

# Indian Nationalism and the Historical Fantasy of a Golden Hindu Period

By Swaminathan S. Anklesaria Aiyar

#### **EXECUTIVE SUMMARY**

ndia's ruling Bharatiya Janata Party (BJP) promotes its Hindu nationalist agenda by claiming that India was the world's richest region under glorious Hindu rule for thousands of years before being conquered by Muslim invaders in the 11th century and British invaders in the 18th century. BJP politicians say foreign invaders transformed a "golden bird" into an impoverished chattel. Prime Minister Narendra Modi has promised to restore India to its historical eminence.

To support their narrative, BJP partisans often cite historian Angus Maddison, who estimated that India accounted for 32 percent of the world's gross domestic product in 1 CE (during the Hindu period), but this number plummeted to 4 percent by the time British rule ended in 1947. But a closer look at Maddison's work shows that the

BJP is cherry-picking data to create a bogus historical narrative. In 1 CE, India's per capita income was below the world average, at a pathetic \$450. It did not rise at all during the following thousand years of Hindu rule. It did not worsen after the Muslim and British conquests, as BJP partisans claim, though it improved very slowly. The supposedly golden Hindu period was one of stark poverty and economic stagnation.

Disease, drought, and war kept India's population stagnant at 75 million people throughout a thousand years of Hindu rule in India, when just staying alive was a challenge. Under Muslim and British rule, death rates fell and the population grew, and it grew still more after independence. Both in terms of income and life expectancy, the "golden period"—if it can be called that—is today, not in the Hindu era.



#### INTRODUCTION

India's ruling Bharatiya Janata Party (BJP) is a Hindu nationalist organization. Party leaders claim that, from ancient times, India had a great Hindu civilization that dazzled the world with its literature, science, mathematics, and other knowledge. It was also the biggest economy in the world, and hence called a *sone ki chidiya* (golden bird). Prime Minister Narendra Modi has promised to make India a golden bird again.<sup>1</sup>

Hinduism developed and spread in India from 1500 BCE on. The historical Hindu period ended in the 11th century when North India was invaded by Muslim conquerors from Afghanistan. Much later, in 1519, the Mughals from Uzbekistan invaded India and became the supreme power. From the 18th century onward, British colonialists gradually ousted the Mughals and other Indian rulers. The BJP insists that these foreign conquerors destroyed the once great Hindu civilization and transformed the world's biggest economy into a poverty-stricken one. This narrative helps justify the party's anti-Muslim rhetoric today. According to the BJP, Hindus in previous centuries were weak and divided and hence conquered. Hindus must now unite—under the BJP, of course—to regain their earlier glory.

"The BJP insists that these foreign conquerors destroyed the once great Hindu civilization and transformed the world's biggest economy into a poverty-stricken one. This narrative helps justify the party's anti-Muslim rhetoric today."

India gained freedom from the British Raj in 1947. But, says the BJP, the new leaders (members of the Congress Party) were influenced by Marxism and socialism and looked down on Hinduism. They swore by secularism, but doing so was actually a way of denying India's great Hindu heritage. Marxist and Congress Party historians distorted history in school and college textbooks by downplaying the achievements of the Hindu era and overemphasizing those of later eras. This was part of the Congress Party's strategy to

appease religious minorities (Muslims, Christians) to garner their votes in elections.<sup>2</sup>

Having come to power in many Indian states in recent years, the BJP has set about rewriting history textbooks, such as removing several pages in school textbooks that discuss Muslim rule under the Delhi Sultanate and Mughal Empire. BJP education officials also omitted references to the religious tolerance for which Mughal Emperor Akbar, who reigned from 1556 to 1605 CE, was famous and instead emphasized the valor of the Hindu prince Prithviraj Chauhan, whom Akbar had defeated in 1576 CE.<sup>3</sup> The BJP uses its version of history to promote its own image as a defender of Hindu greatness.

History is written by the winners. During the British
Raj, school textbooks, not surprisingly, spoke of the great
blessings British rule had brought to India, lifting it out of
backwardness and superstition. After British rule ended,
Pakistani textbooks changed that narrative, painting the
Muslim period as the golden era. Secular Indian historians
then rewrote textbooks to paint both the Hindu and Muslim
periods in a favorable light. Since coming to power in 2014 the
BJP is rewriting history through its Hindu nationalist lens. 4

### THE BJP BECOMES A FAN OF ANGUS MADDISON

Many claims of ancient glory made by BJP politicians are bizarre nonsense. Some claim that ancient Hindu scientists discovered gravity long before Isaac Newton did. Others, including Prime Minister Modi, mention incidents in Hindu mythology to claim that ancient Hindus were more advanced than Western science.

