**Wealth Inequality and Elites in the global South**

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# WEALTH ELITES OF KOLKATA

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# Introduction

Adam Smith named his book "An Inquiry into the Nature and Causes of the Wealth of Nations" (1776) and focussed on a theme that has always been at the centre of the classical school of thought. This paper, while intending to contribute to the discourse of wealth inequality, takes a different route and focuses on the wealth elites instead (Jodhka and Naudet, 2019). The paper focuses on the processes of wealth creation and distribution in the city of Calcutta, British Capital until 1911, and attempts to present a long-term narrative coupled with a socio-economic and spatial perspective on wealth creation and accumulation.

Following almost two and a half centuries since the publication of Smith's magnum opus, we are at a juncture where a serious amount of scholarly rigour and policy focus, along with political rhetoric, have been shifted towards the issue of accelerating wealth and income inequality in a country (Vakulabharanam, 2010). The yearly publications of the Oxfam report are just some examples documenting stark inequality and the concern is perhaps more serious in the case of developing countries. In the recent past, since the onset of the global crisis in 2008, various countries have faced economic volatility, stagnation or slowdown in economic growth. However, irrespective of overall economic dynamism, the accumulation of wealth in the hands of a minority, even during the pandemic, has been steadily growing. Disinterring the wealthy class and comprehending complex processes of wealth creation and wealth accumulation, with temporal and spatial dynamics, have remained impending tasks.

Economic growth in the developing countries, such as India, is driven by, to a large extent, rapid urbanisation. In many cases the areas are the major centres of both output production and consumption. With increasing urbanisation, the growing economic and political hold of the wealth elites has become more vivid in India. Generally, accounts and narratives of inequality tend to focus on those in the lower rungs of society, that is, those belonging to the lower segments of income and wealth distribution. The objectives of this paper, however, include the following:

- to offer a continuous narrative of wealth creation and distribution in Calcutta/Kolkata and accordingly trace the wealth elites of different political and economic regimes;
- to present a socio-economic profile of primary wealth owners (PWOs) in Kolkata;
- to provide a comprehensive understanding of the Marwari community in Kolkata as they are predominantly the super-rich PWOs;
- to describe the spatial dimensions of relative opulence;
- to understand the caste–class intersectionality perspective of wealth distribution.

Accordingly, the paper has eight remaining sections. Section 2 describes the methodology of analysis and data sources. The history of wealth elites in Bengal and, more specifically, in Calcutta/Kolkata[1] is the subject matter of

[1] In 2001 the government of West Bengal officially changed the capital city's name to Kolkata from Calcutta.

Section 3. This section is followed by Section 4 which presents the narrative of wealth generation, accumulation and reproduction over three temporal moments in history: the British era; the Nehruvian era and the neoliberal era. Section 5 discusses estimates of wealth ownership and inequality from available surveys and other data we attempt to show the gaps in and need for the type of survey that has been conducted in this project. Section 6 provides an analysis of the primary data focusing on different variables of concern – ranging from class, caste and sector to educational and family backgrounds of primary wealth owners (PWOs). Section 7 stresses the links among community, caste and religion with regard to wealth creation and accumulation. Section 8 provides a few case studies. Section 9 concludes this paper.

## Methodology of analysis and data source

Data was collected in three different stages and there was a movement back and forth between stages. The first step was making lists of those considered wealth elites of Kolkata, according to the different wealth thresholds. We relied on official sources such as Hurun list, Prowess Database developed by CMIE and other online materials, key informants, including journalists or business persons, and personal interviews. In total, we secured the names of 206 individuals, which comprised 38 individuals/families of INR 1000 crores above the threshold, 162 individuals/ families in INR 100 crores above category, and five in the fuzzy list.

The second stage involved filling up the short schedules. For that, we relied on company websites for CSR activities and brands, newspaper articles for personal biographies and economic times for company worth in the case of listed companies.

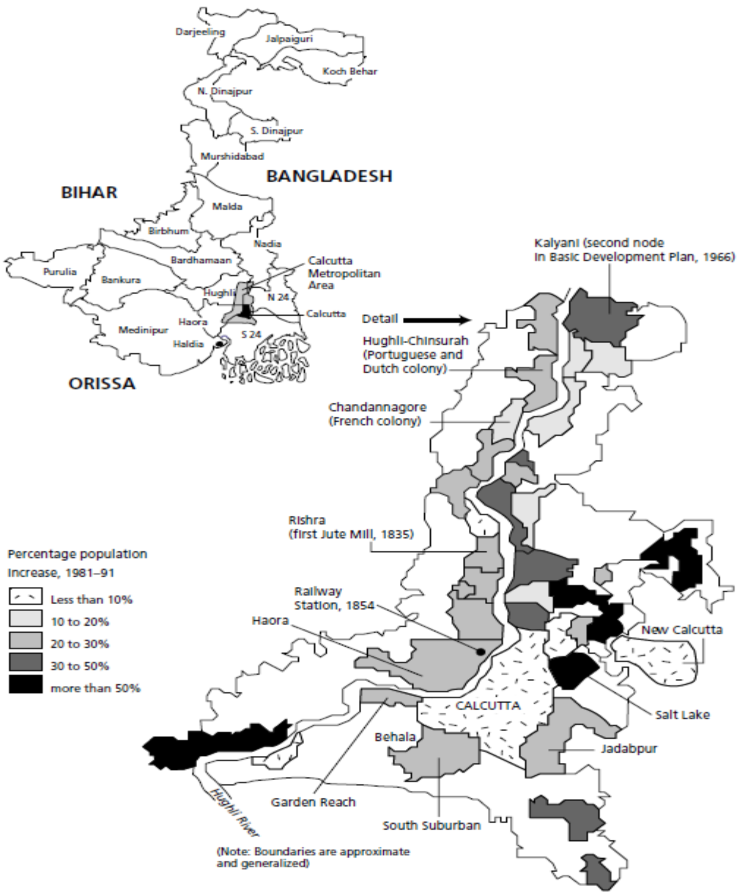
The third stage involved filling up the long schedule. A total of seven long schedules were filled up: one from INR 1000 crores and above, five from INR 100 crores and above and one from the fuzzy list. They came from different sectors, including media, tea, infrastructure, real estate, law and handicrafts. It was extremely difficult to access the directors, managing directors or chairpersons themselves for the interviews.

## History of wealth elites in Calcutta/Bengal

Investigating the evolution of wealth elites in Bengal should commence with a discussion of multifarious transformations that happened in Bengal during the precolonial period – the time period before the British colonisers arrived in India. Regarding the precolonial period, two important facts about wealth creation and wealth accumulation must be considered at the very outset.

Firstly, it is important to note that the history of wealth creation is intertwined with the history of spatial transformation, in general, and the history of trading and ports, in particular. In the pre-colonial era, long before the city of Calcutta was set up (1690), Saptagram port (in today's Hooghly[2] district, in the northern part from today's Calcutta/Kolkata) was one very important port and a major trading centre situated on the southwestern bank of the river Saraswati, during the Pal and Sen rulers. Due to the prosperity of Saptagram, Muslim rulers were tempted to conquer this place. Jafor Khan Gaji conquered Saptagram around 1298. Next, during the rule of Muhammad-Bin-Tughalak, a mint was established in Saptagram. The mint was in operation from 1329 to 1552 and around the end of the 16th century Saptagram became a big city. Thereafter, navigability of the Saraswati River decreased and it became difficult to use Saptagram port for international trade. Slowly this port became defunct although the Saptagram city remained an important trading centre (Ray, 2008). Around 1517, Portuguese traders attempted to obtain permits from the nawab for trading in Bengal. Portuguese influence slowly increased in this region and, with the decline of the Saptagram port, Hughli port, which was established to the southern region of the Hughli River (Ganga), became prominent and was mainly used by the Portuguese (Sadhukhan, 2022).

**Figure 1: Map of Bengal**




**Source:** Chakravorty (2000: 60)

[2] Hooghly, Hugli and Hughli, all of which appear in various government documents and research works, refer to the same place. In this report, they are used interchangeably.

In Figure 1, the geographical position of these ports and Bengal's spatial transformation over time can be observed. From Calcutta, if one moves in a northern direction on the map then one can observe Rishra, Chandannagore and Hughli. In further northern direction, Saptagram port existed. Accordingly, it is evident that over time the spatial transformation of the main port happened from north to south, that is from Saptagram to Hughli and later Calcutta became the main port. Also, this region remained an important trading zone and a contested place because, in 1632, Mughal rulers evicted the Portuguese from the Hughli port and captured it. Moreover there were multiple colony settlements in this region, for example, the Portuguese colony in Bandel, Dutch colony in Chinsurah, French colony in Chandannagar (or Chandannagore) and Danish colony in Serampore which was situated to the south of Chandannagar. Following this north-south trajectory later in 1690, the British East India Company established the city of Calcutta, which started first as a major trading centre and eventually the Calcutta port was built and it became a major riverine port in India (Chakravorty, 2000).

