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What Donald Trump has in Common with Colonial-Era Indian Thinkers

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Indian and American trysts with protectionism serve as bookends for long-running critiques of globalisation, from the perspective of both poverty and plenty, respectively.

With his tariff blitzkrieg, President Donald Trump of the United States has put into practice two of his most cherished beliefs: that globalisation has not worked well for his country, and that the global economy often works as a zero-sum game of winners and losers.

Commentators have drawn historical comparisons with the Gilded Age, particularly the protectionist views of William McKinley, the American president deeply admired by Trump.

But there is another striking comparison: colonial India.

Despite emerging from a vastly different political milieu, many Indian economic thinkers in the 19th and early 20th centuries would have agreed with Trump about the pitfalls of globalisation. They, too, regularly saw the global economy as composed of winners and losers, exploiters and the exploited. Indians therefore saw a real value in tariffs, a tool for national development which would blunt the inherent unfairness of economic relationships.

The irony of this situation - that the world's preeminent economic and military power today is sounding a lot like an impoverished colony from the Victorian era - is something that beggars belief. It is nevertheless worthwhile to explore why colonial-era Indian thinkers so vociferously supported a policy which is now in vogue in the world's richest country. The Indian and American trysts with protectionism serve as bookends for long-running critiques of globalisation, from the perspective of both poverty and plenty, respectively.

An unhappy fate

How did India figure in global debates over protectionism? Very centrally.

In the early 18th century, India was still an exporting powerhouse for manufactured goods, mostly textile items. The flood of Indian textiles into Europe soon triggered a sharp backlash. Similar to today's complaints about Chinese dumping, Europeans protested that cheap Indian goods, produced by low-cost labour, were devastating domestic economies. (The historian Prasannan Parthasarathi (2011: 34-46) notes that they were wrong about low wages.) Writers like Daniel Defoe charged that Indian imports were undermining an industry of vital national importance for England: wool. France instituted protective tariffs against subcontinental goods and England outright banned most textile goods in 1700. As the historian Sven Beckert (2014: 48) notes, both countries went several steps further, criminalising the selling and wearing of certain calicoes. France even threatened the death penalty against infractors. This was the era of mercantilism, with its very Trumpian belief in an economy consisting only of winners and losers.

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The tide eventually turned against mercantilism. In his *Wealth of Nations* (1776), Adam Smith used the East India Company - now the political master of much of the subcontinent - as a prime example of how mercantilist policies spawned a host of evils including monopoly, corruption, and higher prices for consumers. Protectionism only helped rich manufacturers and smugglers, or, in the case of India, greedy Company officials. Some decades later, Smith's fellow Scotsman, James Mill (1810: 129), pronounced the Company "a nuisance" and, while advocating its abolition, made the case for some sort of free trade relationship between the colony and mother country.

This sentiment slowly trickled into India, especially as momentum built up for stripping the Company of its commercial monopolies. In Bengal, the industrialist Dwarkanath Tagore was one of a group of Indians which advocated for European colonial settlement to stimulate Indian economic growth, circumventing a mercantilist regime by bringing Western industry and capital to the subcontinent.

The *Bengal Herald*, a paper which included Rammohan Roy (also a supporter of European settlement) amongst its proprietors, called for "unrestricted commerce" and urged Britain to drop its duties on Indian goods, which were "disgraceful to a free country." In 1831, one anonymous Bengali went further. Endorsing free trade, he traced America's prosperity to its liberation from its colonial masters. Surely, he argued, Indians "would be more wealthy and prosperous" without "her dependence from Great Britain." Free trade inspired notions of freedom in other domains as well.

The early 19th century marked one of the few high points of free trade fervour amongst Indians. They had good reason to be suspicious of the doctrine. Despite the abolition of the Company's commercial monopolies in 1833, many Indians felt that the country was becoming vastly impoverished. Attempts at industrialisation, such as those of Tagore, foundered. And then there were obvious questions about for whom free trade was free.

