FINANCING HUNGER:
Colonial Banking and Proletarianization in the El Niño Famines

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Famines, often regarded as natural disasters, have been questioned by scholars of famine like Amartya Sen, Mike Davis, and more who have examined how states create food systems that result in mass death. "Financing Hunger" builds on this existing work by also examining the role of private banks during the El Niño famines in late 20th-century India and China. Drawing on contemporary bank reports from archived reports and newspapers, the ways in which colonial governments and banks exacerbate and benefit from famines will be explored. Ultimately, famines functioned as a form of disaster capitalism leading to the expansion of the cash economy, global markets, and the colonial state.

Colonial famines have conventionally been seen as natural phenomena—extreme environmental conditions creating catastrophes that are not in the interest of either colonized or colonizer. However, scholarship such as Mike Davis's *Late Victorian Holocausts* has illustrated how man—made colonial famines during the El Niño Oscillation served as an example of disaster capitalism: empowering the colonial state as well as inducting colonized peasantry into the colonial cash economy and wage labour or, in Marxist terms, (semi—)proletarianization.[1] This paradigm in disaster studies posits that, firstly, disasters are primarily caused by social contexts and certain economies can bring about disasters and exacerbate them: incentivizing the growing of cash crops compromises food security, leading to famine for example. Secondly, disasters also have the potential to disrupt pre—colonial social systems and further embed colonial control: mass death and dispossession can result in the further centralization of economic power. In a modern context, disaster capitalism is defined as when private entities take advantage of disasters to consolidate privileges and power in the aftermath.[2] A similar lens can be applied to private institutions in the little—studied El Niño famines. The El Niño famines haven't received much scholarly attention in contrast to state—caused famines perhaps because these famines were caused by and strengthened market processes requiring the retreat of state

[1] Mike Davis, *Late Victorian Holocausts: El Niño Famines and the Making of the Third World*. (London: Verso Books, 2002), 9—11.
[2] Mark Schuller and Julie K. Macdonald, "Disaster Capitalism," *Annals of Anthropological Practice* 40, no.1 (2016): 62.

responsibility as well as the sacrifice of agricultural surplus, peasant land relations, and human lives.

The existing scholarship on colonial famines has focused on culture, climatic causes, and state inaction while neglecting to study the relationship between private institutions and colonial famines. Scholars of famines in late—Qing China either tend to focus on cultural histories like Kathryn Edgerton—Tarpley or accept changes in climate as the primary cause like Zhai et al.'s study.[3] On the other hand, the study of the colonial economy's role in famines in the British Raj is more developed with scholars like Amartya Sen, Amiya Kumar Bagchi, and Utsa Patnaik illustrating respectively the state—made nature of famines, the trade surplus the British Raj in spite of this, and the ultimate drain of wealth from Britain to India.[4] However, there have been no comparative studies of colonial banks during the Indian famine of 1899—1900 that most affected the Bombay Presidency as well as the North Chinese Famines of 1876—1879 and 1898—1901. By analyzing the performance of colonial banks, one can better contextualize how, despite political differences, the directly—colonized British Raj and the semi—colonized Qing state were similarly integrated into a global colonial market through private enterprises. This paper will argue that colonial banks in India and China saw an increase in financial activity caused by the aforementioned famines, resulting in the closer integration of these colonized societies into global empires. In particular, colonial banks saw their cumulative assets, currencies in circulation, and the number of branches increase immediately following or even during colonial famines. This phenomenon will be explained through the breakdown of the agrarian cycle of credit and how peasants responded to famines. The paper will conclude by exploring how the relationship between the colonial state and the colonized deepened; famines and famine relief financing brought colonialism into spaces where it had been previously nominal and integrated peasantry into colonial cash economies.