Secondly, the major political transformation from monarchy to the advent of the British Raj happened during this period, which had a significant impact on the evolution of wealth elites in Bengal. Even before the establishment of the city of Calcutta, it was Murshidabad, situated in the northern part of Bengal, which was perhaps the most important place politically and in terms of wealth accumulation. Murshidabad was the political power house of the time, as the nawab Murshid Quli Khan, the ex-governor of Dhaka, had made Murshidabad the new capital of Bengal. Apart from the political power of the monarchy at that time, one significant family became important politically and economically – the family of Jagat Seth, banker or merchant of the world. This was an acquired title by Manekchand, who hailed from a business family from Patna and was a big businessman of the then Dhaka who had close ties with the nawab Murshid Quli Khan. Such a close alliance paid off for the family of Manekchand in Murshidabad. During the rule of the nawab Murshid Quli, Manekchand made a fortune minting coins and he was given the responsibility of revenue collection. Not only did Manekchand have influence over the nawab of Bengal, but also he established effective channels of influence in Delhi. Owing to such a close alliance with the nawab and Manekchand's enormous influence over political and economic matters, he and his family received the title of 'Jagat Seth' – even the emperor Farukhsiyar of Delhi granted them the title of 'Jagat Seth' in perpetuity (Bhattacharya, 1969).

By the time Alivardi Khan became nawab, European traders started trading attempts in the Bengal region, which eventually developed a nexus between business and politics. The story of wealth creation and accumulation also started to change during this period. The British East India Company, through the Farman of 1717, acquired the right to do free trade in the province of Bengal. However, problems remained as Delhi's power weakened over time. In the post-Aurangazeb era, the political crisis deepened. For revenue collection and other important economic issues, the house of Jagat Seth played a crucial role and acted as an intermediary between the Europeans and nawabs. However, Jagat Seth's generations of strong alliance with nawabs weakened after nawab Sirajudullah ascended to the throne; Jagat Seth and several merchants were alienated, reportedly due to Siraj's attitude. This disgruntled group of business people joined hands with the British and staged a successful conspiracy against the nawab Sirajudullah, which eventually led to unprecedented British control over trade and politics in Bengal. It was largely believed that Jagat Seth was the originator of this conspiracy and, in this way a merchant, albeit very wealthy, had changed the course of history (Little, 1967). Due to such a convoluted role in the conspiracy in 1763, the nawab Mirkashim murdered the then Jagat Seth Matabchand and looted their wealth. This was the beginning of the end of the fortune of the Jagat Seth family. The descendants of this family appealed to the British but this was in vain. The gravity of this event was so serious that many Marwari traders left Bengal and, as a result, the Bengali natives dominated the sphere of business until the mid-nineteenth century (Timberg, 2014; Taknet, 2016).

Hence, evolution of wealth elites in Bengal happened over time through seismic spatial and political transformations. The section above attempted to synoptically present these complex and intertwined relationships between wealth, political power and the geography of Bengal. The next section attempts to show the evolution of wealth elites during the colonial period and successive time periods in the post-colonial era.

## Three temporal moments

In this section, three major periods – colonial regime, nehruvian regime and neoliberal regime – and the respective narrative of wealth generation and reproduction are presented. The whole period of analysis is categorised under two broad periods: the colonial era and the post-colonial era. It is under the post-colonial era that we have two further regimes, the nehruvian regime (1950–1990), a regime state-guided and/or state-controlled progress of capitalism coupled with active welfare state, and the neoliberal regime (1991 onwards), a regime of market-oriented reforms ensuring unbridled power of national as well as international capital and shrinkage of the welfare state.

### Colonial era

In the backdrop of the history presented above, Calcutta as a city started gaining economic and political traction with the advent of the British East India Company (hereafter EIC). Fort William, which earlier was occupied by Siraj, was re-occupied by the EIC and was fortified strongly, thus capturing political power in this region. The rise of Calcutta happened not only in a political sense, but also as an economic power-house which had very close connections with the then financial hub of the world – London. As a result, Indo-British partnerships emerged in India, with the prominent one being Carr, Tagore and Co. Dwarakanath Tagore was one of the most prominent businessmen of eastern India, belonging to the Tagore family. Even before the venture, Dwarakanath Tagore had close connections with the European traders in Calcutta. Carr, Tagore and Co. came into being in 1834 as a bi-racial export trade firm. The frim diversified to include commodities such as indigo, sugar, silk and rice. Tagaore came from a landed family and he had a lot of credibility in the market (Damodaran, 2016).

Next, to understand the dynamics of wealth creation and appropriation in this region in the early colonial period, it is important to consider first the economic and trade policies of the EIC.

#### *EIC policies and trade in Bengal*

Ventures like Carr, Tagore and Co. showed that the policies of the East India Company (EIC) encouraged trade and commerce in Calcutta and Bengal province. The Viceroy's Wasteland settlement policy of the 1860s was meant to encourage Europeans to take up cotton cultivation in India. While cotton as an industry was more prominent in western India, what the Wasteland Act of 1860s did in Calcutta was to proliferate joint stock companies in businesses such as tea plantations. The bulk of tea gardens were located in the hilly areas of eastern and north-eastern India. Such acts and legislation were followed by many dubious speculative business endeavours which enjoyed profits for a brief period and then resulted in a serious collapse in the mid- to late 1860s.

By the beginning of the 1870s, speculation and the industrial depression of the previous decade began to subside, and, in both Calcutta and Bombay, there were new entrants into the field of industrial elites. The modern banking system also began to emerge but was in its rudimentary stages. A type of stock exchange emerged in Calcutta in 1858, but it was mostly used by the Europeans. Eventually and more formally, the Calcutta stock exchange came into being in 1908, prior to which the Indian brokers were unorganized and held their meetings under a tree (Markovits, 2008).

This was also the time when the ownership of British conglomerates headquartered in Calcutta changed from British to Indian hands. This offered opportunity for mobility to Marwari traders and bankers, who were by far the largest commercial group of eastern India (Roy, 2017).

### *Calcutta in the twentieth century*

The shift of the capital of the colonial empire from Calcutta to Delhi might have hurt the sentiments of the people living in the city but did little to its economic supremacy. Jute, coal and tea industries were still concentrated in Calcutta and even by the end of the First World War, 43% of rupee capital of all joint stock company in India and 73% of paid-up capital was concentrated in Bengal, whereas Bombay had only 40% and 19% in the respective areas. However, most of these companies were under control of British mercantile firms and managing directors. In the tea industry, for instance, 95% were British directors, with 97% in the jute industry and 89% of collieries were controlled by British managing agencies (Goswami, 1990).

In the sphere of the jute industry, by the 1920s, Indian entrepreneurs such as Swarupchand Hukumchand of Indore, Birla Brothers of Calcutta and Maharaja of Darbhanga, had established their mills. By the later part of the decade, several others, including Adamjee Hajee Dawod, B N Elias, Raja Janoki Nath Roy and Dayaram and sons had established their businesses. Several Indians, including Rameshwar Bangur and Chandmul Kanoria to name a few, joined the board of these industries (Iftikhur-ul Awwal, 1978). Tea and coal were industries which originated because of British commercial interests, and the colonial entrepreneurs held their lead until the 1920s. Very few Indian entrepreneurs managed to make their name in the colonial period. In the sphere of cotton, a few big mills were established by Indian entrepreneurs by the late 1930s. These included the Kesoram cotton mill, Dhakeswari cotton mill and the Bengal Luxmi mill. The chemical industry was one of the few fields where the Indian people dominated. The biggest one among them was the Bengal chemicals and pharmaceuticals works which owed their origin to Prafulla Chandra Roy (Iftikhur-ul Awwal, 1978).

### *Bonedi families of Calcutta*

While many business ventures of native Bengalis failed, it is undeniable that the early economic history of colonial Calcutta was intricately related to its political counterpart. As a result of political and economic connections, there existed in early colonial Calcutta some of the most opulent Bengali families. Such families would make their original wealth accumulation using their early politico-economic contact with the East India Company, and later diverting the accumulated wealth into land, that is, zamindaris. The early history of cities is usually made up of old houses, which in the case of Calcutta were the Bonedi families. They were neither the founders of the city nor did their wealth come from traditional sources such as land. Instead, their original money came from new sources of business, a result of colonialism and often being allies of the British. It is worth mentioning here the Seths and the Basaks, who were yarn and cloth merchants, were already powerful before the coming of the British. However, with colonial rule and the emergence of new opportunities, they prospered in new ways. Janardan Seth became a trading agent of the British and Shobaram Basak flourished by supplying textiles to the East India Company (Deb, 1990).

Many Bonedi families acquired wealth through business where their political connections with the British did not hurt. The Seths, Maliks and Matilals were all involved in trade, and so was Ramdulal Dey, who rose from being a mere steward to Madanmohan Datta, of the famous Dutta family of Hatkhola. Others like Gauri Sen also had humble beginnings. They too were involved in philanthropy, an avenue for showing off wealth. These new rich babus also adopted much of the feudal lifestyle, such as building palatial houses, many of which still line the roads of North Calcutta, with constant competition in their decoration and construction (Deb, 1990).

### *Last decades of colonial rule*

The last decades of colonial rule brought about significant changes in such industrial control. Firstly, the Marwaris converted themselves from money lenders to entrepreneurs, making their presence felt in the jute and coal industries. Secondly, the British managing industries also declined, increasingly taken over by the Marwaris. The third change was the decline of the small group of Bengali entrepreneurs who had emerged after the swadeshi movement. The final change was the emergence of multinational firms of India ltd. companies, a large chunk of which was controlled by the Marwaris in eastern India (Goswami, 1990). As a result of these changes, profits came to be redistributed among a new set of elites in Calcutta. There was no significant decline in the returns from the industry. In fact, until 1947, the three main industries – coal, tea and jute – continued to grow as they had in previous decades. Newer industries, such as cement, sugar, iron and steel, arose in the post-1930s. With many of these industries registered in Calcutta, this region enjoyed the profits. Calcutta also benefited from the bustling bazaar economy radiating from places like Barabazar and Hatkhola, which led to a circulation of large incomes to and from Calcutta (Goswami, 1990).