In one Hindu myth, Lord Shiva chopped off his son's head by mistake and replaced it with the head of an elephant, thus creating the elephant god, Ganesh. Another Hindu myth tells of the god Surya coming to Earth and impregnating a princess, who gave birth to a boy named Karna. At a function in Mumbai in 2014, Prime Minister Modi said that the story of Ganesh proved that ancient Indians were skilled in plastic surgery, and he suggested that Karna must have been a test tube baby.<sup>6</sup>

However, while the BJP 's claims of ancient India's economic success are not entirely mythical, they are significantly exaggerated. Among BJP thinkers, few are as vocal and articulate as Swaminathan Gurumurthy, editor of the Tamil magazine

Thuglak and co-convener of the Swadeshi Jagran Manch (Domestic Awareness Platform), the economic wing of the Rashtriya Swayamsevak Sangh (National Self-Service Society), which in turn is the sociocultural wing of the BJP. Gurumurthy was appointed in 2018 as an independent director of India's central bank, the Reserve Bank of India. He has been a strong critic of Western historians, claiming that they have misrepresented India and demeaned its character and feats to make Indians view history through a twisted colonial perspective. Gurumurthy has accused the Congress Party, which has governed India for most of the past 75 years, of perpetuating European myths and aligning itself with Marxist and socialist thinkers who hold Hinduism in low regard. He said,

A society should not get obsessed with its past just for pride. Nevertheless, it becomes inevitable for colonized societies to review the colonialist version of its history that demeans its faith, philosophy, forefathers, traditions, and economy, and pervades the society's academic, intellectual and public discourse. The Indian people ought to know whether they have a history of worshipping poverty as the colonialists had made their elites believe or do they have a tradition of building prosperity. Modern Western history has universalized the perception that prosperity building was the preserve of the West. The rest of the world, particularly Asia, including China and India, was ever steeped in poverty—[such historians come close to] claiming that colonialists had actually improved their lot!<sup>7</sup>

In the 1970s, Indian economist Raj Krishna coined the phrase "Hindu rate of growth" to describe the fact that for 30 years after becoming independent, India seemed unable to break out of its relatively low 3.5 percent rate of gross domestic product (GDP) growth. That phrase has always angered the BJP, which sees it a slur on Hinduism in the tradition of colonial thinkers seeking to demean Indian traditions. But, says Gurumurthy,

This colonial theory was proved fake in 1983—exactly five years after Raj Krishna trashed Hinduism for India's low growth. In that year Paul Bairoch, a Belgian economist, came out with his study of the world economy and his findings astounded the West. He said that in 1750 India's share of world GDP was 24.5 per cent, China's 33 per cent, but the combined share of Britain and the United States was—believe it—just two per cent. Yes, only two per cent! India's share, Bairoch found, fell to 20 per cent in 1800; to 18 per cent in 1830; and finally crashed to 1.7 per cent in 1900.

Gurumurthy says that to investigate the matter further, the Organisation for Economic Co-operation and Development asked renowned economic historian Angus Maddison to estimate GDP and growth over the last two millennia. Gurumurthy believes the aim was to disprove Bairoch's claims. However, Maddison's seminal studies confirmed that India did indeed dominate world GDP in the Hindu period and then drastically declined in subsequent periods—most notably in the British period. According to Gurumurthy,

His study confirmed Bairoch's study of 150 years and more, as Maddison studied the entire 2000 years of economic history. [He] showed that India was the leading economic power of the world from the first year of the first millennium till 1700—with 32 per cent share of world's GDP in the first 1000 years and 28 per cent to 24 per cent in the second millennium till 1700.

The Congress Party, the main opposition party today, condemns the BJP attempt to rewrite history books to downplay the Muslim period. But the Congress Party is as vocal as the BJP in denouncing British rule. In 2016, former Congress minister Shashi Tharoor authored a best-selling history, *An Era of Darkness: The British Empire in India*. Tharoor's book extensively cites Maddison in an attempt to prove that British rule impoverished India. Why, asks Tharoor, did India's share of world GDP drop to 4.2 percent by 1950? Because, he answers, "India was governed for the benefit of Britain. Britain's rise for 200 years was financed by its depredations in India."

### WHAT DID MADDISON ACTUALLY SAY?

The fact is that the BJP—and others—have been cherrypicking figures from Maddison's tables to suit their own political agendas. Maddison scoured past economic histories, analyzed reports of living standards from various periods and parts of the world, and developed the most comprehensive estimates of world economic indicators in different regions since 1 CE. He revised his data several times and published his final estimates in his authoritative book, Contours of the World Economy 1–2030 AD: Essays in Macro-Economic History. He said that in the earlier periods of his work, "quantitative evidence was weaker and harder to find, with greater reliance on clues and conjecture." In addition, he said, "there is also considerable disagreement among historians about the contours of development in these earlier centuries. However, recent research has made considerable advances in measuring economic progress and demographic changes in Western Europe and the major Asian countries back to 1500 AD, and there is enough evidence to make tentative estimates for the Roman Empire in the first century AD."11 One critic remarked:

Maddison's estimates of historic macroeconomic growth and gross domestic product (GDP) are, as Maddison himself is eager to admit, built on a superstructure of a whole range of estimates, approximations and projections. Maddison's strategy... was to produce numbers even if a solid basis for them did not always exist, expecting that scholars might disagree and do new work to show that he was wrong. In this way, he induced many scholars to work on these themes and to try to quantify long-term economic development. There are other critics who have dismissed Maddison's estimates, especially those before the year 1820, as nothing more than well-educated guesswork. 12

Despite the limitations of Maddison's approach, academics view it as the best available. Hence, Indian politicians are on firm ground when citing Maddison to prove that India was once the world's biggest economy. But having done so, they can hardly dispute other findings of Maddison's that are less flattering.

