

20-MINUTE READ SUMMARY

The Anarchy

The Anarchy: The East India Company, Corporate Violence, and the Pillage of an Empire, by William Dalrymple (2019)

The Book in 60 Seconds

In 1599, a group of London merchants formed a joint-stock company to trade in spices; within a hundred and sixty years, that company had conquered much of India, collected the taxes of Bengal, and commanded an army larger than that of many European states. William Dalrymple's *The Anarchy* tells how the East India Company — a private firm answerable to shareholders — became a sovereign power through war, bribery, financial manipulation, and the exploitation of a fragmenting Mughal Empire, and why that transformation remains a warning about what happens when corporate power escapes political control. This is not a story of a strong empire defeating a weak one: when the Company arrived, Mughal India was one of the richest regions on earth, and as late as the early eighteenth century Europeans in India were supplicants and traders operating on terms set by Indian rulers. The reversal was astonishingly fast, driven less by any simple superiority of arms than by access to credit, naval power, disciplined infantry paid regularly from Indian revenues, and a talent for finding Indian allies, bankers, and defectors willing to finance the newcomer against their rivals. Once the Company won the right to collect Bengal's land revenue in 1765, the loop closed: Indian taxes paid for Indian soldiers who conquered more Indian territory, which produced more taxes. Dalrymple borrows the word anarchy from contemporaries who watched central order collapse, but his book shows that what replaced Mughal order was not chaos alone. It was a new and ruthless kind of order, run for profit from a boardroom in London.

The Story Behind the Book

William Dalrymple is a Scottish historian and travel writer who has lived for much of his adult life in India, in and near Delhi. That double position — British by birth, resident in India by choice — shapes everything he writes about the British in India. He is a storyteller who has spent decades in archives, in the places he describes, and in conversation with scholars who work in the languages of the period.

The Anarchy, published in 2019, is part of his Company Quartet, a sequence of narrative histories about the East India Company. The others are *White Mughals* (2002), about love and cultural crossing between Britons and Indians in Hyderabad; *The Last Mughal* (2006), about Bahadur Shah Zafar, the final Mughal emperor, and the catastrophe of 1857 in Delhi; and *Return of a King* (2013), about the First Anglo-Afghan War. Read in historical order, the quartet traces a long arc: from a world in which Britons in India often adopted Indian dress, languages, and partners, through the conquest described here, to the harder racial lines of the nineteenth century and finally to rebellion. *The Anarchy* is the conquest volume, covering roughly the century from the death of the Mughal emperor Aurangzeb in 1707 to the Company's capture of Delhi in 1803.

What distinguishes Dalrymple's work is his use of sources beyond the familiar English-language record. The Company's archives in London are vast, but a history written only from them sees India as the Company saw it: from the coast inward, through the eyes of clerks and governors. Dalrymple works, in translation and with

specialists, from Persian and other Indian-language materials — court chronicles, letters, memoirs, and histories by Indians who lived through these events. Persian was the language of administration and high culture across Mughal India, and its sources preserve voices English records flatten: the alarm of Delhi courtiers, the calculations of bankers and generals, the bitterness of a blinded emperor reduced to a pensioner. A haunting presence is Ghulam Hussain Khan, an Indian nobleman whose history, the *Seir Mutaqherin*, combines intimate knowledge of Bengal politics with a cold-eyed analysis of why the English succeeded. Such writers show that Indians were not passive witnesses to their conquest. They debated it, profited from it, resisted it, and in many cases made it possible.

The book also emerged from a contemporary argument about modern corporations: their lobbying, bailouts, private security forces, and ability to evade any single government. Dalrymple does not force the parallel — most of the book is narrative history — but he is explicit that the Company is a warning from the past to the present, a framing that explains both its urgency and some criticism it received.

The Central Argument

Dalrymple's central claim can be put in one sentence: India was not conquered by the British state, or even in any straightforward sense by Britain, but by a private company, and that fact changes how the conquest should be understood. The East India Company was chartered by Queen Elizabeth the First in 1600. It was a joint-stock company, an early example of the form, in which investors pooled capital, shared risk, and expected dividends. For its first century and a half it built fortified trading posts at Madras, Bombay, and Calcutta by permission of Indian authorities, shipped textiles, spices, and later tea, fought its European rivals — above all the French — and lobbied at home to keep its monopoly. Its servants grew rich on private trade, but the Company did not rule territory beyond its factory walls, and it could not have done so. The Mughal Empire was too rich, too populous, and too well armed.