## Post-colonial era

In this subsection we discuss the process of wealth generation and reproduction over the post-colonial period segregating two different regimes – the nehruvian regime and the neoliberal regime.

*A glimpse into the economy of West Bengal and Kolkata*

Before we enter the main narrative of wealth accumulation, we present a brief overview of the economic performance of the state of West Bengal since independence, followed by relative positions of various districts, focusing specifically on Kolkata. The current description relies on existing research and the analysis using data published by the Ministry of Statistics and Programme Implementation.

Biswas (2020) argues that the economy of West Bengal went through three distinct growth episodes in the post-independence era: 1960–61 to 1982–83, a low-growth phase; 1983–84 to 1992–93, a period of moderate but balanced growth, and 1993–94 to 2013–14, a high-growth episode. As the growth rates accelerated from period to period, the economy transitioned from being primary-sector driven to tertiary-sector driven. Over the years, a predominantly rural economy transformed into a tertiary-sector-driven economy with sluggish or no substantial industrialisation alongside. Our main analysis relies primarily on two distinct phases of growth: the nehruvian regime (1950–1990) and the neoliberal regime (1991 onwards). Sectors which saw an improvement indicated by the compound annual growth rate (CAGR) during the neoliberal phase included manufacturing; transport, storage and communication; trade, hotels and restaurants; banking and insurance; real estate, ownership of dwellings and business services; and other services[3].

[3] However, to understand the growth dynamics better, one can also refer to a different kind of periodisation based on concerned literature and growth trend and pattern – a. 1960-1978 – slow growth era of nehruvian regime (we do not consider 1979 as that is an extremely bad year); b. 1980-1990 – period of growth transition during the last decade of the nehruvian regime; c. 1991-2011 – period of high growth of neoliberal regime and d. 2011-2019 – episode of growth slowdown under neoliberal regime.

Table 1: **Sectoral and overall growth in West Bengal: comparing different periods**

| Sectors | 1960-1990 | 1991-2019 | 1960-1978 | 1980-1990 | 1991-2011 | 2012-2019 |
|---|---|---|---|---|---|---|
| Agriculture and Allied Activities | 2.87 | 2.97 | 1.95 | 4.31 | 3.17 | 2.46 |
| Mining and Quarrying | -1.35 | -0.02 | -0.15 | -3.37 | -1.42 | 3.75 |
| Manufacturing | 1.93 | 6.39 | 1.58 | 2.39 | 5.61 | 8.45 |
| Construction | 5.25 | 5.80 | 5.48 | 4.34 | 5.93 | 5.46 |
| Electricity,Gas and Water supply | 5.31 | 5.08 | 4.25 | 6.76 | 4.69 | 6.11 |
| Transport Storage and Communication | 5.03 | 6.70 | 3.13 | 8.08 | 8.62 | 1.82 |
| Trade,Hotels and Restaurants | 2.87 | 7.09 | 1.95 | 4.29 | 7.20 | 6.79 |
| Banking and Insurance | 5.90 | 9.09 | 5.14 | 6.74 | 11.30 | 3.49 |
| Real Estate,Ownership of Dwellings and Business Services | 3.37 | 7.48 | 3.03 | 3.68 | 8.39 | 5.13 |
| Public Administration | 5.59 | 5.22 | 2.97 | 9.97 | 5.12 | 5.49 |
| Other Services | 3.73 | 7.26 | 3.44 | 3.91 | 6.74 | 8.64 |
| Net State Domestic Product | 3.16 | 5.90 | 2.33 | 4.39 | 6.25 | 4.97 |

*Note:*

Source: Authors' calculations

[1] The growth rates are Compound Annual Growth Rate;

[2] Periods are based on nature of regime of accumulation, trends and pattern of growth;

[3] The concerned data series is in 2011-12 prices

The growth performance of the manufacturing sector has always been a matter of concern in the case of West Bengal as it did not see much industrial growth in the post-independence era. During the nehruvian regime (1960–1990) the growth of the manufacturing sector was abysmally low, which saw a considerable improvement during the neoliberal regime (1991–2019). It should be noted that, although the growth of the manufacturing sector was still relatively low, the decade of 1980s saw a higher growth rate which then continued to increase during the following sub-periods with the sub-period 2012 to 2019 being a phase of very high manufacturing sector growth. The growth rate for trade, hotels and restaurants was highest during the first twenty years of economic reform but the massive jump in the same occurred between 1980 and 1990. However, for sectors such as real estate, ownership and dwellings, business services; other services and banking and insurance, the growth upsurge occurred during the neoliberal regime and more specifically between 1991 and 2011. The banking and insurance sector saw a significant drop in CAGR during the last sub-period between 2011 and 2019.

### Table 2: Growth rate of net district domestic product: 2005–2012

| District | Agriculture & Allied Activities | Mining & Quarrying | Manufacturing | Electricity, Gas & Water Supply | Construction | Transport, Storage & Communi-cations | Trade, Hotels & Restau-rants | Banking & Insurance | Real Estate, Ownership of Dwellings & Business Services | Public Adminis-tration | Other Services | NDDP | Income_pc |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Burdwan | 2.09 | -2.89 | 3.81 | 1.52 | 1.62 | 10.87 | 8.27 | 14.01 | 6.58 | 5.09 | 9.92 | 5.83 | 4.46 |
| Birbhum | 1.72 | 5.10 | 5.43 | 1.69 | 2.38 | 9.21 | 4.48 | 12.58 | 5.06 | 3.92 | 10.99 | 5.58 | 3.85 |
| Bankura | 0.93 | 11.89 | 9.57 | 1.51 | 2.00 | 10.72 | 11.04 | 11.90 | 5.37 | 5.02 | 9.34 | 6.30 | 4.94 |
| Midnapore East | 0.53 | 5.34 | 0.89 | 1.58 | 1.44 | 10.95 | 7.46 | 12.56 | 5.80 | 4.79 | 10.20 | 5.28 | 3.83 |
| Midnapore West | 1.85 | 9.40 | 4.55 | 1.58 | 1.69 | 11.73 | 7.83 | 11.59 | 4.95 | 5.35 | 10.20 | 6.05 | 4.51 |
| Howrah | -0.52 | 9.61 | 7.24 | 1.54 | 0.90 | 7.67 | 8.69 | 13.91 | 8.25 | 4.30 | 10.25 | 7.42 | 5.97 |
| Hooghly | 1.70 | 9.81 | 3.49 | 1.60 | 1.34 | 12.48 | 6.25 | 13.65 | 7.54 | 2.96 | 10.09 | 6.31 | 4.76 |
| 24-Parganas(N) | 1.05 | 10.52 | 5.19 | 1.89 | 1.91 | 12.08 | 6.31 | 16.81 | 8.89 | 5.48 | 10.95 | 7.59 | 5.41 |
| 24-Parganas(S) | 1.66 | 2.51 | 0.93 | 1.81 | 1.62 | 10.82 | 5.76 | 15.44 | 7.76 | 5.87 | 10.43 | 5.92 | 3.93 |
| Kolkata | -10.56 | 8.67 | 2.72 | 1.05 | 4.22 | 2.01 | 5.23 | 13.04 | 8.40 | 3.57 | 8.53 | 6.56 | 6.15 |
| Nadia | 2.37 | 9.05 | 4.69 | 1.76 | 2.19 | 13.02 | 4.35 | 13.94 | 6.79 | 2.07 | 10.54 | 5.58 | 3.71 |
| Murshidabad | 2.79 | 10.36 | 5.95 | 1.94 | 1.69 | 11.53 | 5.16 | 13.79 | 5.27 | 3.85 | 10.92 | 5.44 | 3.22 |
| Uttar Dinajpur | 2.91 | 9.05 | 6.79 | 2.13 | 3.27 | 12.90 | 4.91 | 12.94 | 4.96 | 5.28 | 11.44 | 6.11 | 3.47 |
| Dakshin Dinajpur | 1.27 | 9.05 | 6.27 | 1.87 | 2.20 | 15.16 | 4.27 | 12.92 | 4.95 | 4.13 | 10.96 | 5.21 | 3.13 |
| Malda | 2.35 | 10.67 | 5.29 | 1.98 | 1.98 | 9.11 | 4.67 | 11.71 | 4.88 | 4.94 | 10.97 | 5.23 | 2.92 |
| Jalpaiguri | 1.79 | 10.03 | 7.48 | 1.84 | 1.99 | 8.22 | 4.41 | 13.35 | 10.38 | 5.10 | 10.44 | 5.82 | 3.78 |
| Darjeeling | 1.37 | 10.27 | 10.62 | 1.94 | 3.70 | 17.54 | 5.16 | 14.70 | 12.08 | 5.91 | 11.00 | 8.82 | 6.53 |
| Cooch Behar | 1.89 | 7.25 | 6.08 | 1.52 | 1.33 | 11.67 | 3.55 | 12.33 | 4.67 | 4.60 | 10.09 | 4.73 | 3.35 |
| Purulia | 0.73 | 5.05 | 8.27 | 1.52 | 1.83 | 11.32 | 6.37 | 11.43 | 5.11 | 5.84 | 9.70 | 5.70 | 4.32 |
| West Bengal | 1.69 | -2.80 | 4.31 | 1.64 | 2.05 | 9.44 | 6.62 | 13.55 | 7.50 | 4.43 | 10.24 | 6.21 | 5.17 |

*Note:*
Source: Authors' calculations
[1] The growth rates are Compound Annual Growth Rate;
[2] The concerned data series is in 2011-12 prices

Following the estimates of growth in net district domestic product during the period 2004–05 to 2012–13, it can be suggested that, while Kolkata did not register the fastest growth between 2005 and 2012 across many sectors, among all the districts its per-capita income growth was at the top with only Darjeeling ahead of it (see Table 2 above). The contribution of each district to the output of various sectors is presented in Table 3. Kolkata contributes relatively more to sectors such as Transport, Storage & Communications, Banking & Insurance and Real Estate, Ownership, & Business Services (see Table 3).