Maddison produced estimates for 10 specific years—1, 1000, 1500, 1600, 1700, 1820, 1870, 1913, 1950, and 2003. From India's viewpoint, these years can be divided into four broad political periods. From 1 to 1000 CE, Hindu and Buddhist kings ruled India, so this can be called the Hindu period. The second period (1000 to 1700 CE) can be viewed as the Muslim period. The third period (1700 to 1950 CE) can be called the British period. The final period (1950 to 2003 CE) represents independent India.

### MADDISON'S FINDINGS: TRENDS IN POPULATION GROWTH

Maddison's data show that, in one respect—population—India was undoubtedly the world champion in the Hindu period (Table 1). Thanks to relatively favorable agroclimatic conditions—ample rainfall and fertile river valleys—India's population in 1 CE was 75 million, by far the highest in any region and well above China's 59.6 million or Western Europe's 25 million. The Roman Empire was approaching its peak, and Italy had the greatest population in Europe, at 8 million.

However, India's population remained unchanged at approximately 75 million over the thousand years of the Hindu period. It was a period when merely staying alive was an achievement. Still, the situation in India was no worse than in the rest of the world, where populations

Table 1

Population of countries from 1 CE to 2003 CE (in millions)

	1	1000	1500	1700	1820	1870	1913	1950	2003
India	75	75	110	165	209	253	303.7	359	1,049.7
China	59.6	59	103	138	381	358	437	546.8	1,288.4
Italy	8	5	10.5	13.3	20.7	27.9	37.2	47.1	57.9
United Kingdom	0.8	2	3.9	8.6	21.2	31.4	45.6	50.1	60.1
Western Europe	25	25.5	57.3	81.5	133.0	187.5	260.9	304.9	394.6
United States	0.68	1.3	2.0	1.0	9.9	40.2	97.6	152.3	290.3

Source: Angus Maddison, Contours of the World Economy 1-2030 AD: Essays in Macro-Economic History (Oxford, UK: Oxford University Press, 2007), Table A.1.

were also stagnant. Maddison estimates China's population slightly decreased, from 59.6 million to 59 million, while that of Western Europe rose slightly, from 25 million to 25.5 million. Italy's population plummeted from 8 million to 5 million following the collapse of the Roman Empire. In contrast, the populations of the United States and the United Kingdom more than doubled from a very low base to 1.3 million and 2 million, respectively.

India's population rose sharply in the Muslim period, from 75 million in 1000 CE to 165 million in 1700 CE. The reasons would include improved agricultural and industrial techniques, increased irrigation, improved medicine, and public works that provided income to citizens affected by drought, such as the construction of the Bara Imambara shrine in Lucknow. Another factor that may have contributed to the change in population growth is that Hindu tradition prohibited widow remarriage, and this limited population growth in an era when the adult male death rate was high. Muslims, however, encouraged widow remarriage, and this would have raised the total fertility rate (the number of children per female). In that period (1000 to 1700 CE), the population rose even faster in other parts of the world, from 59 million to 138 million in China, and from 25.5 million to 81.5 million in Western Europe.

Next, India's population rose still more sharply in the British period, from 165 million in 1700 to 359 million in 1950. And it rose fastest of all after independence, from 359 million in 1950 to 1.0497 billion in 2003. From the viewpoint of staying alive, the Hindu period was the worst, the Muslim period better, the British period better still, and the period after independence incomparably the best. The pattern of world population was not very different. An exception was the United States where population halved

from 2 million in 1500 CE to 1 million in 1700 CE because diseases, especially smallpox, brought by European settlers devastated native Indian populations. But subsequently, mass immigration greatly increased the U.S. population to 97.6 million by 1913 and 290.3 million in 2003.

Table 2 shows that India's share of the world population plummeted over the two millennia. India had by far the biggest share during the Hindu period, though it declined from 33.2 percent of the world's population in 1 CE to 28.1 percent by 1000 CE. In the Muslim period, India's share changed marginally, to 27.4 million by 1700. It then fell sharply in the British period, to 14.2 percent by 1950. After independence, India's population share rose modestly again, to 16.7 percent by 2003, reflecting faster population growth driven by falling death rates.