In Bombay, the opium merchant Jamsetjee Jejeebhoy, who suffered after the repeal of the mercantilist Navigation Acts, complained that Britain persisted in levying different tariffs for different parts of the empire. One of Jejeebhoy's employees, Bhaskar Pandurang, saw in the First Opium War (1839-1842) how free trade ideologies, pursued by "a body of voracious Merchants," were tantamount to naked aggression. "Oh! unhappy fate," Bhaskar wrote. "India has been got hold of by a race of demons who would never be satisfied until they have despoiled her of all her precious things and reduced her sons and daughters to total beggary." That unhappy fate included being part of a free trade ecosystem which, once more, produced a world of clear winners and losers.

> India served as a vivid contrast to Carey's "American system," which prescribed high tariffs and infrastructural improvement for national economic development.

Meanwhile, in the West the example of India was invoked both by partisans of protectionism and free trade.

Henry Charles Carey, a Philadelphia economist and later an advisor to Abraham Lincoln, openly compared India's colonial economic system to slavery. He accused the British of weaponising free trade, throwing open India's market to British goods while maintaining key restrictions which reinforced Britain's technological superiority. "It was freedom of trade all on one side," Carey (1856: 141-142) concluded. India served as a vivid contrast to Carey's "American system," which prescribed high tariffs and infrastructural improvement for national economic development.

Ironically, around the same time, British free traders emerged as some of the greatest advocates of political reform in India. Men like John Bright, Richard Cobden, and George Thompson - full-throatedly anti-protectionist and key leaders in the Anti-Corn Law League in Britain - believed that free trade would stimulate Indian economic development. They, too, saw matters through the prism of winners and losers: many of these free traders were staunch abolitionists, and they wished to develop India into a cotton-producing powerhouse to extinguish the slave economy of the American South. The causes of free trade and development for India were, Thompson declared, consonant with "freedom for the world," an idea fulsomely endorsed by the American abolitionist leader William Lloyd Garrison (1836: vi).

Protecting the economy

It is unclear whether Carey's ideas - or, for that matter, the ideas of the German economist Friedrich List, whose "national system" similarly rubbished free trade and sanctioned high tariffs - were received in India by the midpoint of the 19th century. Nevertheless, it was around this time that Indians began advocating a developmentalist approach to economic policy, one which placed a burden of responsibility upon the state. Some of the country's first political associations petitioned the British Parliament in 1852 and highlighted Indian underdevelopment. A petition from Bombay civic leaders called for a vigorous program of public works to stimulate international trade, particularly in cotton. Their equivalents in Calcutta, meanwhile, urged the government to directly "promote the growth and increase of commerce and manufactures in India."

A crude comparison can be made between this developmentalist position and Bidenomics of recent years: stimulus to domestic industry, infrastructural development, and a recognition of gross socioeconomic inequalities. But it did not take long for Indians to venture into territory that would be more familiar to Trump. Tariff policy became a lightning rod in the late 19th century. Despite an avowed adherence to free trade principles, the British Indian government retained a system of nominal tariffs: they were handy, after all, to plug up deficits from constant military adventures.

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But when British administrators proposed changes in tariff policies beginning in the 1870s - changes which smacked of partisanship towards British manufacturers - protectionism became a key plank in the emerging nationalist movement. An early nationalist leader like Dadabhai Naoroji took a complex position on protectionism. "Free trade between India and Great Britain, he declared in 1876, "is something like a race between a starving, exhaust[ed] invalid and a strong man with horse to ride on" (Naoroji 1887: 217). He was, however, also a member of the anti-tariff Cobden Club in London. K.T. Telang, meanwhile, pointed to those very same tariffs and bans imposed on Indian goods by France and England in the eighteenth century. "The same instrument which was used as a sword against us should now be used as a shield for us," he stated (cited in Chandra 2018: 729). And Mahadev Govind Ranade made tariffs a central feature of his economic thought.

Ranade was everything Donald Trump is not: principled, erudite, a selfless patriot. Yet the economic views of the two men have some points of convergence. From a very early age, Ranade admired America's self-reliance and self-sufficiency, expressing Listian views of national economic development without probably having encountered List as yet. As early as 1872, he traced the rise of American prosperity to its system of tariffs, particularly on cotton goods. He fleshed out these views in a series of lectures in the early 1890s, citing List, Carey, Alexander Hamilton, and many other Western thinkers to buttress his assault on free trade doctrines. Free trade, he argued, worked if all societies were equal. But India was an impoverished colony, and it thus needed protectionist policies to stimulate its industry and agriculture. Mercantilism was not so bad after all (Ranade 1906: 10, 14-15, 19, 20-21) noted that it paid dividends for England under Oliver Cromwell and in Jean-Baptiste Colbert's France.