The latter half of the 19th century preceding the El Niño Famines saw the expansion of colonialism in India and its introduction to China. In India, the 1857 Indian Mutiny's failure led to the abolition of the East India Company's rule and the introduction of direct rule by the Crown, which ushered in the British Raj: a patchwork of princely states and provinces including the three main presidencies of Bombay, Bengal, and Madras, each with its own semi—private chartered Presidency bank.[5] In China, the Opium Wars and the following economic concessions granted to foreign powers in key trade centers like Hong Kong, Shanghai, and Tianjin led to semi—colonial rule, with the Qing government effectively ceding economic sovereignty to the great powers of Europe, Japan, and the USA.[6] It was these two colonized societies that the El Niño famines hit hardest. Caused by irregular weather patterns, Western devotion to laissez—faire policies, and the diminished capability of native institutions

[3] Kathryn Edgerton—Tarpley. "Family and Gender in Famine: Cultural Responses to Disaster in North China, 1876—1879." *Journal of Women's History* 16, no. 4 (2004): 120.; Xianshuai Zhai, Xiuqi Fang, Yun Su. "Regional Interactions in Social Responses to Extreme Climate Events: A Case Study of the North China Famine of 1876–1879." *Atmosphere* 11, no. 4, (2020): 394, 407.

[4] Utsa Patnaik. "Mr. Keynes and the Forgotten Holocaust in Bengal, 1943—44: Or, the Macroeconomics of Extreme Demand Compression." *Studies in People's History* 4, no. 2 (2017): 197—210.; Amiya Kumar Bagchi, "The Other Side of Foreign Investment by Imperial Powers Transfer of Surplus from Colonies," *Economic and Political Weekly* 37, no. 23 (2002): 2236—2237.; Davis, 19—20.

[5] Amiya Kumar Bagchi, "Transition from Indian to British Indian Systems of Money and Banking 1800—1850." *Modern Asian Studies* 19, no. 3 (1985): 508.

[6] Davis, 290—291.

to provide famine relief, this period of famine from 1876 to 1901 saw one of the largest mass death events in world history.[7] In this devastating era, much of the colonized world, not only China and India, went through an experience that could only be described as apocalyptic as evidenced by the eruption of millenarian peasant movements like the Society of Righteous Harmony in China, the Donghak revolution in Korea, the Canudos commune in Brazil, and the Mahdist rebellion in Sudan.[8] And yet, the colonial state and its banks not only survived but even grew. In India, the Bank of Bombay was the presidency bank in the Bombay region that was most affected by the 1899—1900 famine; meanwhile, the Deutsche—Asiatique Bank and HSBC were among the primary banks of Germany and Britain affected in China. The finances of these three colonial banks during the El Niño famines will be the focus of this argument.

Upon examining the accounts and archives of the aforementioned colonial banks, it becomes clear that famines had negative short—term effects on the banks' performance, but within months—usually before the famine even ended—colonial banks had grown in comparison to their pre—famine positions. This paper will first describe the finances of colonial banks in India and China before exploring the possible causes of their growth. *The Times of India*, the main English—language newspaper for the colonial class, published weekly reports from the Bank of Bombay detailing its assets and liabilities without equity along with brief statements from its board. Through the newspaper, readers can see how the 1899—1900 famine in Bombay developed: the July monsoon rains were showing signs of impending famine conditions, and by August, the Bank was suggesting that they were in a famine with a "complete absence of rain" in many regions—causing the failure of crops, the death of livestock, and a "dull and inactive" market.[9] The finances of the bank initially reflected this dire situation as can be seen in Figure 1, the monthly averages of July saw the Bank of Bombay's liabilities and assets drop by nearly a fifth compared to the monthly averages of April.[10] By October, the Bank had lost nearly a fourth of its deposits and a significant portion of its assets. However, in April 1900, a year after the famine started, the Bank of Bombay's assets and liabilities had returned to pre—famine levels despite the Bank's statement that they were "still suffering from the famine."[11] Finally, the figures from October 1900—as the famine was reaching its

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[7] Davis, 7.; Kathryn Edgerton—Tarpley, "Tough Choices: Grappling with Famine in Qing China, the British
Empire, and Beyond," *Journal of World History* 24, no. 1, (March 2013): 140.

[8] Davis, 96, 133, 178—179, 188.

