

Fall of Mughal Empire & the Formation of the Raj

1. Trade Empires.

- In 1498 Vasco da Gama of Portugal found the all-water route to India.
- Twelve years later the Portuguese captured Goa from the Muslims and established there the first European trading post in India.
- The Dutch quickly made use of the new trade route. But they bypassed India for the Spice Islands, which they renamed the Dutch East Indies.

2. East India Companies.

- In 1600, at the height of Akbar's reign, Queen Elizabeth of England chartered the English East India Company to compete with the Dutch for the valuable spice trade. After two decades of trying to overtake the Dutch, the English gave up. They turned their attention to India.
- The English East India Company won trading rights in Madras, Bombay, and Calcutta. Portuguese influence in India faded as the company took over.
- A company financed by eighty London merchants, the East India Company was primarily interested in making a profit. It bought cotton cloth in India and traded it in the Dutch East Indies for spices. Company agents traveled throughout India setting up contracts with local weavers. The company also traded in silk, jewels, and tea.

3. Struggle for control.

- By 1647 the English East India Company had twenty-seven small trading posts, most of which were along the coasts. The French also had established a colony at Pondicherry which was south of Madras.
- When the Mughal Empire collapsed in the early 1700's, fighting broke out between Muslims and Hindus for control of the empire. To protect their interests, Great Britain and France became involved in local Indian affairs.
- Neither Muslims nor Hindus could regain control of India. Taking advantage of this power vacuum, the British and French stepped in. They offered their military protection to Indian princes who were being threatened by rivals. In return, the princes gave the Europeans trading privileges.
- In 1751 a Muslim prince, supported by French troops, attacked the British port at Madras. Robert Clive, a clerk in the service of the East India Company, led a small force of British soldiers and Indian soldiers called sepoys in the defense of Madras. In a daring move, Clive captured a French military outpost. This turned out to be a costly defeat for the French and their allies.