

Ports, Trading Rights and The Bribes That Changed History

A new “*administrator*” had just assumed charge in an Indian port town with sweeping powers to not only police the townsfolk but also decide on the matter of trading license, dock-area usage and customs duty on import and export cargo, the later being crucial to the thriving trade - dependent business community of the town. And the whispers got louder:

“The man is a compulsive bribe taker and an extortionist. All our trading activities will come to a standstill if this man remains in charge”, said one group. *“We have verified his track record in his previous place of posting : It is simply horrible”*, said the other group and added *“We must get this fellow transferred out by complaining to the Chief or else we cannot transact any business and even have to leave the town itself”*.

But someone learnt that the “*administrator*” in question, had himself purchased the coveted post from his boss, the Chief of the province, by paying a bribe of Rs 60,000. So any complaint to his boss was likely to fall in deaf ears. Hope finally emerged among disheartened groups when the Province Chief himself received a transfer order from the Head Quarter. Undaunted by this development, the “*administrator*” approached the India-head, paid him a bribe of Rs 2 Crore and got the transfer order of his boss cancelled.

Sounds familiar? The story of “*managing*” posting/transfer order by some powerful bureaucrat / administrator which one hears so often?

Well, you are almost right but with a small difference - **The incident narrated above is not of recent origin but happened 344 years ago!** The “*administrator*” whose posting and transfer order have been alluded above is that of “**Malik Quasim**”, the “**Governor of “Hugli”**” in 1673 (“Hooghly, as it is spelt now) who had been transferred to “Balasore” by the order of **Shaista Khan of Dacca**, the Mughal Chief of the Province and maternal uncle to Emperor Aurangzeb. And the groups who were terrified on the impending transfer of Malik Quasim were the English and Dutch traders whose trading posts or “factories” as they were being called at that time were doing good business in Balasore, one of the most prosperous towns in the east coast of Mughal India ruled by emperor Aurangzeb.

The incident narrated above happened when Malik Quasim who was the “*faujdar*” or “*governor*” of Hugli under jurisdiction of Dacca Province of Mughal India managed to get himself transferred to the more prosperous town of Balasore where both the Dutch and the English operated on a much larger trading volume than Hugli. It was double delight for him because on payment of Rs 60,000 to Shaista Khan he had also made sure that his son, Zindi Khan, would be appointed as *faujdar* of Hugli a year later. Apart from the fact that Balasore posting was a huge boost to his

career, it was also a lucrative position to be in since the Dutch and English were known to be engaged in a fierce competitive bribe-race to secure exclusive trading rights for themselves from Mughal officials in various port towns of India. In spite of such bribery being almost the order of the day in Mughal Courts, Quasim's ability to negotiate bribe was so lethal that even the habitual bribe giving European trading community shivered to interact with him. In view of his previous track record, both the English and the Dutch tried to prevent him from coming to Balasore on his new assignment. So much feared was he that the Dutch even withdrew from their factory at Pipely to make the Balasore posting appear less lucrative to Quasim. Then they started sending complaints to Shaista Khan at Dacca regarding corrupt activities of the Balasore governor. This complains proved futile as Malik Quasim had purchased the governorship of Balasore Town on payment of Rupees 60,000 to Shaista Khan himself. Hopes began to emerge among the trading community when Shaista Khan got transferred from Bengal. But such hopes were premature as Malik Quasim approached emperor, Aurangzeb, paid two Crores rupees and got the transfer order of his boss, Shaista Kahn, cancelled. With this development, the English and Dutch's hope of removing Malik Quasim from Balasore lay shattered as his position in Balasore actually became stronger. After he resumed charge at Balasore, extortion from the trading community in the port town reached new heights. No complaint worked against him as he was too powerful. The English even tried to procure another aspirant for the Port in the form of Muhammed Raja, formerly governor of Murshidabad who was independently making efforts to get the posting of Balasore. But this too failed and the "ease of doing business" at Balasore Port took a serious beating as it lost its competitive edge to other eastern ports not administered by compulsive bribe taker like Malik Quasim. This could be one of the reasons that hastened the demise of Balasore Port, the most dominant of eastern ports after 1650 AD.

The incident, taken from an invaluable historical compilation called "**English Factory Records**" by **Sir Foster William**, is one of several anecdotes of bribery and venality prevalent among the chieftains and courtiers in the crumbling Mughal empire at the closing stages of the 17th century. Unaware of the events to come, these decadent officials were extracting as much bribe as possible from the European Trading Companies for granting "*firman*s" or royal rights for trade and commerce. Little did they know that less than 100 years later one of these trading groups will be able to amass so much power from these enabling trading rights that they would eventually take away the much vaunted Mughal Empire itself.

That day arrived on 22 October 1764 when dust settled over the battlefield of Buxar, a small fortified town within the territory of Bengal, located on the bank of the Ganges river when forces led by Hector Munro of the British East India Company destroyed the combined army of Mir Qasim, the Nawab of Bengal;

the Nawab of Awadh; and the 16th Mughal King Shah Alam II. The victory of East India Company at Buxar disposed off the three main scions of Moghul power in Upper India in a single stroke. Mir Qasim disappeared into an impoverished obscurity. Shah Alam realigned himself with the British, and Shah Shuja fled west hotly pursued by the victors and later surrendered. The whole Ganges valley lay at the Company's mercy with the Company troops becoming the power-brokers throughout Oudh as well as Bihar

In one of the wicked ironies of history, a mighty civilization folded up before the private army of a Company! Yes a company, not a country or kingdom.

When we read in history books that the British conquest of India began with the Battle of Plassey in 1757, we fail to perceive this wicked irony – that it was not the British Government who defeated us but a dangerously freewheeling private company headquartered in one small office, five windows wide, in London, and managed in India by an unstable sociopath –Robert Clive.

What happened after Buxar is, after all, history. Using its rapidly growing security force – its army had grown to 260,000 men by 1803 – it swiftly subdued and seized an entire subcontinent. Astonishingly, this took less than half a century. The first serious territorial conquests began in Bengal in 1756; 47 years later, the company's reach extended as far north as the Mughal capital of Delhi and almost all of India south of that city was by then being effectively ruled from a boardroom in the City of London.

“What honour is left to us?” asked a Mughal official named Narayan Singh, shortly after 1765, “when we have to take orders from a handful of traders who have not yet learned to wash their bottoms?”

That is how the mighty mogul empire ultimately crashed. Neither did the mogul emperors of the time nor did their venal administrators knew the dangerous consequences of allowing European traders secure seemingly insignificant trading rights in ports through little amounts of bribe.

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