Three things changed. The first was the disintegration of Mughal central authority after Aurangzeb died in 1707. Aurangzeb had reigned almost fifty years, expanded the empire to its greatest extent, and left an overextended state and a disputed succession. Emperors were made and murdered by kingmakers; Bengal, Awadh, and Hyderabad became effectively independent under their own nawabs; the Maratha Confederacy expanded into the vacuum; and the Sikhs rose in the Punjab. The empire's titles still mattered — the Company long sought its grants — but its ability to enforce obedience collapsed. Into that fragmentation came invasion from the north-west. In 1739 the Persian ruler Nader Shah crushed a Mughal army at Karnal, entered Delhi, ordered a massacre, and carried off a treasure that included the Peacock Throne and the Koh-i-Noor diamond. After his assassination, the Afghan ruler Ahmad Shah Durrani invaded repeatedly and defeated the great Maratha army at the Third Battle of Panipat in 1761, one of the largest and bloodiest battles of the eighteenth-century world. Panipat checked Maratha expansion and left north India exhausted and divided, but it did not make the Afghans masters of India. The power best placed to profit was waiting on the eastern coast, with a fortress at Calcutta, a fleet behind it, and excellent credit.

The second change was financial and military. The Company could borrow cheaply in London, draw on India's banking networks, and — crucially — pay its soldiers regularly. In eighteenth-century warfare, regular pay was a superpower: unpaid armies melted away or lived by plunder, whereas the Company's sepoys, Indian soldiers drilled in European methods and officered by Britons, stayed in the field. Backed by naval command of the sea, which cut

off French support for Indian allies, small Company forces repeatedly defeated larger armies. Dalrymple stresses this was not Europeans simply outfighting Indians — Mysore under Haidar Ali and Tipu Sultan and the Marathas fielded excellent artillery and European-trained infantry. The Company's edge was the system behind the army: credit, logistics, sea power, diplomacy, and espionage.



Robert Clive and Mir Jafar after the Battle of Plassey, 1757 — Francis Hayman

The third change was the capture of revenue, in Bengal, the empire's richest province. In 1756 the young Nawab, Siraj ud-Daulah, angered by Company fortifications and abuses of trading privileges, seized Calcutta. Robert Clive retook the city and conspired with Siraj's commander, Mir Jafar, and with Bengal's great banking house, the Jagat Seths, who helped finance the plot. At Plassey in June 1757 — a battle in which betrayal mattered at least as much as fighting, since much of the Nawab's army never engaged — Siraj was defeated, fled, and was killed. Mir Jafar was installed as a puppet nawab and paid the Company and its servants enormous sums. At Buxar in 1764, Company forces defeated a combined army of the deposed Mir Qasim, Shuja ud-Daula of Awadh, and the Mughal emperor Shah Alam the Second. The consequence, formalised in the Treaty of Allahabad in 1765, was the grant of the Diwani — the right to collect the land revenue of Bengal, Bihar, and Orissa. A trading firm had become tax

collector for perhaps twenty million people. From that moment the conquest paid for itself; the question was how fast the Company would expand, and who could stop it.

Key Ideas Explained Plainly

A company became a state. Sovereignty — the right to tax, make war, sign treaties, and punish — is supposed to belong to states. After 1765 the Company exercised all of those powers in Bengal while remaining, in law, a commercial firm with shareholders, a Court of Directors meeting in London, and a quoted stock price. It coined money in the emperor's name long after it controlled him, because ruling through Indian forms was useful and cheap. Dalrymple's term for this is corporate sovereignty. The Company was both state and firm at once, and the ambiguity created an accountability gap contemporaries recognised. When famine or corruption scandalised Britain, directors could insist they were mere merchants overwhelmed by events; when profits and territory were on offer, the same men claimed the rights of conquerors.

Plunder was a system, not an accident. The generation after Plassey looted Bengal on a scale that shocked even a fairly shock-proof age. Company servants, who arrived on modest salaries, returned with fortunes made from private trade, presents extracted from Indian rulers, contracts, and extortion. These were the nabobs, a word borrowed from nawab and used in Britain as an insult for vulgar new money. Clive himself returned with a fortune and a jagir, an assignment of land revenue, that made him one of Britain's richest men. Dalrymple's point is that this was not a few bad men misbehaving. The system paid its servants little and expected them to enrich themselves, its wars generated indemnities divided as prize and presents, and its conquests transferred provincial revenue to a corporation whose first duty, as critics noted, was a dividend. The drain of wealth from Bengal to Britain was real and central to later Indian nationalist criticism — though historians still argue about its scale, as the criticisms below note.

