officers, but more likely it was out of concern that this privilege would further aggrandize the Nawab’s ambitions at their own expense, especially coming at a time when the Nawab was intent on increasing his standing and, as a consequence, placing many demands on them.

To make the situation even more complicated, as in other Presidencies, judicial rights in Madras were not within the remit of the Company. Andrew Ross and George Smith, the two judges of the Mayor’s Court of Madras at the time of the conflict, explained that their institution had been created by acts of the British Parliament and received their judicial authority directly from the British king to whom everyone, even the Governor of Madras, was subject. The two judges were likely referring to the charter of 1726 that had been issued by King George II, which demanded the establishment of the Mayor’s Court at the three Company towns—Madras, Bombay, and Calcutta—to enforce British laws uniformly. This meant that, from then on, the British judges in those courts derived their authority not from the Company but from the British king, and their decisions had to be based on the laws of Britain and acts of that country’s Parliament alone. Therefore, as Ross and Smith said, they were not bound by the aforementioned instructions by the Company’s Directors to grant such a privilege to the Nawab’s people. As such, the judicial rights issue was not like other conflicts between the Nawab and the EIC, which could be “easily” solved through bargaining and negotiations; in this case, the standing of the Mayor’s Court—or, to put it another way, the prestige of the British king and government—was directly involved.⁹³ The case of Abu Mahomed was very problematic and the British were at a loss to know what to do, since it happened when the new regulation from the Company had not yet been relayed to the Mayor’s Court, not to mention the fact that the Court had not approved of it. Furthermore, even if the court were to approve the regulation, there was still no list of the “people of the Nawab” who were to be accorded the privilege that could have prevented Abu Mohamed from being arrested. Therefore, the British officers had no justification for releasing Abu Mohamed, as the Nawab desired, without losing face and tarnishing the dignity of their nation. On the other hand, the Nawab could not risk such an affront to his character and

⁹³ IOR, Mss Eur E/379/4, DGP, Dec. 1772, 88-89.

standing at such a time, when he was working hard to improve his status. He had put significant pressure on the newly-appointed Madras Governor, Alexander Wynch, and the party of the king's minister to make all efforts and use all possible influence to resolve this issue, and to his own advantage. Eventually, the Nawab received a promise from Wynch that he would do his best to help, and requested that the Nawab use the influence of his many powerful friends in Britain to support him. The two judges of the Mayor's Court also gave their word that they would do everything in their power to help the Nawab.⁹⁴

The matter of Abu Mohamed was resolved in March 1773. Every party—the Nawab, the Madras Presidency, and the Mayor's Court—agreed to lobby the Frenchman who was the litigant in the case to withdraw his suit from the British court and instead appeal to the Nawab for justice. Then, later, the Nawab closed the case by paying the debt owed to the Frenchman himself. The judge, Ross, gave the justification for the Mayor's Court's decision in favor of the Nawab as follows. First, the king of Britain had been pleased to constitute the court and appoint the king's minister to the South Asian princes for their own protection, of which the Nawab of Karnatak was considered one. Secondly, it was advantageous for the Company's honor, and necessary for business, to have the Nawab's residence so near Madras, and if indulgences were not granted to him then that ruler might go to his own country. And thirdly, "it is natural right" of the Nawab "to know how far his servants may be entitled to protection from warrants of arrest."⁹⁵ This last statement means that Abu Mohamed was automatically included in the list of protected people in the Nawab's judgment. Again, the situation bears testimony to the extraordinary influence and friendship networks that the Nawab had with various British agents in both Madras and London.

What the Nawab regained in 1773 was special protection for his followers in civil judicial conflicts that took place within the Company's territory. This was a huge step, yet it was not the ultimate aim of the Nawab, which was extraterritorial jurisdiction over all his subjects in any criminal matter; this would, essentially, equal the rights of British people in his lands. In other words, he would appeal to the British government for justice against any subjects of Britain, and similarly he wanted them to appeal to him for justice against any of his subjects who might give cause for complaint. Immediately after the case of Abu Mohamed had ended, the Nawab pursued this aim, repeating his previous proposals to the

⁹⁴ IOR, Mss Eur E/379/4, DGP, Dec. 1772, 88-89.

⁹⁵ IOR, Mss Eur E/379/4, DGP, Mar. 1773, 246-247; E/379/5, DGP, Mar. 1773, 62; TA, Catalogue of Persian Records, bundle 66, *Ruznama*, 27 Aug. 1773.

Court of Directors and planning to appeal to the British Parliament.⁹⁶ At around this time, in London, the Regulating Act was launched by the British government; this was the first step in taking control of the EIC's enterprise in South Asia. This was passed at the same time as the Judicature Act of 1773, which resulted in the establishment of a Supreme Court in Calcutta, whose judges were British—directly appointed from London—and from which appeals could be made to the Privy Council in London. This Act was passed to show the British government's deep concern regarding the legal rights and fair treatment of South Asian peoples.⁹⁷ It is very likely that the legal conflict involving the Nawab of Karnatak in the previous few years had been a significant factor in generating, or at least shaping, the action of the British government on this issue.

The competition and conflicts between the Nawab (and his supporters) and his opponents in the early 1770s reflect that indigenous and European politico-cultural worlds were complicatedly interwoven and that the ideas, ideologies, customs, and political practices of both sides could be easily transferred from one to the other in order to serve practical purposes in encounters between those involved. Such conflicts usually broke out when one side deliberately used these political and cultural elements as tools to insult, challenge, or lessen the prestige of their opponents, such as when the Madras Presidency refused to give the Nawab the gun salute he demanded or when the Nawab wanted the EIC to address him using the terms “Highness” and “arddasht.” Disputes also broke out when one side realized it had been deliberately used or tricked by their opponents, such as happened during the nadhr-offering disagreement between the Nawab and Sir Robert Hartland and the competition over “first place” between the Madras Governor and the king's minister. During these conflicts, one side often attempted to trick their opponent by incorrectly telling them the meaning of certain cultural markers—wishing to make use of foreigners' ignorance—but they were usually unsuccessful because their opponents understood the meanings of the customs only too well. Examples of this can be seen in the disputes over the meanings of “Excellency” and “Highness,” “niaznama” and “arddasht,” and the nadhr offering, among others.

It is even more important to note that the Nawab and his opponents not only tried to learn foreign elements in order to impress their foreign guests or prevent themselves from being abused, but they were even able to use foreign systems to support their own interests. Their position in the Mughal hierarchy, for example, was used by both the Nawab and the

⁹⁶ IOR, Mss Eur E/379/5, DGP, Mar. 1773, 22.

⁹⁷ James, *Raj*, 51.

EIC to understand their place within the local societal context. Also, the status of European princes in the Holy Roman Empire was used to support the Nawab's claim to the title of "His Highness." In summary, all the evidence indicates that the Nawab, his local servants, and all European parties involved had the ability and the means to learn and understand such foreign politico-cultural symbols and practices almost perfectly. The conflicts that occurred between them were by no means based on mutual incomprehensibility, but were, instead, deliberate expressions of challenges and dissatisfaction from one side or from both. They could happen when a position of mutual benefit could not be reached or when one side wanted to re-negotiate an issue. Using Subrahmanyam's expression, these were "a very particular form of communication, a sort of unilateral redefinition of the rules of the game."⁹⁸

⁹⁸ Subrahmanyam, *Courtly Encounters*, 16.