### Table 3: District Wise Median Sectoral Share (2005-2012)

| District | Agriculture & Allied Activities | Mining & Quarrying | Manufacturing | Electricity, Gas & Water Supply | Construction | Transport, Storage & Communi-cations | Trade, Hotels & Restau-rants | Banking & Insurance | Real Estate, Ownership of Dwellings & Business Services | Public Adminis-tration | Other Services |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Burdwan | 15.77 | 8.79 | 11.52 | 1.42 | 5.97 | 7.90 | 21.07 | 7.37 | 5.14 | 3.49 | 9.85 |
| Birbhum | 32.68 | 0.15 | 4.89 | 1.30 | 7.49 | 4.29 | 13.94 | 11.18 | 6.12 | 4.37 | 13.64 |
| Bankura | 30.78 | 0.03 | 6.44 | 1.15 | 6.04 | 4.55 | 15.17 | 9.60 | 5.78 | 5.11 | 13.79 |
| Midnapore East | 21.86 | 0.01 | 13.28 | 0.62 | 4.01 | 6.62 | 32.37 | 4.98 | 3.70 | 2.07 | 10.05 |
| Midnapore West | 31.07 | 0.01 | 7.39 | 0.77 | 5.54 | 6.40 | 15.41 | 10.41 | 5.79 | 4.81 | 13.02 |
| Howrah | 7.67 | 0.00 | 15.66 | 0.81 | 5.50 | 11.91 | 24.04 | 7.65 | 8.73 | 3.53 | 12.22 |
| Hooghly | 20.10 | 0.01 | 10.21 | 1.24 | 6.14 | 10.40 | 19.36 | 7.71 | 8.06 | 2.94 | 13.22 |
| 24-Parganas(N) | 14.58 | 0.00 | 8.97 | 1.38 | 7.15 | 15.41 | 15.85 | 6.70 | 10.59 | 3.18 | 14.99 |
| 24-Parganas(S) | 20.43 | 0.00 | 10.23 | 0.72 | 7.02 | 10.46 | 19.49 | 6.10 | 7.42 | 3.53 | 12.81 |
| Kolkata | 0.08 | 0.00 | 3.34 | 1.15 | 6.08 | 21.59 | 6.56 | 20.12 | 12.74 | 14.26 | 14.11 |
| Nadia | 32.64 | 0.00 | 7.48 | 0.74 | 6.18 | 5.73 | 16.45 | 6.84 | 6.83 | 3.89 | 12.92 |
| Murshidabad | 33.43 | 0.01 | 10.29 | 0.96 | 10.07 | 4.31 | 16.24 | 6.98 | 5.71 | 3.30 | 8.65 |
| Uttar Dinajpur | 35.07 | 0.00 | 4.64 | 0.61 | 6.45 | 6.80 | 14.39 | 8.06 | 6.89 | 4.19 | 12.01 |
| Dakshin Dinajpur | 38.73 | 0.00 | 4.60 | 0.45 | 4.48 | 4.21 | 13.96 | 8.51 | 6.58 | 4.01 | 15.08 |
| Malda | 30.81 | 0.01 | 9.61 | 0.96 | 8.69 | 5.13 | 16.08 | 8.32 | 5.45 | 2.79 | 11.31 |
| Jalpaiguri | 27.46 | 0.02 | 6.60 | 0.87 | 8.49 | 7.23 | 15.11 | 6.89 | 9.80 | 3.96 | 11.48 |
| Darjeeling | 19.83 | 0.05 | 3.03 | 1.20 | 8.38 | 17.77 | 10.22 | 9.20 | 9.21 | 6.77 | 13.43 |
| Cooch Behar | 40.67 | 0.00 | 3.69 | 0.50 | 6.10 | 4.17 | 13.12 | 8.91 | 6.44 | 4.12 | 11.36 |
| Purulia | 28.65 | 0.07 | 7.43 | 1.69 | 6.85 | 8.01 | 14.40 | 9.36 | 5.95 | 5.61 | 13.11 |
| West Bengal | 20.75 | 0.88 | 8.94 | 1.03 | 6.47 | 9.87 | 17.44 | 8.82 | 7.63 | 4.68 | 12.47 |

*Note:*
Source: Authors' calculations

*Wealth accumulation in the post-independence era*

Two kinds of firm existed in Calcutta between 1950 and 1970 – managing agencies and multinationals. These firms both experienced decline and bankruptcy at the end of the twentieth century. By 2010, very few British and Indo-British enterprises headquartered in Calcutta had survived and those which did, did not feature in the Top 500 Indian companies. Some common causes for their decline were the hostile policies, Britain's relative economic decline and violent trade union protests during the left regime. Roy (2017) inquires whether their decline was due to the tariffs and regulations which the post-colonial government brought about, something which was absent during the colonial rule. The Indian government's overt foreign policy, while welcoming foreign investment in its varied micro policies, implemented restrictions on international trade in capital, labour, technology and services. The Indo-British firms became susceptible to loss as they were more used to open borders of capital and cross-border trading. In addition, as different court cases show, factors such as the absence of penalty in the case of collusion between investors and stockbrokers, and changes in firm strategy after handovers, also mattered (Roy, 2017).

However, the transfer process also impacted on the city of Calcutta in other ways. The hub of global trade in Asia underwent deindustrialisation after 1947 and did not play any role in the re-emergence of global trade, as Singapore and Hong Kong did. The capital also fled the city to expand elsewhere; for instance, the tea industry expanded in east Africa. This was the tale of many post-colonial cities of Asia, such as Dutch plantation capitals in Indonesia. Another specific factor was the economic decline of the state of West Bengal from the 1960s. Calcutta's story of deindustrialisation comprises several factors: leftist trade union politics, central government's policy of freight equalisation, polymer packaging replacing jute, silting of Calcutta port and central government's step-motherly attitude towards the state (Roy, 2017).

The 1960s and 1970s saw a lot of political and industrial turmoil which scared off fresh private investments. However, Goswami (1990) argues that Calcutta's problem did not start with the political problems being fought in the industries and streets in the 1960s and 1970s, but with the increased migration that the city over the years had failed to absorb. Post partition, the border districts of Nadia, Maldah, 24 Parganas and Dinajpur were inundated with refugees, reducing the land-to-man ratio. Until 1975, there had been no decline in real investment in Calcutta. However, even in the 1970s, agriculture still contributed almost 50% to the GDP, while manufacturing contributed about 21% only. So, a decline in agriculture combined with an increasing migrant population which the industries in the city were failing to absorb would have negative consequences on the economy (Goswami, 1990).

In the post-independence era, because of a strong central government, combined with a tumultuous relationship with the central party in power from the days of Subash Chandra Bose, the impact of politics could be seen in the allowances in the central budget for the state. The lack of public sector investments further contributed to the decline of agriculture. After the 1980s, Calcutta failed to remain an attractive industrial destination in comparison to other states like Maharashtra and Tamil Nadu which were improving their infrastructure post-independence. There was also a paucity of public funds to set up manufacturing units, as the factory setting was inadequate to provide sufficient employment. In addition, Calcutta failed to tax its own wealth effectively (Goswami, 1990).

There was also an increase in demand for white-collar jobs, particularly for its growing urban middle-class population of the second generation of refugees. Neither the government nor the private sector could satiate this need. The education system was overburdened, and it generated many educated but unemployed people whose reaction might have been the political turmoil that the city faced in the 1970s (Goswami, 1990).

With the advent of market-oriented reforms, as the state government embraced new industrial policies and other necessary measures, the hold of richer classes obviously started getting stronger. The major beneficiaries of the previous regimes continued to enjoy the fruits of liberalisation. Also, the neoliberal regime gave rise to relatively new wealth elites. Two specific case studies are presented later to capture this aspect. As discussed in the analysis of sectoral growth, during the neoliberal era, a specific set of economic activities registered considerable improvement measured in terms of growth, for example, manufacturing; trade, hotels and restaurants; real estate; banking and insurance. In the recent past, the mining industry too saw a boom. Das (2019) investigates what he suggests to be 'a localised form of neoliberal transition' which was brought about by the ruling Left Front coalition government. While the official position of the ruling dispensation was to criticise the neoliberal reforms introduced by the central government, over the decade of 1990s, it slowly adopted market-oriented reforms, reflected especially in its industrial policies. The ruling party actively promoted private investment-led industrialisation. In 1994, the Left Front published a Policy Statement on Industrial Development which clearly demonstrated its attitudinal shift towards private investment and subsequent industrialisation. Das (2019) argues that a lack of clarity with regard to ideological issues resulted in some sort of dualism in the government's approach towards industrialisation. This affected policy making as well. Overall, what emerged, as Das (2019) suggests, is a specific form or variant of local neoliberalism.