Famine followed conquest quickly. In 1769 the monsoon failed in Bengal, and in 1770 famine killed, on widely cited contemporary estimates, around ten million people — roughly a third of the province's population. Dalrymple does not claim the Company caused the drought. He shows something more specific: revenue demands continued, some servants speculated in grain, relief was negligible, and the machinery that might have responded in earlier regimes — remissions, granaries, the expectation that a ruler feeds his people in famine — had been replaced by a corporation whose reports to London focused on revenue and the dividend. The famine scandalised Britain, helped trigger the first parliamentary reckoning with the Company, and remains the starkest illustration of government run as a business by people who can sail away from the results.

Parliament tried to control the Company, and partly failed. The Company's crises repeatedly forced the British state to intervene, usually when the Company needed money. In the early seventeen-seventies, overextended by war and corruption and hit by a credit crisis, the conqueror of Bengal had to ask Parliament for a loan: an early case of an institution too important to fail. The price was the Regulating Act of 1773, which asserted oversight and created the post of Governor-General, first held by Warren Hastings. Hastings — brilliant, Persian-speaking, an admirer of Indian culture, and a hard wartime fundraiser who squeezed Indian allies — was impeached in a trial driven by Edmund Burke that ran from 1788 to 1795 and ended in acquittal. The acquittal taught a quieter lesson: Britain

would deplore the methods of conquest while keeping its fruits. Pitt's India Act of 1784 gave the government a Board of Control over the Company, yet expansion accelerated. Dalrymple calls the underlying pattern regulatory capture: the Company lobbied, placed its friends and returned servants in Parliament, lent money to the state, and ensured the body meant to restrain it rarely did so where it mattered, in India itself.

Reform and expansion were partners. Under Lord Cornwallis, Governor-General from 1786, the Company cleaned up its administration. Cornwallis, sent to restore respectability after surrendering at Yorktown, raised salaries, banned much private trade and present-taking, and codified law in the Cornwallis Code of 1793. His Permanent Settlement fixed Bengal's land revenue in perpetuity, creating a class of zamindars, or landlords; in practice it often entrenched intermediaries and bore hard on cultivators. Cornwallis also formalised the exclusion of Indians from senior administrative and officer ranks — a hardening of racial hierarchy that marks, in Dalrymple's quartet, the closing of the more open world of *White Mughals*. A cleaner, more professional Company state was also a more efficient conquering machine.

Expansion became a doctrine. Cornwallis's successor but one, Lord Wellesley, Governor-General from 1798, made expansion policy. His instruments were war and the subsidiary alliance, under which an Indian ruler accepted a permanent Company force in his territory, paid for it — often by ceding land — surrendered his foreign policy, and received protection that left him sovereign in name and dependent in fact. Hyderabad, Awadh, and others signed. Tipu Sultan of Mysore — a modernising ruler, an ally of France, the Company's most formidable Indian enemy — refused, and in 1799 Wellesley's forces stormed his capital, Seringapatam. Tipu died fighting, his kingdom was partitioned, and his treasures, including his famous mechanical tiger, were shipped to London. The divided Marathas came next. In 1803 Wellesley's younger brother Arthur, the future Duke of Wellington, won at Assaye one of the hardest battles of his career against Maratha forces whose European-trained infantry and artillery proved the Company's enemies were no anachronisms. That same year Company forces took Delhi and found the emperor Shah Alam the Second: old, blind — he had been blinded in his own palace in 1788 by the Rohilla chief Ghulam Qadir, in one of the book's most horrific episodes — and now placed under Company protection as a pensioner and legitimising symbol. The emperor whose grant had made the Company a power was now its prisoner in all but name.

The numbers tell the story. By the early nineteenth century the Company maintained an army of around two hundred and sixty thousand men — roughly double the size of the British Army itself — most of them Indian sepoys paid from Indian revenues. It was one of the largest standing armies in the world, and it belonged to a firm. No single battle explains the conquest of India. The explanation is an institution that could raise money in two hemispheres, recruit soldiers from the society it was conquering, pay them reliably, replace its losses, and treat each conquest as an acquisition that funded the next. Indian rulers could win battles against it, but almost none could match the system for long, especially once they fought each other as readily as the Company — a disunity it studied, subsidised, and exploited.