For all of these reasons, Ranade became a leading critic of the Indian government's tariff policies in the 1880s and 1890s. Importantly, however, he did not believe that the global economy would forever produce only winners and losers. As the historian Maria Bach (2024: chapter 6) has recently pointed out, he was one of several Indian economic thinkers who prophesied that, with proper protection and state-led stimulus, India could develop without impinging on Europe's economy, a "win-win model for development" that was positive-sum. And, once India was more developed, protectionism could give way to free trade. This was a very un-Trumpian perspective, one which recognised that globalisation had some definite merits.

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But others disagreed with Ranade's assessment, believing that "win-win" was not possible nor desirable. The Raj's tariff policies, as the historian Bipan Chandra (1980: 270) once noticed, helped stimulate a more militant brand of nationalism. An early sign of this can be seen in the writings of Bholanath Chandra, a Bengali businessman and a prolific traveller who poured out his economic thought in a series of articles published between 1873 and 1876. Bholanath Chandra argued that ancient India was actually the global linchpin of "true Free Trade," but that under British rule Indians had been deprived of any real economic agency. As a solution, Indians needed to be in charge of their own tariff policies. In language that would no doubt pull at the heartstrings of a modern-day MAGA acolyte, he declared that "'India for India' must be the policy, before the land can overflow with milk and honey." Bholanath Chandra, however, went even further. Surveying everything from Napoleon's Continental System to the Boston Tea Party, he urged Indians to become self-reliant and boycott foreign goods, displaying "moral hostility" to Great Britain. The mother country's loss was the colony's gain. In some of his articles, Bholanath Chandra exhibited an almost pathological aversion to imports.

> While Indian protectionist fervour was in sync with broader global trends, it is undeniable that it had a particularly sharp political edge, something sustained by the long intellectual tradition of linking free trade to poverty and underdevelopment.

As Bholanath Chandra exhorted his co-nationals to non-consume British imports, many Indians were busily laying the foundations of swadeshi. Partly in response to the Indian Tariff Act of 1875, seen as a capitulation to Lancashire cotton manufacturers' interests, a wave of swadeshi activity swept the western subcontinent (with fainter echoes in Bengal). Across Maharashtra and Gujarat, swadeshi stores and associations were established, while Indians took swadeshi vows to wear Indian cloth and purchase Indian goods. Ranade had a hand in this 'first' swadeshi movement, encouraging Indian industry through exhibitions in Pune. In response to another tariff act in

1894, Indians organised a new round of boycotts, with a rising militant nationalist figure by the name of Bal Gangadhar Tilak playing a prominent role. In Tilak's camp, the discourse of economic winners and losers found powerful new voices.

Doctrinaire protectionism

Events from the 19th century ensured that, in the early 20th, tariffs and protectionism would become articles of faith amongst Indians. The Swadeshi Movement, emanating from Bengal, catalysed the process whereby revolutionary nationalism coopted Indian economic grievances, amplifying calls for boycotts and self-sufficiency. But one other important factor influenced Indians' attitudes towards protectionism: *fin de siècle* global economic thought, which now decisively swung away from free trade.

> "Russia is protectionist, Germany is protectionist, France is protectionist; all the free and self-governing nations are protectionist."

Indians were quick to notice the popularity in Britain of Joseph Chamberlain's proposals for an "imperial Zollverein," a tariff wall around the perimeters of the empire. They surveyed the apparent success of protectionist policies in Japan and the United States. An Indian reader in the year 1900 could peruse excerpts of William McKinley's speeches extolling tariffs, republished in a range of newspapers and journals. A paper like *The Tribune* of Lahore, meanwhile, equated protectionism with national autonomy and free trade with slavery. "Russia is protectionist, Germany is protectionist, France is protectionist; all the free and self-governing nations are protectionist," it stated in 1905. "But Indians, because they are voiceless and helpless, must be Free Traders, and tied to the wheels of the Juggernaut car of Lancashire!"