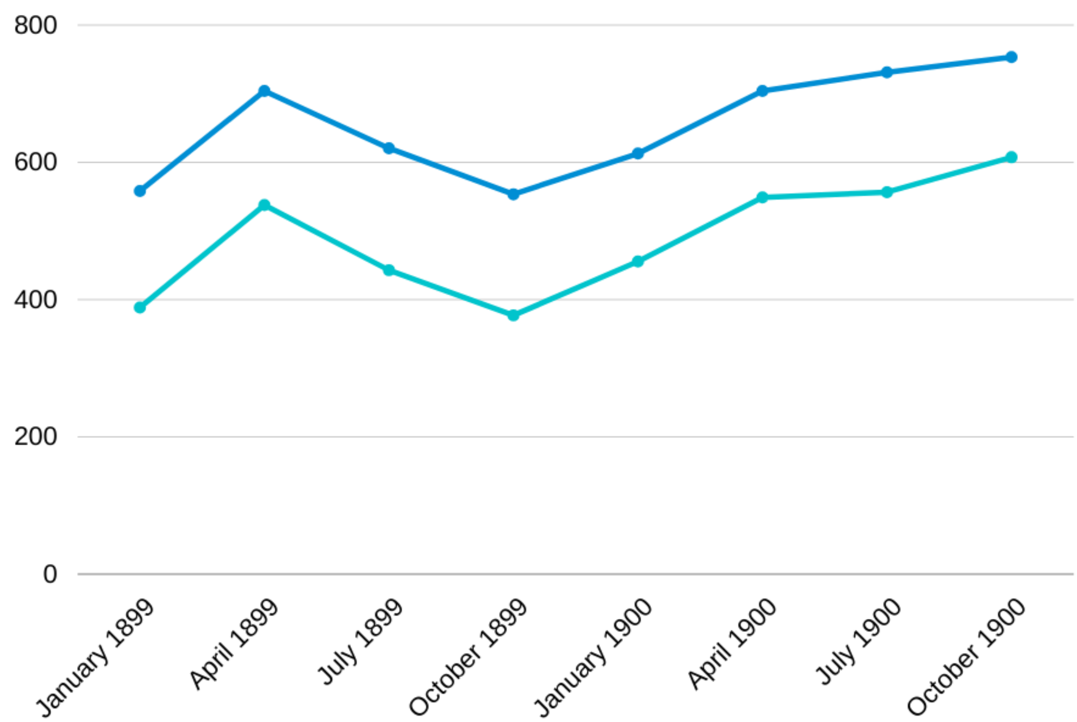
[9] "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), July 29, Aug. 19, 1899, Aug. 26, 1899.

[10] "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Apr. 15—Sep. 2, 1899.

[11] "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Dec. 8, 1899.; "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Dec. 15. 1899; "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Dec. 22, 1899.; "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Dec. 29, 1899; "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Mar. 10, 1900.; "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Mar. 23, 1900.; "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Mar. 30, 1900.; "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Apr. 7, 1900.

end—showed that assets and liabilities had grown by nearly a fifth.[12] While conditions in October seemed to have improved compared to the height of the famine according to the bankers in Bombay, "rain [was still] undoubtedly required" and the next harvest was far from certain.[13] Contemporary observers were not unaware of the seeming contradiction between famine conditions and financial growth.

Figure 1. Bank of Bombay, Total Liabilities without Equity (Teal) and Assets (Blue) measured in Lakhs of Rupees, Averaged from Weekly Reports [14]



Deutsche—Asiatique Bank's annual report for 1900 remarked how, despite the famine, monetary conditions in India remained stable and a new branch was even opened in Calcutta in Bengal which was also affected by the famine.[15] Similarly, the 1899—1900 Indian Famine, despite being harmful to the money market in the short term, saw the Bank of Bombay quickly recovering to its pre—famine condition and even surpassing it before agricultural conditions on the ground in Bombay normalized.

Although the Bank of Bombay's positive famine—time performance did not reach its pre—famine rate of growth within a year of the famine, a slightly—longer time scale demonstrates that the Bank grew an extraordinary amount during and

[12] "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Nov. 17, 1900.; "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Dec. 1, 1900.
[13] "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Oct. 27, 1900.
[14] Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Jan. 14, 1899 —Nov. 3, 1900.
[15] Deutsch—Asiatische Bank, *Geschäfts—Bericht Für das Jahr 1900*. Berlin: Deutsch Bank, 1901.

immediately following the prolonged period of famines in India lasting from 1896 to 1900.[16] If we consider the total assets and liabilities without equity of the Bank of Bombay in ten—year periods, the period between January 1896 and January 1906 saw liabilities grow around 150%.[17] In contrast, the subsequent famine—free period between 1906 and 1916 only saw growth of around 55%.[18] Regarding assets, the period between 1896 and 1906 saw the value of the Bank of Bombay's assets double while 1906 to 1916 saw only a 50% increase in value.[19] Therefore, the Bank of Bombay's famine and immediate post—famine growth far exceeded its growth afterwards.