Our understanding of the accumulation process during the neoliberal phase relies on both secondary and primary data (profiles of wealth elites). Further, the neoliberal regime of accumulation cannot be understood without reference to the changing spatial dynamics of Kolkata, which had started from the very inception of the city. In what follows, we intend to map the spatial reorganisation of the city of Kolkata across various temporal moments or regimes of accumulation. We capture the spatial dimension of the relative opulence in the city of Kolkata/Calcutta and what changes the neoliberal regime brought about.

## Transition through three different regimes

For an initial understanding of the region under consideration a couple of maps are presented: Kolkata metropolitan area and Kolkata and its suburbs. According to the Kolkata Municipal Corporation the area details of the Kolkata metropolitan area (KMA) are as follows:

***Old Kolkata:***

- *Sutanuti* - Chitpur, Baghbazar, Sobhabazar & Hatkhola,
- *Kolkata* - Dharmatala, Bowbazar, Simla, Janbazar,
- *Gobindapur* - Hastings, Maidan & Bhowanipur.

***New Kolkata:***

- *North* - Sinthi, Cossipore & Gughudanga,
- *South* - Tollygunge, Khidderpore & Behala,
- *East* - Salt Lake , Beliaghata & Topsia,
- *West* - Hooghly River.

***Greater Kolkata:***

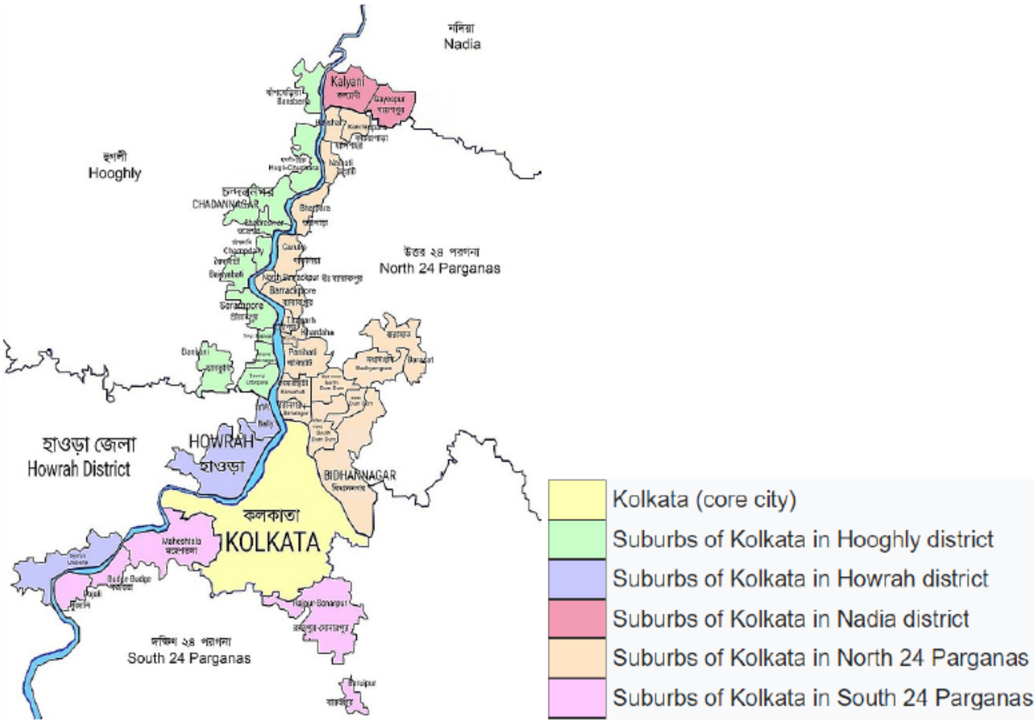
- Baruipur to Bansberia & Kalyani to Budge Budge.

The map below shows the entire Kolkata metropolitan area.

**Figure 2: Kolkata metropolitan area**


**Source:** Kolkata Municipal Corporation

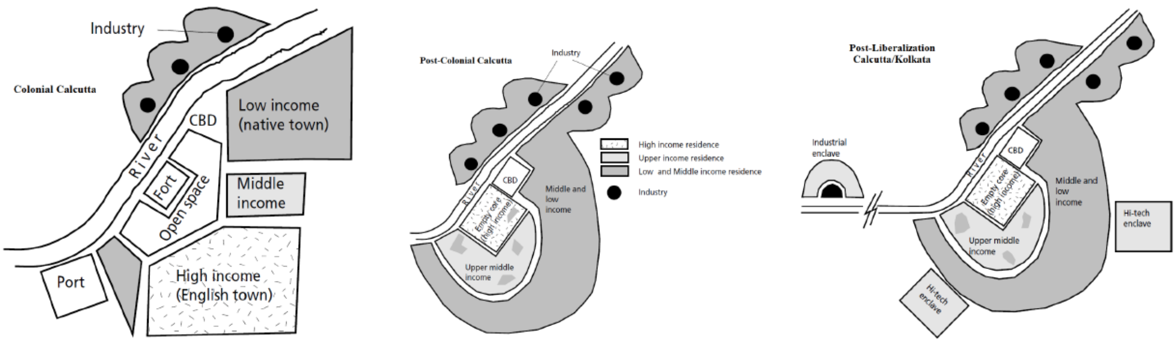
**Figure 3: Kolkata and its suburbs by district**




**Source:** Wikimedia

The city of Calcutta/Kolkata has undergone significant structural changes since its formation. The spatial dimension of relative richness since the colonial era has been analysed carefully by various scholars (see Chakravorty, 2000; Sen, 2017). In addition, the spatial disparity of income and other basic amenities and provisions and their connection to social identities have been rigorously examined by Haque (2016) and Haque et al. (2020). Today some of the poshest areas of the city of Kolkata are Alipore, Bhowanipore, Ballygunge, Park Street, Salt Lake (Bidhannagar) and New Alipore. The new booming part of the city includes New Town and Rajarhat areas which are increasingly becoming desired locations for the elites of Kolkata.

**Figure 4: Changing spatial structure of Calcutta**




**Source:** Chakravorty (2000)

Chakravorty (2000) analyses the spatial changes that mark the Kolkata metropolitan area. In Figure 4 he delineates different localities, their nature and significance. According to Chakravorty, during the colonial period, the growth of the English Town occurred in the south and south-west of the Park Street area. To the immediate north of this was an Anglo-Indian enclave, where Eurasian and families of mixed marriage resided. The neighborhoods further north and east were populated by the natives, consisting of the class of merchants, traders and clerks). An important aspect, highlighted by Chakravorty (2000), is that the initial set of migrants did not come to the city to join the factory workforce as factories did not exist yet. Rather they arrived so as to service the luxurious lifestyle of the colonisers. They stayed in small slums within what can be identified as the English town. It is only in the middle of the nineteenth century with industrial development west of the river and large-scale infrastructural construction works – Howrah station, Sealdah station, Calcutta tramways and docks in Kidderpore – that the employment-related migration took place. However, this time their settlements came up outside the city boundaries on the so-called fringe areas. In the colonial era, there was discrimination in availability of services, with the white town receiving priority, leaving large portions of the black town without access to basic resources. Hence, there was already unequal availability of material provisions, reflected most vitally in the visualisation of the city (Sen, 2017).

Independence did not alter the main spatial distribution. It enabled the native upper-class people to occupy the privileged areas that had been impenetrable. A major event that marks the post-colonial scene is the partition-led refugee inflow which had fundamental and long-term consequences. First of all, the refugees "belonged to the same culture background as the city's intelligentsia, and demanded to be heard" (Chakravorty, 2000: 67). Second, they settled in areas that were perilously close to affluent south Calcutta neighborhoods: "Behala and Chetla bordered Alipur, Kasba and Dhakuria were just next to Baligunj and Gariahat, Jadabpur was not too far from the mansions of Southern Avenue, and the brown and white sahibs could no longer go to play golf, without seeing the slums in Tollygunj. The new urban poor could not be put out of sight in the unmentionable parts of north Calcutta." (Goswami, 1990: 92). Most of the colonial structure did not change except for the race division of the colonial era which was replaced by class division.

Chakravorty (2000) argues that, firstly, while the spatial segregation in terms of occupation, caste, religion and ethnicity continued in the post-colonial time, Kolkata did not have large ghettos like those in the USA, for example. Secondly, spatial segregation was true for not only the poorer segment but also the city's business elite, which has been predominantly the Marwaris, as has been argued so far. They prefer to reside in the enclaves in Burrabazar and Park Street areas. While the professional South Indians tend to opt for the areas around the Lakes, their Bengali counterparts mostly live in south Calcutta[4]. The post-independence period was also an era of emergence of planned new towns. In Kolkata, although not monumental like Chandigarh or Bhubaneshwar, a satellite town called Salt

[4] Charkravorty published his research in 2000. So, his account of the post-liberalisation spatial development is limited to the decade of the 1990s which he himself identifies. He thus refers to the announced plans e.g. New Town projects.

Lake was developed between 1958 and 1965. This was a successful satellite town built for car-owning upper middle-class people living in bungalows or flats. Cars were necessary because the public transportation system between Kolkata and Salt Lake was non-existent in those days. Other satellite towns which grew around Kolkata, such as Kalyani and Bansberia, were not as successful because of poor communication between Kolkata and these new towns (Sen, 2017).