In the interwar period, after the First World War laid bare the strategic costs of India's industrial laggardness, protectionist rhetoric finally leapt out of the pages of newspapers and into the policy prescriptions of imperial mandarins. Official bodies like the Indian Industrial Commission, composed of both Britons and Indians, endorsed the state-led developmentalism advocated by Indians since the 1850s. As the historian Tirthankar Roy notes, "For the first time in the history of the Empire, industrialisation and not trade became the cause the state should espouse." Subscribing to the idea of import substitution industrialisation, the Raj created a system of "discriminating," negotiated protection which could actually be quite successful (Roy 2018: 127, 131-33).

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For many Indian nationalists, however, it was too little, too late. Hostility towards foreign competition morphed into hostility towards foreign trade, capital, labour, and management - something which occasionally bordered on xenophobia. The idea that protectionism would be temporary and that development could pave the way for free trade, championed by an earlier generation of more pragmatic thinkers like Ranade, became unfashionable. Protectionism was now doctrinaire - Bholanath Chandra's worldview won out.

It should be noted that, in this period, Indian thinkers were hardly alone in taking a hard protectionist turn and rejecting globalisation. Latin American countries ramped up tariffs, as did many other countries once the Great Depression convulsed the global economy. Indians closely monitored the worldwide raising of economic barriers: Benoy Kumar Sarkar, the Bengali social scientist, studied attitudes in newly-independent Eastern European countries to foreign capital and export controls, remarking with approval that the latter "constitutes a conscious item in the economic policy of free nations" (Sarkar 1926: 134). Whereas Chandra had earlier expressed a dislike of imports, Indians were now even becoming jealous of exports, desiring state regulation.

While Indian protectionist fervour was in sync with broader global trends, it is undeniable that it had a particularly sharp political edge, something sustained by the long intellectual tradition of linking free trade to poverty and underdevelopment. Collective wisdom held that, without vigorous state intervention, the country was doomed to remain a producer of cheap exports and a dumping ground for cheap imports. A discernible feeling of resentment percolated into Indians' first drafts for economic planning, such as the 1934 plan of M. Visvesvaraya, the talented former diwan of Mysore. Visvesvaraya dismissed the Raj's attempts at discriminating protection and was, like many other Indian politicians, severely critical of the Depression-era policy of "imperial preference" instituted across the British Empire. Instead, he looked forward to full self-sufficiency for goods like cotton textiles and steel, secured via tariffs once India achieved full fiscal autonomy (Visvesvaraya 1934: 149-50, 159, 161).

A hundred years beforehand, free trade had inspired ideas of political freedom. Now, as Sarkar and Visvesvaraya illustrated, political freedom was practically synonymous with protectionism - the freedom to impose trade barriers as high as deemed necessary.

> Rooted in historical grievances, India's protectionist regime hobbled its future economic prospects, and also birthed a very questionable fascination with the elusive goal of self-sufficiency.

India thus achieved independence with a near-complete consensus in favour of sweeping protectionist policies. This consensus, as the Bombay Plan demonstrated, included some of the country's leading industrialists, many of whom had benefited from the Raj's policies of discriminating protection. However, as Roy (2018: 157) points out, it also blinded Indian policymakers to the benefits of foreign trade and globalisation, especially at a time when India desperately needed foreign technology and capital for its developmentalist ambitions. Rooted in historical grievances, India's protectionist regime hobbled its future economic prospects, and also birthed a very questionable fascination with the elusive goal of self-sufficiency.

A vast gulf separates the distressed white working-class American male - a totemic figure in the MAGA universe - from the impoverished *raiyat* and unemployed weaver from 19th-century India, whose conditions anguished thinkers from Rammohan Roy through M. Visvesvaraya. But these anonymous figures, taken together, represent something powerful. They personify real and enduring anxieties about globalisation, fears of how global trade results in uneven gains, painful losses, and large groups of people "left behind."

It is no matter that seeing the global economy as zero-sum has regularly led to counterproductive economic policy. When understanding current and historical tides against globalisation, we must realise that raw emotions - bitter grievances - often serve as a better barometer than socioeconomic data. Across history such grievances have coalesced in both the left and the right, propelling India's sharp protectionist turn after 1947 and, in more recent times, the America First movement.

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