While the upswing in the Indian export market caused by the closing of the silver mints in 1893 and the creation of the Indian Gold Exchange Standard during the Fowler Commission of 1898 as detailed by Keynes also accounts for this growth, famine conditions also had an interrelated role.[20] As Patnaik demonstrated in her work on Britain's drain of wealth from India, the British Raj effectively paid for its own exports with taxed rupees.[21] Any increase in the Raj's exports would therefore return little to the producer and instead signal an increase in the exploitation of peasants in a cash economy that, during the 19th century, grew partly due to famines. Ever since the Cotton Boom of the 1860s caused mainly by the American Civil War, Indian peasants increasingly relied on cotton as a cash crop to pay British taxes demanded in Rupees.[22] The raw cotton that fed British industrialization eventually became one of the main exports of India.[23] This also meant that the peasantry was subject to the rise and fall of the often—volatile market in addition to the weather. For example, during famines, cotton remained the primary trading concern of the colonial economy despite the need for food. *The Times of India* remarked how, even after the onset of the famine in late 1899, the cotton export business seemed to be "in excess of those of last year for the same period" despite a global lack of demand.[24] Later, when the cotton export market was definitively in a global downturn around mid—1900, the newspaper claimed the dull Indian cotton market was caused by syndicated speculators, the lack of demand, and even hoarding by peasants.[25] The slow cotton export market was not attributed to any kind of change to growing grain rather than cash crops—there was only one report of this sensible transition in all of *The Times of India's* weekly commercial sections published in 1899, and the switch only happened when the cotton

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[16] Mishra, Saubrah, "Cattle, Dearth, and the Colonial State: Famines and Livestock in Colonial India, 1896—1900," *Journal of Social History* 46, no. 4 (Summer 2013): 989—990.
[17] "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Jan. 22—Feb. 12, 1896, Jan. 23—Feb. 6, 1906.
[18] "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Jan. 23—Feb. 6, 1906, Jan. 15—Feb. 1, 1916.
[19] "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Jan. 23—Feb. 6, 1906, Jan. 15—Feb. 1, 1916.
[20] John Maynard Keynes, "The Present Position of the Rupee" in *Indian Currency and Finance*, vol. 1, (Cambridge: Cambridge University Press, 1978), 4—5.
[21] Patnaik, 199.
[22] Sashi Sivramkrishna, *In Search of Stability: Economics of Money, History of the Rupee*, (London: Routledge, 2016), 247—248.
[23] Sivramkrishna, 239.
[24] Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Dec. 23, 1899.
[25] Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Feb. 24, 1900.

crop had failed.[26] The colonial state encouraged such seemingly self—destructive economic behaviour, as the government insisted that trains transport cash crops for the export market rather than grains to starving regions.[27] Furthermore, data on the net international trade of the British Raj also supports the idea that India's exports were unaffected by famine and even rapidly increased afterwards. Calculating the export surplus of India, Amiya Kumar Bagchi details how the period between 1896—1901 saw a slight decrease in its export surplus resulting from famine conditions as well as the general downturn in the cotton market globally.[28] However, the period between 1901—1906 saw a 29% increase in the export surplus; this can be compared to the measly 1% growth between 1906—1911 in stable conditions.[29] Accordingly, during the 1899—1900 famine, Indian peasants were left starving and poor due to the transition to cash crops over the previous decades and the subsequent downturn in the cotton market. While the 1899—1900 famine in India may have been mildly harmful to the export economy and colonial banks in the short term, its aftermath led to a rapid increase in trade and the financialization of the Indian economy for reasons this paper will expand upon later.

The situation in different Chinese famines was not much different from India: both examples saw the capital of colonial banks rise in times of famine. In China, the half—yearly reports of HSBC recorded that its total assets and liabilities had grown by 39% between 1870 and 1878.[30] This was during some of the worst years of the famine in Northern China along with localized flooding and famine in the southern provinces.[31] While HSBC's reports do not comment on this connection, Deutsche—Asiatique Bank's 1900 annual report does during the 1898—1901 famine. The report states that the famine—and the defeat of the starving Boxer rebels by European troops who then occupied large parts of China—allowed for the expansion of European banks, leading to satisfactory results in an otherwise tumultuous year.[32] Later, just after the famine had ended in 1902, Deutsche—Asiatique Bank's annual report mentions how the value of its Chinese trade financing had risen by more than a quarter.[33] Thus, like in India, the 1876—1879 and 1898—1901 famines corresponded with the growth and expansion of HSBC and Deutsche—Asiatique Bank in China.