Remarkably, India with 165 million people in 1700, was conquered by England, which had just 8.6 million people. This was possible because Indians, especially the kshatriyas (a warrior caste), had a long tradition of fighting for whoever paid them—they were "loyal to their salt." Thus, Britain was able to buy the loyalty of vast numbers of Hindu soldiers. In earlier centuries, Muslim rulers too had hired large numbers of Hindu soldiers, who evidently did not see the Muslims as invaders or themselves as the invaded. The BJP does not like to dwell on this point. 13

### MADDISON'S FINDINGS: TRENDS IN GDP

Because of the low level of technology and mechanization before the Industrial Revolution, labor was an extremely important factor of production. Hence, a large population share translated into a large GDP share, too.

Table 2

Shares of world population from 1 CE to 2003 CE (in percent)

	1	1000	1500	1700	1820	1870	1913	1950	2003
India	33.2	28.1	25.1	27.4	20.1	19.9	17.0	14.2	16.7
China	26.4	22.1	23.5	22.9	36.6	28.1	24.4	21.7	20.5
Italy	3.5	1.9	2.4	2.2	1.9	2.2	2.1	1.9	0.9
United Kingdom	0.4	0.7	0.9	1.4	2.0	2.5	2.5	2.0	1.0
Western Europe	11.1	9.6	13.1	13.5	12.8	14.7	14.6	12.1	6.3
United States	0.3	0.5	0.5	0.2	1.0	3.2	5.4	6.0	4.6

Source: Angus Maddison, Contours of the World Economy 1-2030 AD: Essays in Macro-Economic History (Oxford, UK: Oxford University Press, 2007), Table A.3.

Table 2 shows that in the Hindu period, India had by far the largest share of world population (33.2 percent), while Table 3 shows that it had the largest share of world GDP (32.0 percent). However, that fact did not reflect higher prosperity. India's GDP share was slightly lower than its population share, indicating that the country was below the world average in income and productivity. China remained second to India until 1700, but thereafter jumped ahead. The Roman Empire gave Italy by far the greatest GDP in Europe, with a global share of 6.1 percent in 1 CE. The United States and Britain had shares of just 0.3 percent each in 1 CE. No one could have predicted at the time that Britain would conquer and surpass India in GDP by 1913 when its share of the world's population was just 2.5 percent. Likewise, no one could have predicted that the U.S. share of world GDP would rapidly increase to 18.9 percent by 1913.

India's GDP share declined gradually in the Muslim era (1000 to 1700 CE), from 28.1 to 24.4 percent. This percentage was still higher than the collective share of Western Europe (21.9 percent). But in the subsequent British period, India's GDP share collapsed to just 4.2 percent in 1950. This relative

impoverishment is what Indian politicians focus on. Hindu nationalists emphasize that India's GDP share was the highest in a thousand years of Hindu rule, declined over the next 700 years of Muslim rule, and then crashed during two and a half centuries of British rule.

The historical narrative changes dramatically if one shifts from the evolution of GDP share to the evolution of GDP growth (Table 4). In the Hindu period (1 to 1000 CE), India's GDP growth rate was zero. While that may sound terrible, the situation was much the same elsewhere. In Italy, the fall of the Roman Empire significantly reduced GDP in absolute terms and pulled the entirety of Western Europe into negative growth. In other words, GDP growth in India (and China) was actually better than in Europe: zero rather than negative growth.

In the early Muslim period (1000 to 1500 CE), India's GDP growth rate rose marginally at an annual rate of 0.12 percent. It improved a bit, to 0.19 percent, when Muslim rule gave way in stages to British rule (1500 to 1820 CE). Thereafter, the growth rate doubled from that low base to 0.38 percent per year from 1820 to 1870, and still faster to 0.97 percent per year from 1870 to 1913. In the last phase of British rule (1913

Table 3

Shares of world GDP from 1 CE to 2003 CE (in percent)

	1	1000	1500	1700	1820	1870	1913	1950	2003
India	32.0	28.1	24.4	24.4	16.0	12.1	7.5	4.2	5.5
China	25.4	22.1	24.9	22.3	32.9	17.1	8.8	4.6	15.1
Italy	6.1	1.9	4.7	3.9	3.2	3.8	3.5	3.1	2.2
United Kingdom	0.3	0.7	1.1	2.9	5.2	9.0	8.2	6.5	3.1
Western Europe	13.7	9.1	17.8	21.9	23.0	33.1	33.0	26.2	19.2
United States	0.3	0.4	0.3	0.1	1.8	8.9	18.9	27.3	20.6

Source: Angus Maddison, Contours of the World Economy 1-2030 AD: Essays in Macro-Economic History (Oxford, UK: Oxford University Press, 2007), Table A.6.