How to Approach It

Come to *The Anarchy* expecting narrative history, not a textbook. Dalrymple writes in long, cinematic chapters that follow individuals — Clive's ambition and eventual suicide, Hastings's learning and ruthlessness, Tipu's defiance, Shah Alam's long humiliation — through scenes reconstructed from letters and chronicles. The cast is enormous and the alliances take effort to hold in mind. Three habits help. First, use the maps and the list of characters, and do not be embarrassed to flip back: in eighteenth-century Indian politics a man's title, employer, and loyalty could all change within a year. Second, accept the digressions. Dalrymple will pause a campaign for a painting, a court ceremony, or a poet's lament for a ruined city. These are his method for restoring the world conquest destroyed — its refinement, money, and self-confidence — so the loss registers as a loss, and Indian society appears as a civilisation rather than a backdrop. Third, keep asking his question: who paid, who profited, and who decided? When a battle is won, look for the bankers behind it; when a treaty is signed, look for the revenue clause; when London expresses horror, look for whether London then acted.

Read the violence plainly, without either flinching or relishing it. The book contains massacres, a famine that killed millions, the blinding of an emperor, and the sack of great cities, described as directly as the sources allow. Dalrymple's aim is to correct the bloodless language in which corporate conquest is often summarised — expansion, administration, consolidation. At the same time, notice where his sympathy lies and test it. He loves Mughal and Indo-Persian court culture and can make its fall feel like the fall of civilisation itself; enjoy that sympathy while remembering that the old order had its own brutalities, taxes, and wars, a point his critics press. Finally, read this as one panel of a larger picture, and read beyond Dalrymple for everything his camera, pointed at courts and battlefields, leaves at the edge of the frame.

Memorable Lines

The lines that stay with this book are often the words of the people inside it — conquerors justifying themselves, statesmen prosecuting them, and Indians recording what was happening to their world. Keep these short, as flashes of a voice rather than substitutes for the narrative around them.

Robert Clive, defending before Parliament the fortune he had taken in Bengal, produced the book's most quoted confession of greed barely restrained. He stood, he said, “astonished at my own moderation.” It is not an apology: Clive's astonishment is at how much more he might have taken.

Edmund Burke, opening the impeachment of Warren Hastings, supplied the moral counterweight. The laws of morality, Burke insisted, “are the same everywhere.” The sentence matters as a statement of the standard against which Burke demanded empire be judged: distance, custom, and profit did not exempt British power in India from the principles Britain claimed at home. That the trial ended in acquittal, and the empire expanded regardless, is the shadow hanging over the fine words — and Dalrymple leaves the reader to sit with both facts.

From the Indian side, the voice readers remember longest is often Ghulam Hussain Khan's. Writing as an insider who had observed the new rulers, he analysed the English with admiration for their discipline and unity and dismay

at his own countrymen's divisions. His history is less a lament than a diagnosis, which is why it matters so much to Dalrymple's argument. The conquest, in this contemporary Indian telling, was not a natural disaster or a divine decree. It had causes, and many were choices made by identifiable men on the Indian side of the line as well as the English one.

Finally there is Dalrymple's own framing: that the East India Company stands as history's most terrifying warning about the potential for the abuse of corporate power. It is a deliberately modern sentence in a book about muskets and elephants, and whether the reader finds it illuminating or overstated will shape their whole judgment of *The Anarchy* — which is exactly where its author wants the argument to begin.

Fair Criticisms

The first criticism is about focus. *The Anarchy* is a history of courts, generals, governors, bankers, and battles, seen largely from Delhi, Murshidabad, Calcutta, Madras, and the camps of armies. Peasants appear most vividly when famine kills them; artisans, small merchants, women outside royal households, and the lower castes who made up the great majority of the population are present mainly at the margins. This is partly a limit of the elite sources and partly a consequence of a narrative method that needs protagonists. Social historians argue that the deepest changes — in landholding, textile production, and ordinary towns — cannot be read off the fate of dynasties: a reader can finish this book knowing who ruled India without knowing how most Indians lived.

Second, there is the debate about romanticisation. Dalrymple writes about late Mughal and nawabi culture with evident love — its poetry, painting, etiquette, and architecture — and portrays its destruction as a civilisational tragedy. Critics, including some Indian historians, ask whether this elegy for a refined courtly world risks idealising regimes that were themselves extractive, hierarchical, and often violent, and whether dramatic narrative itself misleads: told through heroes and villains in vivid scenes, history can give contingency and charisma the credit that belongs to slower forces such as prices, demography, and institutions. Dalrymple's defenders reply that the culture he mourns is documented, not invented.