Because Qing China was nominally sovereign, it is easier to demonstrate how famines facilitated the expansion of colonialism. For example, the kinds of banknotes that were circulating in China and how famines changed them were both indicators and causes of declining Chinese sovereignty. Before the turn of the century, a variety

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[26] Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Aug. 19, 1899.
[27] Stuart Sweeney, *Financing India's Imperial Railways, 1875—1914*. (New York: Routledge, 2016), 50.
[28] Amiya Kumar Bagchi, "The Other Side of Foreign Investment by Imperial Powers: Transfer of Surplus from Colonies," *Economic and Political Weekly* 37, no. 23 (2002): 2232.
[29] Bagchi, 2232.
[30] Hongkong Shanghai Banking Corporation, "Report of the Court of Directors to the Ordinary Half—Yearly General Meeting of Shareholders," Hongkong: Hongkong Shanghai Banking Corporation, Aug. 15, 1870.; Hongkong Shanghai Banking Corporation, "Report of the Court of Directors to the Ordinary Half—Yearly General Meeting of Shareholders," Hongkong: Hongkong Shanghai Banking Corporation, Feb. 14, 1878.
[31] Davis, 65, 79.
[32] Deutsch—Asiatische Bank. *Geschäfts—Bericht Für das Jahr 1900*. Berlin: Deutsch Bank, 1901.
[33] Deutsch—Asiatische Bank. *Geschäfts—Bericht Für das Jahr 1902*. Berlin: Deutsch Bank, 1903.

of currencies based on a bimetallic system had circulated; the outflow of silver from trade and the massive public debt following the Opium Wars and Taiping Rebellion in the latter half of the 19th century meant that any paper money issued by the Qing government quickly faced inflation issues.[34] Despite the lack of centralization and stability native Chinese currencies faced, foreign banknotes, such as those issued by the British Chartered Bank of India Australia and China (CBIAC), were circulated solely in treaty ports and for international trade prior to the 20th century.[35] Yet, the first signs of the mass proliferation of foreign banknotes occurred precisely during the 1898—1901 famine and the suppression of the Boxer Rebellion.[36] Analysis of the rise and fall of the CBIAC banknote throughout the early—20th century demonstrates that its usage was highly correlated to the strength of a sovereign Chinese state: when the Qing government fell, its usage surged dramatically, declining only when the colonial powers' positions in China were uncertain during WWI and rising again after the war ended.[37] The period of nationalist sentiment between the May Fourth Movement in 1919 and the May Thirteenth Movement of 1925 also saw the circulation of foreign banknotes become extremely volatile, as movements boycotted colonial banks and urged Chinese people to rely on Chinese banks.[38] Due to the loss of control a country that relies on foreign banknotes has over its monetary policies—as well as the social function of currencies as markers of sovereignty—the fact that currencies controlled by and beholden to colonial financiers began their spread following the 1898—1901 famine demonstrates how the colonization of China was expanded as a result of the famine.

The increased use of colonial currencies in China during famine time resulting from a loss of faith in the Qing state resulted in a positive feedback loop where the peasantry's financial situation and the state's famine alleviation abilities deteriorated. The Qing state's massive apparatus for famine relief which enabled a Golden Age of food security had rotted by the El Niño famines due to the disastrous state of late—Qing finances.[39] The system of distributing grain from granaries had fallen apart due to a lack of grain, corruption, and deteriorating infrastructure; ad—hoc cash payments were the only remnant of the paternalistic Confucian state.[40] But as Wilkinson illustrates in his monograph, *Studies in Chinese Price History*, common Chinese copper coins had depreciated by the late Qing—caused by the deficit in China's balance of payments, the desirability of foreign currencies, and past famines. This financial situation effectively made famine—relief efforts useless from 1898—1901.[41] The Qing's attempt and failure to provide famine relief through worthless cash, in turn, only led to further depreciation. The Chinese peasantry, who had been slowly transitioning to planting cash crops for the world market over the previous century, therefore endured the worst effects of such depreciation.[42] Bagchi illustrated how it was the rural poor who largely suffered during the transition to standardized