Table 4

Annual GDP growth rates from 1 CE to 2003 CE

	1–1000	1000-1500	1500-1820	1820–1870	1870–1913	1913–1950	1950–1973	1973-2003
India	0.0	0.12	0.19	0.38	0.97	0.23	3.54	5.20
China	0.0	0.17	0.41	-0.37	0.56	-0.02	4.92	7.34
Italy	-0.11	0.33	0.21	1.24	1.94	1.49	5.64	2.17
United Kingdom	0.09	0.25	0.80	2.05	1.90	1.19	2.93	2.15
Western Europe	-0.03	0.28	0.40	1.68	2.11	1.19	4.79	2.19
United States	0.06	0.09	0.86	4.20	3.94	2.84	3.93	2.94

Source: Angus Maddison, Contours of the World Economy 1-2030 AD: Essays in Macro-Economic History (Oxford, UK: Oxford University Press, 2007), Table A.5.

to 1950 CE), India's GDP growth decelerated to 0.23 percent annually. But that was still above the rates during the Hindu and Muslim periods.

After independence, GDP growth accelerated to rates unthinkable in earlier eras: to 3.54 percent in the period 1950 to 1973 and further to 5.20 percent in 1973 to 2003. After almost two millennia of slow or stagnant growth, Indian GDP finally took off, rising faster than in the United Kingdom, Western Europe, or the United States.

Britain grew faster than India in both the Hindu and Muslim periods, and even more so in the period when it ruled India. It is worth dividing the British period into an early phase (1500–1867), when the East India Company ruled wholly or in part, and a second phase, post-1867, when India was ruled directly by London. The East India Company phase was marked by looting and plundering, <sup>14</sup> and India's per capita income fell (Table 5). In the second phase—direct rule from London—notions of the "white man's burden" replaced the East India Company's unrestrained expropriation. But even in that period, says Maddison, massive tax revenues were transferred to Britain, which, if invested in India, could have significantly aided Indian progress.

The British were reluctant to raise taxes in the 20th century for fear of further stoking agitation for independence. By the end of the British Raj, land taxes paid by peasants had fallen to 1 percent of GDP, from 15 percent in Mughal times. <sup>15</sup> The empire had ceased to be highly exploitative, and its very lack of profitability helped induce Britain to gradually relinquish its entire empire. British GDP growth accelerated from 1.19 percent annually in the last phase of its Indian rule (1913 to 1950) to 2.93 percent (1950 to 1973) and 2.15 percent (1973 to 2003). It appears that the end of the empire was good for both the colony and colonizer.

## MADDISON'S FINDINGS: TRENDS IN PER CAPITA INCOME

Table 5 shows trends in annual per capita income across various regions, measured in 1990 U.S. dollars. World per capita GDP was dismally low throughout most of human history, with average living standards barely above the minimum needed for survival. Of course, there were tremendous achievements along the way, but the benefits went mainly to a small upper class. The richest part of the world in 1 CE was Italy, where the Roman Empire enjoyed an annual per capita income of \$809, almost double the level elsewhere. However, Italy's per capita income plummeted to just \$450 by 1000 CE with the fall of the Roman Empire.

India and China had an annual per capita income of just \$450 in 1 CE, and this did not rise at all by 1000 CE. Thus, the Hindu period was one of poverty and economic stagnation. China fared no better. The United States, populated by Native Americans, was slightly poorer at \$400, and the United Kingdom was just as badly off.

In the Muslim period, India's annual per capita income rose by one-quarter, to \$550—still a disappointingly low level. The mass of peasants was no better off, but the aristocracy amassed great wealth and built magnificent monuments such as the Taj Mahal.

In the early part of British rule under the East India Company, India's annual per capita income actually declined to \$533 and stayed at that low level until 1870. In the second British phase, it rose to \$673 by 1913, only to decline again to \$619 by 1950. Overall, India's per capita income barely rose at all during the British Raj. This reality undermines the notion that Britain bore the "white man's burden" to uplift the "savages" of the subcontinent. British per capita income soared in the colonial period from \$1,250 in 1700 to \$6,939 in 1950.

Table 5

Annual per capita GDP trends from 1 CE to 2003 CE (in 1990 U.S. dollars)

	1	1000	1500	1700	1820	1870	1913	1950	1973	2003
India	450	450	550	550	533	533	673	619	853	2,160
China	450	450	600	600	600	530	552	448	838	4,803
Italy	809	450	1,100	1,100	1,117	1,499	2,564	3,502	10,634	19,151
United Kingdom	400	400	714	1,250	1,706	3,190	4,921	6,939	12,025	21,310
Western Europe	576	427	771	997	1,202	1,960	3,457	4,578	11,417	19,912
United States	400	400	400	527	1,257	2,445	5,301	9,561	16,689	29,037

Source: Angus Maddison, Contours of the World Economy 1–2030 AD: Essays in Macro-Economic History (Oxford, UK: Oxford University Press, 2007), Table A.7.