Third, Indian agency cuts two ways, and critics press on the tension. Dalrymple insists, with good sources, that Indians were actors: the Jagat Seths financed regime change in Bengal, sepoys formed the Company's army, and Indian rulers allied with and against the Company for their own reasons. Yet the book's structure can still make conquest feel like something the Company did while Indians supplied the conditions, through disunity or miscalculation. Some historians push further: regional Indian states were not merely fragments of a fallen empire but dynamic, modernising powers — Mysore, the Marathas, the Sikh kingdom that followed — whose fiscal and military innovations were comparable to the Company's and whose defeat needs explaining, not assuming. Others note that focusing on Indian disunity can echo the Company's own justification that it merely filled a vacuum left by anarchy — a word Dalrymple uses with irony, but the debate about it is real.

Fourth, the economic argument remains genuinely unsettled. That wealth flowed from India to Britain — through fortunes, dividends, and the use of Bengal's revenue to buy export goods, so India in effect paid for its own conquest — is not in dispute. What is disputed is scale and consequence: how large the drain was relative to India's economy,

and how much of India's later poverty should be attributed to Company rule in these decades as against later colonial policies, deindustrialisation, or global forces. Indian nationalist writers made the drain of wealth central to their case against empire; some modern economic historians support strong versions of it, others urge caution with the surviving figures. Dalrymple writes closer to the strong version, in language — pillage, loot — that announces his conclusion. A fair reader should know the debate exists and that the numbers, especially for the famine and for aggregate wealth transfer, carry wide margins of uncertainty. None of these criticisms overturns the book. They locate it: a superb narrative of conquest and corporate power, written from the top of society downward, with a declared moral and contemporary purpose — best read with admiration and with questions running in parallel.

Why It's on the List

The Anarchy belongs on a list of essential books because it changes the category in which its reader files the British conquest of India. Most people, if they think about that conquest at all, picture a national empire — redcoats, viceroys, the Crown. Dalrymple replaces that picture with a stranger and more instructive one: a corporation, with shareholders demanding dividends, directors managing a stock price, lobbyists working Parliament, and a private army of a quarter of a million men, absorbing one of the world's richest civilisations province by province. Once seen, that picture cannot be unseen, and it reorganises how a reader thinks about what followed — the rebellion of 1857, which finally frightened Britain into abolishing the Company and ruling India directly; the habits of extraction the Crown inherited rather than invented; and the arguments about memory and museum treasures that continue today.

It also earns its place as writing. Few histories are simultaneously scholarly in their sources, propulsive in their storytelling, and humane in their attention to the defeated. Dalrymple brings Indian voices into an English-language bestseller not as colour but as analysis, and he makes eighteenth-century finance — bills of exchange, revenue assignments, the price of credit — as gripping as his battle pieces, because he understands that in this story finance was a weapon. For a general reader approaching Indian history for the first time there are more systematic introductions; there is no more memorable one. And for readers coming through modern headlines about corporate power, lobbying, and institutions too big to fail, it offers the deepest available historical mirror: a fully documented case of what a company did the last time it was allowed to become a government.

What to Read Next

Start, if Dalrymple has hooked you, with his own *The Last Mughal: The Fall of a Dynasty, Delhi, 1857*. It is the natural sequel: the Company's century of conquest ends in uprising, the siege of Delhi, and the exile of the last emperor, and it uses Indian sources even more intensively than *The Anarchy*. If you would rather go backward, read *White Mughals*, whose story of James Achilles Kirkpatrick and Khair un-Nissa in Hyderabad shows how porous and intimate British-Indian relations could still be even as conquest proceeded.

For the same period from a different angle, turn to the economic historians and their critics. The classic nationalist statement of the drain-of-wealth argument is Dadabhai Naoroji's *Poverty and Un-British Rule in India*; a modern,

accessible version is Shashi Tharoor's *Inglorious Empire*, which writes as an advocate and can be read as such. For the scholarly debate in more measured form, look to C. A. Bayly, whose studies of Indian society and the origins of British rule emphasise Indian modernisation and continuity alongside conquest, and to global histories of the eighteenth century that place India's fragmentation and Britain's rise inside worldwide patterns of war, trade, and state-building. Comparing Dalrymple with Bayly on Plassey, the famine, and Tipu is an education in how narrative and analysis illuminate different truths.

For the Company as a business, Philip Stern's *The Company-State* is the key account of how it thought about its own sovereignty, and Nick Robins's *The Corporation That Changed the World* gives a brisk, critical survey for readers interested in the corporate parallel. Pair those with reporting on today's private military companies and platform monopolies, and notice the differences too: modern firms do not collect the land revenue of Bengal.

Finally, let this book send you toward the Indian voices themselves. Translations of Ghulam Hussain Khan and the Delhi chroniclers are harder to find, but anthologies of Indian writing on the colonial encounter repay the search. The conquest was witnessed, understood, and judged at the time by the people it dispossessed — and their judgment is part of the record too.