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[34] Yan Hongzhong, "Economic Growth and Fluctuation in the Early Qing Dynasty: From the Perspective of Monetary Circulation," *Frontiers of History in China* 4, no. 2, (2009): 239—240, 259—260.
[35] Niv Horesh, "Between Legal and Illegal Tender: The Chartered Bank and Its Notes in and Around China, 1864—1939." *Modern China* 34, no. 2 (April 2008): 277.
[36] Horesh, Figure 2, 3.
[37] Horesh, 283—284.
[38] Horesh, 290.
[39] Davis, 281—282.
[40] Edgerton—Tarpley, 161.; Davis 353—354.
[41] Endymion Porter Wilkinson, *Studies in Chinese Price History*, (London: Routledge, 1980), 52, 54.
[42] Davis, 284.

British currencies in India in the 19th century. The gradual demonetization of lower—value currencies in India like cowrie shells led to a large capital loss and a liquidity crisis among the peasantry.[43] A similar process would have occurred in China following the depreciation of common copper coins that made rural farmers more vulnerable to debt, dispossession, or death during famines.

The seemingly contradictory phenomenon of starvation, impoverishment, and death coinciding with growing financial activity in colonial banks was caused by the collapse of the agrarian cycle of credit leading to the accumulation of wealth in landowners and moneylenders. Contemporary debates in the Bombay Legislative Council claim that as much as 50% of the arable land in the Bombay Presidency had been taken by local moneylenders.[44] While such a figure should be treated cautiously without evidence, such claims do illustrate the widespread phenomena of the collapse in the agrarian cycle of credit caused by multiple years of famine, as farmers took on debt intended to be paid through the harvest, defaulted when said harvests failed, and faced dispossession.[45] While such exploitation may have primarily been carried out by traditional moneylenders, scholars like Bagchi have illustrated the close integration between native Indian and European banking sectors; colonial banks would have benefited from the dispossession of peasants.[46] For example, the Bank of Bombay's statement from September 1900—as weather patterns seemed to be returning to normal—describes how the cotton harvest for the coming year promises to be a large one.[47] The report attributes this to the acreage under cotton cultivation having increased "in the districts where the famine had been most acute, and where the mortality among the cattle was most severe." [48] In these famine—stricken regions, "strenuous efforts have been made by [large cultivators] to bring as much land into cultivation as possible, and with considerable success."[49] The people who owned the land before such large cultivators must have been small peasants without the resources to make it through the famine who, afterwards, had to enter into wage labour planting cotton for the colonial market. Thus, colonial banks may have had little direct involvement in dispossessing peasants, but they were among the biggest beneficiaries through the induction of formerly—subsistence farmers into the colonial cash economy.

Similarly, in the Loess Plateau of North China which had seen the worst of the El Niño Famines, dispossession, wage labour, and landlordism became dominant. North China had historically seen the dominance of small owner—peasants rather than large landowners.[50] While exact figures are hard to come by, academic consensus generally agrees that most peasants on the Plateau owned the land they worked up until the Early—Republican period, using it for subsistence farming but also increasingly for cash crops in the 19th century.[51] In Shi Zhihong's quantitative study

[43] Bagchi, 505—506.
[44] "Bombay Legislative Council: The Debate on the Land Bill, What Causes Indebtedness?" *Times of India* (Bombay), Aug. 27, 1901.
[45] David Hardiman, "Usury, Dearth, and Famine in Western India," *Past and Present* 152, no. 1, (August 1996): 125—126, 128.
[46] Bagchi, 128, 158—159.
[47] "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Sep. 15, 1900.
[48] "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Sep. 15, 1900.
[49] "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Sep. 15, 1900.
[50] Hardiman, 131—133. Davis, 284.
[51] Davis, 284.

of Qing agriculture, he estimates that around 70% of arable land in North China was worked by owner—peasants and such owner—peasants formed the majority of the population in regions like the Loess Plateau.[52] Moreover, the land owned by landlords was worked in a relationship like European serfdom, meaning tenants were subsistence farmers rather than wage labourers.[53] Yet, a study conducted by Communist Party researchers in the 1940s in Shaanxi found that around one—third of peasants owned no land and two—thirds of peasants worked for a wage on the land of wealthier peasants or large landowners, usually planting cash crops for export.[54] This rapid change over a single generation seems to have been the result of the El Niño Famines, as indicated by the aforementioned reports from Deutsche—Asiatique Bank of the increased value of its trade financing following the famine.[55]

