

Examine the impact of colonialism on a developing economy that you have studied. (2019 Q7B)

A colony is a country or region that was conquered and ruled by another country. Britain colonised India between 1757-1947. Colonialism had a major influence in changing the patterns of world trade, and of economic development globally. Colonial powers were the core regions with high incomes and control of trade. The colonies were the peripheral regions which suffered from poverty.

The function of the colony was to serve the economy of the ruling country. India had to export cheap primary products to Britain. The colonies supplied cheap food products e.g. tea, and raw materials such as cotton. 90% of India's exports went to Britain. The colonies became the markets for the manufactured goods of the ruling country and India became Britain's largest market. Control of the increasing trade patterns increased the wealth and political importance of the colonial power. This was the policy of mercantilism and over 80% of British exports went to India.

However, India faced many challenges as a result of colonialism; little extra employment was created where the most fertile land was used for export crops. Large plantations based on large-scale operations saw land removed from growing for local consumption, and instead used for commercial crops for export. Also, before the 1800's India had many important craft manufacturing industries e.g. textiles which had the advantages of local raw materials (cotton), cheap labour, and a huge home market. Deliberate policy taxed the local producers out of the markets.

Manufacturing industry in the colony was deliberately run down to enable products from the colonial power to dominate the markets for example India's share of world manufacturing output declined from 18% in 1830 to 1% in 1930. As colonial powers exploited the wealth of the colonies, they created the basis for the 'north/south' divide today. The rich developed 'north' produced high priced goods for export. The poor, underdeveloped 'south' produced cheap, primary products for export. Colonialism also meant that India's trading patterns were completely changed. Most exports went to Britain or British colonies. Britain also controlled the imports into India, especially of manufactured goods.

Also, after India received from Britain in 1947, India was left with a cultural division based on religion to satisfy both Hindus and Muslims. India itself is mainly Hindi, and Pakistan and Bangladesh are Islam. This has resulted in boundary lines being created. In Hinduism, a caste system exists in society with Brahmins at the top, and Dalits at the bottom. The dominant castes influenced political, economic and social aspects of society, leaving lower classes at a disadvantage. This division is a challenge faced by Indian society still to this day, almost 80 years on.

Colonialism also resulted in a further divide in Indian society, with a rich, powerful land-owning group and a poor, landless group of labourers. Taxes on the large, Indian population brought great wealth to Britain. India became the main source of taxation, helping Britain to dominate world trade.