The development of Kalyani, a planned town, had a different motivation – relocation of the State Government – which unfortunately did not materialise. This place is about 50 kilometres away from Kolkata. However, more recently this town has experienced a massive real estate boom and growth in other commercial activities, driven primarily by the setup of the All India Institute of Medical Sciences and large scale investment towards making highways and flyovers so as to dramatically reduce the commuting time from Kolkata. Apart from Kalyani, most of the initial development projects were not very far from the core of the city. But in the post-reform era the core-to-core distance has been rising with New Town-Rajarhat being about 20 kilometres away from the main city. Satpati and Haldar (2019) trace the spatial development of the KMA area and discuss the growth of the peri-urban areas too. Relevant tables from their research are reproduced here.

**Table 4: Tracing spatial development in the KMA region**

| Stages and Periods | Significant Developments and Growth |
|---|---|
| Stage- I: Pre- 1756 | Colonial establishment on the left bank of the River Hooghly at Fort William and north of it, along with the native settlements at Barabazar (CBD) and its adjacent areas. |
| Stage- II: 1756–1793 | East of the River Hooghly along 10 km N-S and across 3–4 km E-W surrounding the inner core (BBD Bag/Dalhousie Square); isolated locations like Howrah, Bally, Chandernagore, Behala, Baruipur, etc. |
| Stage- III: 1793–1856 | Kalyani to Garden Reach on the East and Bansberia to Shibpur on the West of 1 km of the River and G. T. Road; discontinuous but rapid growth of Kolkata with addition by 3–4 km. |
| Stage- IV: 1856–1947 | Continuous growth along the entire stretch with further extension of 1–3 km on both sides of the river; rapid growth of Kolkata proper in north, south and east |
| Stage- V: 1947–1990 | Development of suburban rail and road transport; planned townships at Kalyani and Bidhannagore; maximum growth towards Barasat and Baruipur; average width increased by 10 km. |
| Stage- VI: 1990–2010 | Change in government policies towards LPG and boom in construction industry; planned townships at Patuli and Rajarhat- Kolkata New Town; Development of E. M. Bye Pass as the new North –South corridor |
| Stage- VII: 2011 onwards | Right wing party came to political power in the state of West Bengal, boom in construction sector leading to mass housing projects by various private promoters. Urban redevelopment in the core of the city. Mushrooming of high-rise buildings with densification of the core. |

*Note:*

Source:Adopted from Satpati and Haldar (2019)

**Table 5: Peri-urban growth**

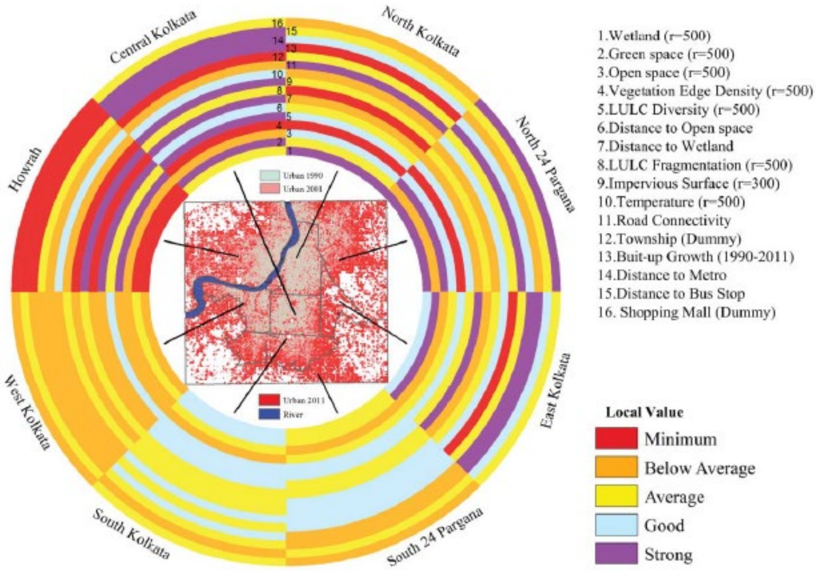
| Name of the growth centre/township (District) | Year of establish-ment/initiation of the scheme | Approximate Distance from Kolkata city (core to core) | Size/area in sq. km. | Population (in million persons) as in 2011 Census of India |
|---|---|---|---|---|
| Kalyani (Nadia) | 1951 | 50 | 29 | 0.01 |
| Salt Lake/Bidhannagar (North 24 Parganas) | 1958/1970 5 15 0.2 | 5 | 15 | 0.2 |
| Baishnabghata-Patuli (Kolkata) | c.2000 | 10 (under the KMC Ward Nos. 101 and 110) | - | - |
| Dankuni Housing Estate (Hugli/Hooghly) | c.1990 | 15 | - | 0.25 |
| West City (Hoara/Howrah) | c.2005 | 10 | NA | Under construction |
| New Town- Rajarhat (North 24 Parganas) | c.1990 | 20 | 28 | 1 |

*Note:*

Source: Adopted from Satpati and Haldar (2019)

Concentration of wealth and income has had, and is continuing to have, decisive consequences for spatial progress and demographic changes. The core part of the city of Kolkata has begun experiencing depopulation. The increasing accumulation and higher per-capita income growth enjoyed by an elite minority have pushed up the cost of living in such areas, forcing the lower-income classes to opt out of these places (Satpati and Haldar, 2019). Most of these localities, which have experienced higher population growth between 1991 and 2011, are situated not at the centre but in the periphery or specific inner pockets. These were the areas where the population density used to be lower. Note that these neighbourhoods are mainly occupied by slum dwellers, and also by religious or ethnic minorities, for example Muslim, Biharis, Chinese, Odiyas and other socio-economically marginalised sections of the population. The central business district is characterised by the residence of high-class people and commercial activities.

**Figure 5: Extent and pattern of local attractiveness**




**Source:** Bera et al. (2018)

Central Kolkata has various advantages in terms of amenities and, thus, higher locational attractiveness, as depicted in Figure 5 above (Bera et al., 2019). However different zones of Kolkata have different advantages with differential impacts on housing value in a certain locality. Housing market prices are a good indicator of the extent of economic richness of a neighborhood. Recall, Alipore, Bhowanipore, Ballygunge, Park Street, Salt Lake (Bidhannagar) and New Alipore are some of the poshest areas of Kolkata today and are measured in terms of housing/property prices. The reasons behind the higher value of an area, as mentioned before, would be different. For example, South Kolkata (Ballygunge belonging to this area) is highly valued not only for the infrastructural amenities and commercial places, but also for the open space and environmental advantages. The socio-economic perspective of spatial dimension has already been discussed.

Kolkata was a late bloomer to the neoliberal architectural and spatial space, when compared to other cities such as Mumbai or Delhi. Several state-regulated, public-private ventures, such as townships, emerged, particularly in the outer fringes of the EM Bypass – a highway connecting Kolkata to the airport and the new town of Rajarhat. Such gated communities also result in new forms of spatial organisation, where the poor people living in the bustees are completely excluded. A clear-cut division between the two has come to exist, something which was not there before. However, while not existing within the gated communities, the bustees still continue to remain in the surrounding areas for the strategic interest of the residents of gated communities. It is here where the mass of the service population is supplied to these enclaves (Sen, 2017).

State-promoted townships started in early 1990s, for example, the planning for Rajarhat, and the land was allocated to the township around the mid-1990s. It was envisioned as an IT (information technology) hub, supporting businesses, cultural and educational institutions, accommodating large numbers of people close to their office spaces and relieving the congestion of Kolkata. Close to Salt Lake, it was also seen as important in providing housing facilities for those working in the IT industry there. Such townships also resulted in the creation of a new public-private planning paradigm, where the state was responsible for acquiring land, with sale and development, while the private sector managed everything else. The land itself was acquired by displacing the traditional inhabitants which in the case of Rajarhat, were peasants and fisher folk. Such urban redevelopment results in changing the social structure of the city (Sen, 2017).