Like other forms of disaster capitalism, the ultimate effect of such processes during famines was an expansion of the colonial state, its cash economy, and its ability to enter the lives of the colonized. British responses to famine in India were hotly debated around the turn of the century.[56] Hardline laissez—faire policies—arguing that government intervention would exacerbate famines and that the proper response was to let the market correct itself with no government help—had begun to receive backlash, as seen in the Famine Commission of 1878.[57] For instance, during the 1899—1900 famine, there were calls to protect the starving from usurious loans in the Bombay Legislature.[58] The primary method of famine alleviation suggested by colonial administrators was to encourage investment into Indian railways: if more railways were made to facilitate the transport of grain, then the imbalances in the grain market would resolve themselves with grain from productive regions or overseas quickly reaching areas of famine.[59] Such railways were funded through a mix of state and private means with the state typically owning the railways while private companies like the GIPR and Bengal Central leased them.[60] By 1908, the Empire's investment into India's railways had become "the largest single investment programme ever undertaken in the British Empire." [61]

The expansion of such railways cemented colonial control in several ways. On one hand, railway components were manufactured in Britain and purchased from English firms but paid for by the colonial state via Pounds bought with taxed Rupees.[62] This effectively made railway construction another way to siphon species from Indian taxpayers to Britain as Patnaik illustrated. On the other hand, railways further integrated remote regions into the colonial economy. As mentioned before, railways played a pivotal role in the transport of cash crops: subsistence farming further declined as farmers, transitioning over to cash crops, hoped to better their lives by

[52] Shi Zhihong, *Agricultural Development in Qing China: A Quantitative Study, 1661—1911*. (Leiden: Brill, 2018), 427—428.
[53] Shi, 429.
[54] Shufan Chai & Guangyuan Yu, *Suide, Initial Research on the Question of Mizhi County's Land Use*, (Beijing: Renmin Chubanshe, 1979), 3—5, 21—22.
[55] Deutsch—Asiatische Bank, *Geschäfts—Bericht Für das Jahr 1902*.
[56] Tarpley, "Tough Choices: Grappling with Famine in Qing China, the British Empire, and Beyond," 150, 156—157.
[57] Aditya Ramesh, "Indian Rivers, 'Productive Works', and the Emergence of Large Dams in Nineteenth—Century Madras." *The Historical Journal* 64, no. 2, (2021): 305.
[58] "Bombay Legislative Council: The Debate on the Land Bill, What Causes Indebtedness?" *Times of India*, Aug. 27, 1901.
[59] Davis, 332.; Stuart, 45—46.
[60] Stuart, 15, 21.
[61] Stuart, 1.
[62] Stuart, 28—29.

entering the colonial economy that was made easily accessible by rail.[63] The previously—mentioned reluctance of British officials to replace trains carrying cash crops like cotton or linseed with grains during famines illustrates this point.[64] Moreover, railways also allowed for the greater penetration of British—made goods into local communities. A key objective of the British government since the Long Depression was creating large captive markets dependent on British manufacturing.[65] Also, it should be noted that the marketization and globalization of India's economy did not prevent famines, most famously illustrated by the Bengal Famine but also in the 1899—1901 famine. The Bombay Presidency had the most rail out of any region in India in the late 19th century but still struggled with multiple famines, and contemporary reports mention how grain imported by rail was simply hoarded for speculation.[66]

In China, European powers were also eager to use famine to expand colonial control. Like in India, this was done through the stated intention of preventing famines through the integration of China into broader grain markets by railway—implicit was also the possibility for Western manufacturers to access the vast and largely untapped Chinese market.[67] During the famine of 1876—1879, the Qing's famine relief efforts were relatively paternalistic in contrast to the laissez—faire policies of the British Empire. Faltering redistributive policies in China were the target of derision from Western commentators, who considered them in desperate need of technological improvement through rail.[68] Unlike in India, and as a result of the large deficit of Qing China, financing for these railways was almost entirely taken by colonial banks of the Four Powers Consortium or by local gentry in a few cases. The primacy of colonial banks became so widely accepted among colonial administrators that a Qing request for half of a loan for the Guangzhou—Hankou Railway to be deposited into Chinese banks sparked a scandal among the colonial powers. Negotiations were only resolved when British negotiators accepted that a strong semi—colonial Qing state would be more conducive to their interests and compromised.[69] Such cases were rare however and more common were inter—imperialist rivalries over who would finance railways—and thus gain the political control and economic penetration that such railways provided.[70] Contemporary nationalists saw how colonial powers used railway loans to extend their control as proof of the Qing's complicity in colonization.[71] Eventually, the overreach of colonial railway financing brought about by famine resulted in surges of nationalist sentiment, such as the Railway Protection Movement's stand against the Qing's acceptance of the Huguang Railway Loan; this unrest would topple the Qing dynasty and usher in the Republican period.[72]