However, it would be wrong to swing to the other extreme—as some Hindu nationalists do—and claim that Britain's wealth resulted solely from colonial exploitation. After relinquishing its colonies, Britain's per capita income more than tripled to \$21,310 in 2003. However, that does not mean Britain was actually enriched by decolonizing. Rather, it appears that factors other than acquiring or losing colonies largely account for the growth of British prosperity.<sup>16</sup>

Annual per capita income in independent India shot up from \$619 in 1950 to \$2,160 by 2003. Casting off colonial rule undoubtedly contributed to this increase. However, buoyant global growth conditions, which facilitated record GDP growth rates around the world, also played a part. Despite these improvements, India remains a relatively poor country. In the Hindu period, it was deeply impoverished, with living standards about the same as any other region except the Roman Empire. By 2003, India had become wealthier than ever in absolute terms, but its per capita income was only one-tenth of Britain's and around one-fifteenth that of the United States. India still has much ground to cover in terms of economic development.

Maddison's estimates of per capita income growth (Table 6) show dismal results for India. In the Hindu period (1 to 1000 CE) the growth of per capita income was zero (as it was in most other parts of the world). To call this a golden period is fantasy. For more than eight centuries following the Hindu period, growth was either marginal (0.04 percent during the early Muslim period) or stagnant (1500 to 1870 CE). Matters improved in the mid-colonial period (1870 to 1913) after London assumed direct rule over India, with per capita income growing at its fastest rate yet (0.54 percent per year), though it was still modest. It then declined in the last phase of British rule by 0.22 percent per year between 1913 and 1950, the worst

performance in history. Per capita income in India took off only after independence, increasing to 1.40 percent annually from 1950 to 1973 and 3.14 percent annually from 1973 to 2003.

Overall, India's economic plight for two millennia was one of stagnation and stark poverty. Historians may speak of the glories of this or that emperor. Hindu partisans in India may present one set of heroes and villains, Muslim historians in Pakistan a different set of heroes and villains, and British colonial historians yet another. But regardless of who ruled, the masses remained desperately poor, close to subsistence level, and at risk of starvation in every drought.

### **BEYOND POPULATION AND GDP**

GDP alone cannot measure the greatness and prosperity of nations. Ancient civilizations such as Greece, Persia, Egypt, and Mesopotamia had exceptional cultures dating back to 3000 BCE. Despite having low populations and per capita GDP, the ancient Egyptians built the Pyramids, while Greek literature, philosophy, and art flourished. In India's pre-Hindu period, it had the Harappan civilization—earlier called the Indus Valley civilization—which was older and larger in population and area than the ancient Egyptian and Mesopotamian civilizations. The script of the Harappan civilization has defied translation, limiting what is known about it, but archeologists have unearthed more than a thousand Harappan cities and found evidence of town planning, water supply, drainage systems, handicrafts, and metallurgy. In the Hindu period, India had prestigious universities of global repute, notably Takshashila and Nalanda.

Ian Pearce of St. Andrew's University has criticized the Eurocentric history of mathematics promoted by Western

Table 6

Annual growth rates of per capita GDP

	1–1000	1000–1500	1500–1820	1820-70	1870–1913	1913–1950	1950–73	1973–2003
India	0.00	0.04	-0.01	0.0	0.54	-0.22	1.40	3.14
China	0.00	0.06	0.00	-0.25	0.10	-0.56	2.76	5.99
Italy	-0.06	0.18	0.00	0.59	1.26	0.85	4.95	1.98
United Kingdom	0.00	0.12	0.27	1.26	1.01	0.93	2.42	1.93
Western Europe	-0.03	0.12	0.14	0.98	1.33	0.76	4.05	1.87
United States	0.00	0.00	0.36	1.34	1.82	1.61	2.45	1.86

Source: Angus Maddison, Contours of the World Economy 1-2030 AD: Essays in Macro-Economic History (Oxford, UK: Oxford University Press, 2007), Table A.8.

historians, which overlooks the significant contributions of non-European countries such as India. He says,

Contrary to Eurocentric belief, scholars from India, over a period of some 4,500 years, contributed to some of the greatest mathematical achievements in the history of the subject. From the earliest numerate civilisation of the Indus valley, through the scholars of the 5th to 12th centuries who were conversant in arithmetic, algebra, trigonometry, geometry combinatorics and latterly differential calculus, Indian scholars led the world in the field of mathematics. The peak came between the 14th and 16th centuries in the far South, where scholars were the first to derive infinite series expansions of trigonometric functions.

In addition to mighty contributions to all the principal areas of mathematics, Indian scholars were responsible for the creation, and refinement of the current decimal place value system of numeration, including the number zero, without which higher mathematics would not be possible.<sup>17</sup>

This paper does not attempt to compare civilizational achievements in the Hindu, Muslim, and British periods. India has much to be proud of in its literature, art, architecture, and ancient centers of learning. But its economic achievements are not nearly as impressive as claimed by the BJP when citing Maddison. The fact is that Maddison's story is a complex one, with many facets that Indian politicians would rather not acknowledge.