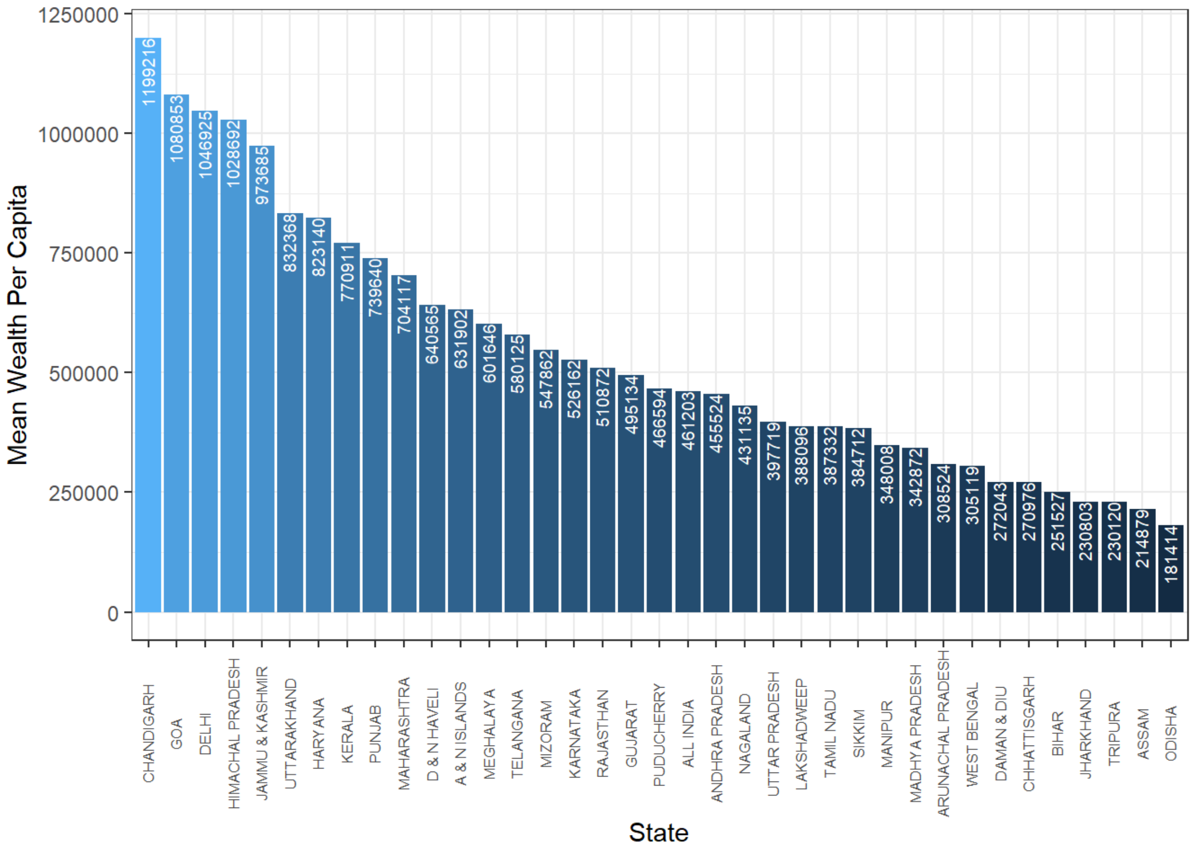
In its transformation from Calcutta to Kolkata, a new form of socio-spatial arrangement took place. In the colonial era, there was an attempted distinction between white and native parts of town, wherein the post-colonial era, the rich and poor used to exist in close proximity by virtue of the dependence on the service class. This made it possible to find bustees next to mansions of the native elites. In the post-independence period, there was an increase in the population of bustees, owing to factors such as the influx of refugees and migration from rural hinterlands. Perhaps in response to this, satellite towns, with successful ones such as Salt Lake, came into being to cater to the needs of the car-owning upper and middle classes. In the post-liberalisation period, Salt Lake developed significantly owing to the emergence of the IT industry and the need for office and residential spaces. Newer townships, such as Rajarhat and Baishnabghata-Patuli, came into being and offered a new form of public-private partnership (Sen, 2017).

## Existing survey findings

So far, we have discussed the temporal and spatial dimensions of wealth accumulation. Now we move onto estimates about the asset holding and claim of various wealth groups in total wealth. Here we rely on two kinds of survey: existing surveys conducted by the National Sample Survey Organization, with a focus on the latest one, and a primary survey conducted as part of this study.

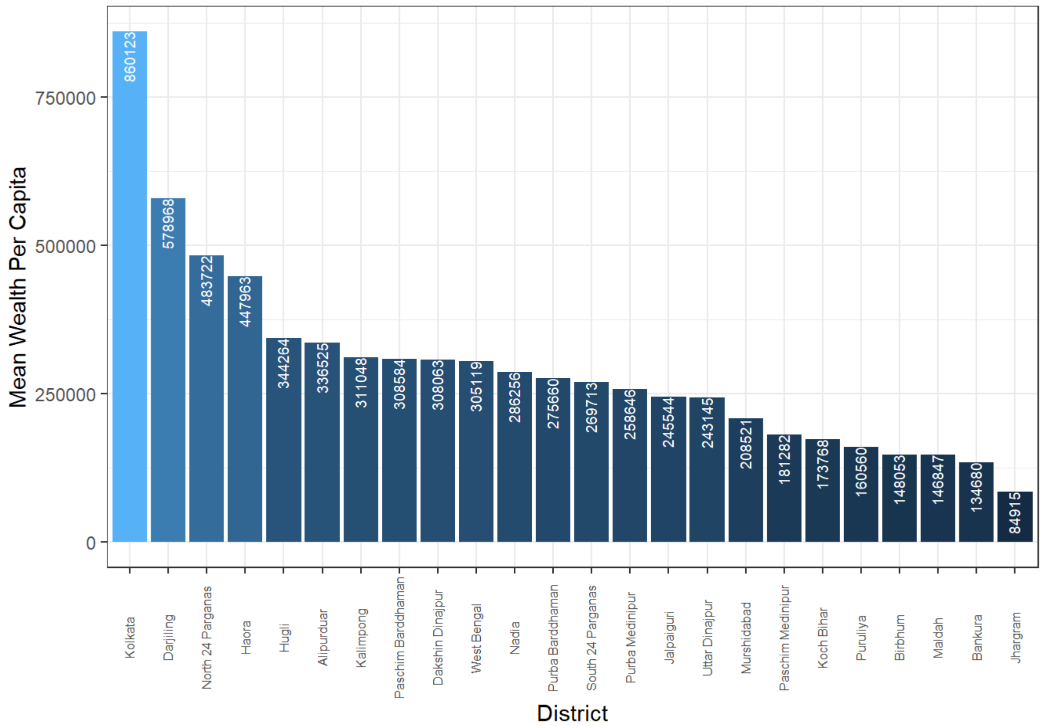
National Sample Survey Organization conducts All India Debt and Investment surveys to capture various aspects of asset ownership, among other things. In what follows, we present an overview of the situation in terms of per-capita wealth across states and the districts of West Bengal and wealth share of the various wealthiest groups. This discussion also emphasises the need for studies such as the current endeavour.

**Figure 6: State wise mean per-capita wealth ownership**




**Source:** Authors' calculation and illustration

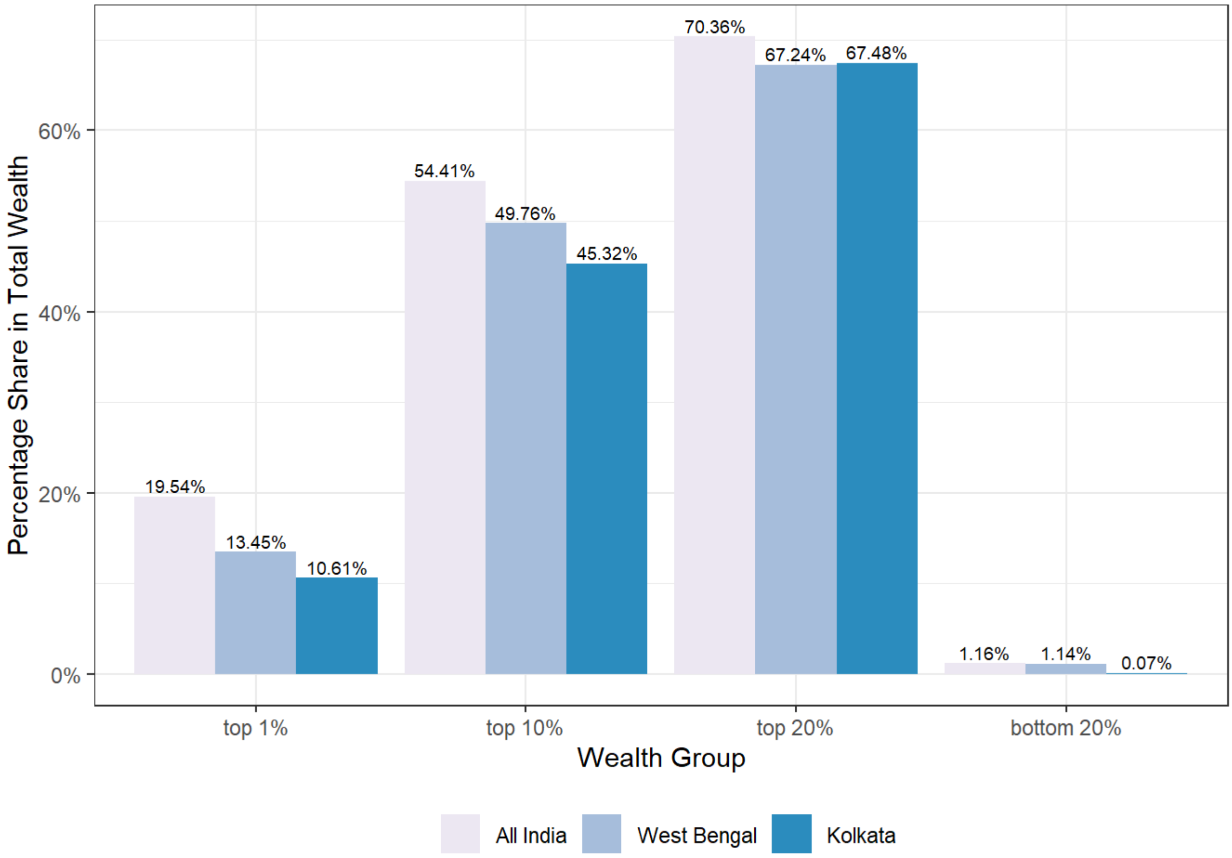
**Figure 7: District wise per-capita wealth ownership in West Bengal**