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[63] Davis, 119—120.
[64] Stuart, 50.
[65] Stuart, 27.
[66] Panchanan Das & Amiya Kumar Bagchi, "Agricultural Fluctuations and Demographic Crisis in British India (1820–1870): A Case Study." *Journal of Quantitative Economics* 16, no. 3, (September 2018): 849.; "Weekly Commercial Notes: Exports, Imports, Money Exchange, Shares: Bank of Bombay," *Times of India* (Bombay), Sep. 15, 1900.
[67] Edgerton—Tarpley, 141—142.
[68] Edgerton—Tarpley, 140.
[69] Koji Hirata, "Sino—British relations in railway construction State, imperialism and local elites, 1905–1911," in *Britain and China, 1840–1970 Empire, Finance and War*. (London: Routledge, 2015): 134—135.
[70] Bin Wang, "Heinrich Hildebrand: A German Railway Engineer in Late Qing China," *Chinese Annals of History of Science and Technology* 2, no. 1, (June 2018): 40.
[71] Hirata, 137—138.
[72] Hirata, 138—139.

The El Niño famines rank among the largest mass death events in global history—and yet the period also saw the consolidation of colonial power and the induction of countless colonized into the cash economies. This paper demonstrated how colonial banks saw their assets, liabilities, and influence grow during the famines. This expansion was both caused by and continued to cause the mass dispossession of the colonized. Famines removed colonized peasantry from indigenous economies and conscripted them into colonial cash economies where the volatility of the global market only made them more vulnerable to future famines. Lastly, through anti—famine relief efforts, specifically investments in railways, the colonized were further enmeshed into the colonial market. Consequently, colonial famines should be viewed as a form of disaster capitalism, integral to the growth of modern finance. The El Niño famines in China and India helped expand colonial banking amid the dispossession of peasants in India and China. While the idea of disaster capitalism is most frequently applied to 21st—century catastrophes, a similar process was fundamental to the creation of the modern world economy during the El Niño famines.

In the context of contemporary globalization's supply chains that provide the First World with its luxuries and the Third World with the basics of life, investigations of historical famines reveal more about the importance of private interests in colonialism's relationship with agriculture. Food sovereignty has been and continues to be a key pillar of anticolonial movements as large swathes of the Global South remain mono—crop plantations. While India and China have attained relative food security which was perhaps a result of their history with famines, most of Africa, the Middle East, South and Central America, and the Pacific islands export agricultural commodities but are dependent on food imported from the global marketplace.[73] In the best—case scenario, this results in chronic food insecurity, ecological decline, expensive subsidies, and worse health outcomes despite conventional economic wisdom's exhortation of comparative advantages.[74] As for the worst—case scenario, it's increasingly clear that unless civil society and states are proactive in restructuring food systems based on security and sustainability rather than private profits, the potential combination of a breakdown in global supply chains and human—caused climate change could result in a disaster rivaling or even surpassing that of the apocalyptic 19th century.

[73] Max Ajl, Bassam Haddad, and Zeinab Abul—Magd, "State, Market, and Class: Egypt, Syria, and Tunisia," in *A Critical Political Economy of the Middle East and North Africa,* edited by Joel Beinin, Bassam Haddad and Sherene Seikaly, (Redwood City: Stanford University Press, 2020), 57.; Vijay Prashad, *The Poorer Nations: A Possible History of the Global South*, (New York: Verso Books, 2012), 253—255.

[74] Ajl, Haddad, and Abul—Magd, 61.; Jagjit Kaur Plahe, Shona Hawkes, and Sunil Ponnamperuma, "The Corporate Food Regime and Food Sovereignty in the Pacific Islands." *The Contemporary Pacific* 25, no. 2 (2013): 324—326.

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