### CONCLUSION

Maddison's work does not support the BJP's claim that India was a "golden bird" of prosperity in the Hindu period, went downhill during the Muslim period, and was gravely impoverished in the British period. GDP per capita in the Hindu period was half that of Italy's and slightly below the world average. It remained unchanged at a shockingly low \$450 per capita throughout a thousand years of the Hindu

period. It rose modestly to \$550 in the Muslim period, and it was only \$619 at the end of the British period. Great empires rose and fell, but living standards stagnated for all except a small upper class for almost two thousand years. Per capita GDP began to increase only after independence in 1950. The most "golden period"—if it can be called that—is today, not in the distant Hindu past.

BJP partisans highlight Maddison's finding that India's share of world GDP was 32.0 percent in 1 CE, fell to 24.4 percent by 1700 CE during Muslim rule, and then dropped dramatically to 4.2 percent by 1950 at the end of the British period. The BJP argues that this proves that foreign rulers impoverished a once-rich India. But this interpretation selectively uses statistics to distort the truth. India's high GDP share at the start of the Hindu period flowed not from higher prosperity but a higher population share. At that time, India's per capita income was slightly below the world average—not quite a golden era. India's population share more than halved from 33.2 percent in 1 CE to 14.2 percent by 1950, an important but little-advertised reason for the fall in its global GDP share. A much bigger reason for this decline, however, was the rapid rise in incomes in the West with the Industrial Revolution. India did not become poorer during British rule. But it improved very little while incomes soared in the West. Therefore, the selective use of statistics hides more than it reveals.

In the Hindu period, life was brutally short. A high death rate kept the population unchanged at around 75 million for a thousand years. Just staying alive was a feat. Survival became much easier later, with the population expanding to 165 million during the Muslim period, 359 million in the British period, and 1.05 billion after independence. In this respect too, India's "golden period" is today.

None of this should detract from India's many achievements throughout history, starting with the Harappan civilization. Its contributions from ancient times to philosophy, literature, mathematics, and architecture have been acknowledged by scholars worldwide. But Maddison's work shows that India's economic performance during the Hindu period was poor, not exceptional.

#### **NOTES**

- 1. Hency Thacker, "India: A Sone Ki Chidiya," *CSR Journal*, August 15, 2018.
- 2. Swaminathan Gurumurthy, "Boss, Read the True History Before Speaking," *New Indian Express*, April 6, 2013.
- 3. Christophe Jaffrelot, "Why the BJP Rewrites History," *Indian Express*, June 7, 2016.
- 4. Christophe Jaffrelot, "Why the BJP Rewrites History," *Indian Express*, June 7, 2016.
- 5. Priyanshi Mathur, "HRD Minister Claims Indian Scriptures Mentioned Gravity Much Before Newton Did," *India Times*, August 18, 2019.
- 6. Kritika Sharma, "Vedic Plastic Surgery to Test Tube Karna—Non-Science Claims Followed from Modi Downward," *The Print*, January 9, 2019.
- 7. Swaminathan Gurumurthy, "Indian History Is Relevant, Even for Economists," *Voice of India*, April 20, 2013.
- 8. Swaminathan Gurumurthy, "Indian History Is Relevant, Even for Economists," *Voice of India*, April 20, 2013.
- 9. Swaminathan Gurumurthy, "Indian History Is Relevant, Even for Economists," *Voice of India*, April 20, 2013.

- 10. Shashi Tharoor, An Era of Darkness: The British Empire in India (New Delhi: Aleph Book Co., 2016).
- 11. Angus Maddison, Contours of the World Economy, 1–2030 AD: Essays in Macro-Economic History (Oxford, UK: Oxford University Press, 2007).
- 12. Sidin Vadukut, "Complex Truths about India's Colonial Economy," *The Mint*, August 17, 2017.
- 13. Britain was able to recruit more than 1 million Indian volunteers in World War I and more than 2.5 million in World War II. Yasmin Khan, "Has India's Contribution to WW2 Been Ignored?" BBC, June 17, 2015.
- 14. William Dalrymple, *The Anarchy* (London: Bloomsbury Publishing, 2019).
- 15. Angus Maddison, Contours of the World Economy 1–2030 AD: Essays in Macro-Economic History (Oxford, UK: Oxford University Press, 2007).
- 16. Niall Ferguson, *Empire: How Britain Made the Modern World* (London: Allen Lane, 2003).
- 17. Ian Pearce, Abstract, in *Indian Mathematics—Redressing the Balance*, University of St. Andrews, Scotland, accessed May 25, 2023.

#### RELATED PUBLICATIONS FROM THE CATO INSTITUTE

Impact of Colonial Institutions on Economic Growth and Development in India: Evidence from Night Lights Data by Priyaranjan Jha and Karan Talathi, Research Briefs in Economic Policy no. 269 (September 24, 2021)

**Despite Modi, India Has Not Yet Become a Hindu Authoritarian State** by Swaminathan S. Anklesaria Aiyar, Policy Analysis no. 903 (November 24, 2020)

**How Property and Civil Rights Help Forest Tribes Modernize and Prosper: Lessons from India** by Swaminathan S. Anklesaria Aiyar and Neeraj Kaushal, Policy Analysis no. 898 (July 30, 2020)

Neo-Malthusianism and Coercive Population Control in China and India: Overpopulation Concerns
Often Result in Coercion by Chelsea Follett, Policy Analysis no. 897 (July 21, 2020)

**India Should Join Asia's New Free-Trade Area** by Swaminathan S. Anklesaria Aiyar, Economic Development Bulletin no. 32 (February 5, 2020)

**A Reform Agenda for the Next Indian Government** by Swaminathan S. Anklesaria Aiyar, Policy Analysis no. 869 (May 21, 2019)

**India's New Protectionism Threatens Gains from Economic Reform** by Swaminathan S. Anklesaria Aiyar, Policy Analysis no. 851 (October 18, 2018)

**Piketty's Botched Analysis of Inequality in India** by Swaminathan S. Anklesaria Aiyar, Economic Development Bulletin no. 28 (November 16, 2017)

**Twenty-Five Years of Indian Economic Reform** by Swaminathan S. Anklesaria Aiyar, Policy Analysis no. 803 (October 26, 2016)

Capitalism's Assault on the Indian Caste System: How Economic Liberalization Spawned Low-Caste Dalit Millionaires by Swaminathan S. Anklesaria Aiyar, Policy Analysis no. 776 (July 21, 2015)

**Economic Freedom of the States of India 2013** by Bibek Debroy, Laveesh Bhandari, and Swaminathan S. Anklesaria Aiyar (New Delhi: Academic Foundation, 2014)

**Poverty and Progress: Realities and Myths about Global Poverty** by Deepak Lal (Washington: Cato Institute, 2013)

**India and the United States: How Individuals and Corporations Have Driven Indo-U.S. Relations** by Swaminathan S. Anklesaria Aiyar, Policy Analysis no. 713 (December 11, 2012)

The Elephant That Became a Tiger: 20 Years of Economic Reform in India by Swaminathan S. Anklesaria Aiyar, Development Policy Analysis no. 13 (July 20, 2011)

**Socialism Kills: The Human Cost of Delayed Economic Reform in India** by Swaminathan S. Anklesaria Aiyar, Development Policy Briefing Paper no. 4 (October 21, 2009)

### RECENT STUDIES IN THE CATO INSTITUTE POLICY ANALYSIS SERIES

- **950.** Why Legal Immigration Is Nearly Impossible: U.S. Legal Immigration Rules Explained by David J. Bier (June 13, 2023)
- **949.** Global Inequality in Well-Being Has Decreased across Many Dimensions: Introducing the Inequality of Human Progress Index by Chelsea Follett and Vincent Geloso (June 8, 2023)
- **948.** The High Price of Buying American: The Harms of Domestic Content Mandates by James Bacchus (June 6, 2023)
- **947.** The Future of the WTO: Multilateral or Plurilateral? by James Bacchus (May 25, 2023)
- **946.** Course Correction: Charting a More Effective Approach to U.S.-China Trade by Clark Packard and Scott Lincicome (May 9, 2023)
- 945. The Right to Financial Privacy: Crafting a Better Framework for Financial Privacy in the Digital Age by Nicholas Anthony (May 2, 2023)
- 944. Balance of Trade, Balance of Power: How the Trade Deficit Reflects U.S. Influence in the World by Daniel Griswold and Andreas Freytag (April 25, 2023)
- **943.** Streamlining to End Immigration Backlogs by David J. Bier (April 20, 2023)
- **942.** Transforming the Internal Revenue Service by Joseph Bishop-Henchman (April 11, 2023)
- **941.** Central Bank Digital Currency: Assessing the Risks and Dispelling the Myths by Nicholas Anthony and Norbert Michel (April 4, 2023)
- **940.** Uncle Sucker: Why U.S. Efforts at Defense Burdensharing Fail by Justin Logan (March 7, 2023)
- **939.** A Shaky Foundation: The Myth of Authoritarian Stability in the Middle East by Jon Hoffman (December 20, 2022)
- **938. Keeping North Carolina's Housing Affordable: A Free Market Solution** by Michael D. Tanner (December 7, 2022)
- 937. How Guest Workers Affect Illegal Immigration: Mexican Visas and Mexican Border Apprehensions, 1943–2022 by David J. Bier (December 1, 2022)

#### CITATION

Aiyar, Swaminathan S. Anklesaria. "Indian Nationalism and the Historical Fantasy of a Golden Hindu Period," Policy Analysis no. 951, Cato Institute, Washington, DC, June 21, 2023.