Source: Authors' calculation and illustration

Figure 6 shows that, in terms of mean per-capita wealth, West Bengal falls well below the average all India level. However, the mean per-capita wealth estimates of three districts of West Bengal – Kolkata, Darjeeling and North 24 Parganas – are found to be higher than the all India average. The gap between the district of Kolkata (Rs. 860123/-) and all India (Rs. 461203) is quite significant in terms of the per-capita wealth. [5]

**Figure 8: Wealth share of various wealth groups**




**Source:** Authors' calculation and illustration

Seen through the lens of the wealth share of the top 1%, top 10%, top 20% and bottom 20%, West Bengal seems to be less unequal in terms of wealth distribution when compared to its all-India counterpart. But what is striking is that the wealth share of the richest 1% at the state level is relatively higher than the same in Kolkata. But if one were to consider only the urban West Bengal and consider all the districts other than Kolkata, the wealth share of the top 1% of both Kolkata and the rest of the urban Bengal (barring Kolkata) would become comparable. A somewhat similar pattern can be observed for the top 10% as well. However, with respect to the wealth share of the top 20%, the estimate for Kolkata seems to be comparable with, or negligibly higher than, the average scenario of West Bengal as a whole. One important observation is that the relative position of the poorest 20% is worse for both West Bengal as a whole and Kolkata when compared to the all-India level. However, it must be noted that at the district

[5] Note that, in these estimates, we have not segregated the rural and urban. However, the district of Kolkata being entirely urban, this does not cause much of a problem.

level we do not have too many data points. NSS surveys suffer from a serious problem of gross understatement of inequality as they fail to capture the super-rich from any region of the survey. This will be clearer when seen in contrast to the findings from the primary survey conducted for this project.

**Table 6: Cut-Off Wealth for Various Percentiles**

| Percentile | All India | West Bengal | Kolkata |
|---|---|---|---|
| 1 percent | 1150 | 400 | 0 |
| 5 percent | 11933 | 5700 | 0 |
| 10 percent | 26583 | 16667 | 1001 |
| 25 percent | 72800 | 52300 | 21650 |
| 50 percent | 184383 | 131208 | 307570 |
| 75 percent | 445500 | 330333 | 1300200 |
| 90 percent | 1005898 | 709185 | 2375000 |
| 95 percent | 1645067 | 1171667 | 3292765 |
| 99 percent | 4127633 | 2475500 | 5558334 |

*Note:*

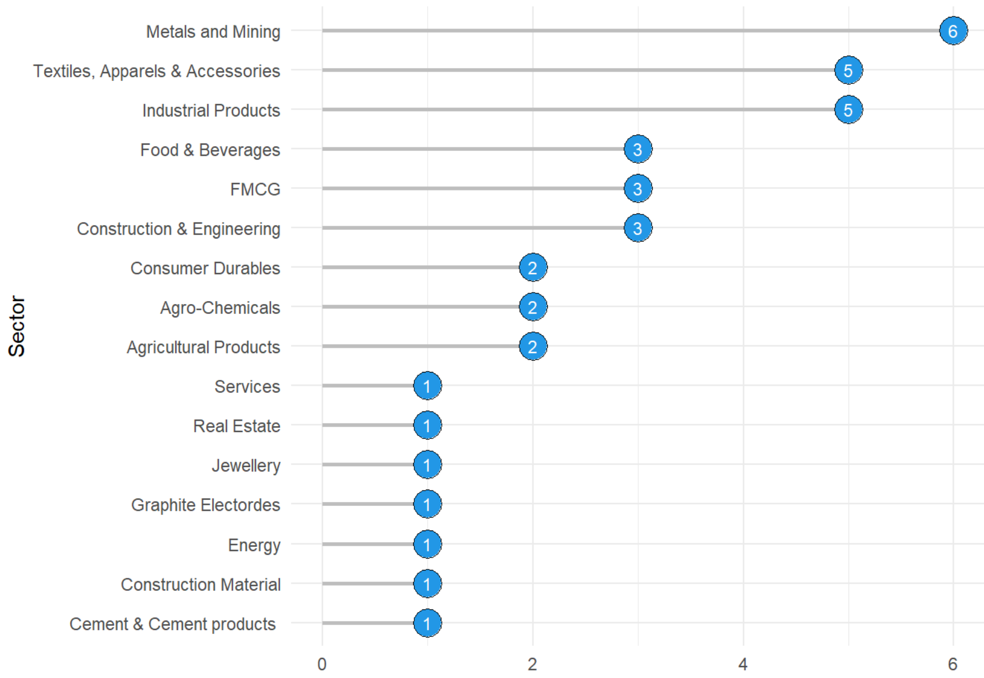
Source: Authors' calculation

The cut-off wealth levels for various percentiles of the population are presented below. As the discussion progresses, the distribution of wealth among the super-rich will be referred to. The comparison to the above wealth cut-off estimates will further indicate the extent of underestimation of wealth inequality in India.

## Findings from primary survey

In our study, following Hurun list, we have a list of 38 individuals from Kolkata, all of whom are in the wealth bracket of more than 1000 crore INR. Additionally, we also have a list of more than 200 individuals who can be categorized largely into three wealth-bracket categories: less than 100 crore; 100–1000 crore and more than 1000 crore. Of these wealth elites, whom we prefer to call primary wealth owners (PWOs), we have gathered more detailed information from about 50 individuals. Hence, we have a list of 206 PWO in total (based on Hurun list and other sources). We call the Hurun list, List One and the second list, consisting of individuals about whom we have relatively more information (based on a short-schedule as mentioned earlier), List Two. The consolidated list or final list is referred to as List Three. In what follows, we present the socio-economic profiles of the wealth elites of Kolkata today, based on the aforementioned data.

**Figure 9: Number of primary wealth owners by type of business activity (Hurun list)**




**Source:** Authors' illustration using data collected from Hurun list

The above figure (Figure 9) tells us that a relatively larger number of 1000 cr+ PWO (as per the Hurun list) are involved in the metals and mining sector activities, followed by sectors such as textiles, apparels and accessories. The mining sector is a key sector for West Bengal's economic growth (overall and region specific). According to the government of West Bengal, "West Bengal is 3rd largest in India in mineral production accounting for about one-fifth of total mineral production. Coal accounts for 99% of extracted minerals of the state, which has 11% of the total national coal reserves" (Government of West Bengal, 2020). Commentators have also argued that mineral resources could play a critical role in boosting West Bengal's economic growth. There are five PWOs from the following sectors each: textiles, apparels and accessories and industrial products. Food and beverages, FMCG, and construction and engineering contribute three PWOs each to the list. There are two wealth elites from each of the following sectors: consumer durables, agro-chemicals and agricultural products. We further identified one PWO in the Hurun list from sectors ranging from services to cement and cement products.

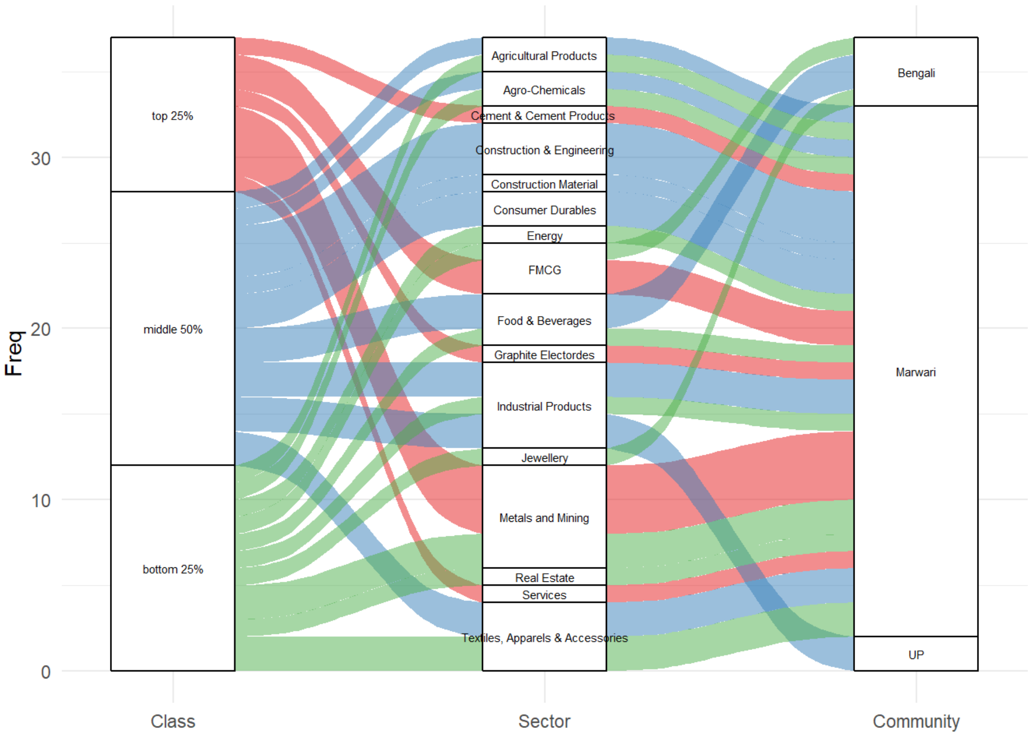
However, the frequency does not by any means reflect the economic relevance of the respective individual PWOs. For example, the Subarnabaniks group, which owns the famous jewellery, is one of Calcutta's most prominent indigenous business tycoons. On the contrary, the frequency of PWOs in different sectors and the extent of wealth ownership may not go hand in hand. Table 7 shows the average wealth ownership of the PWOs associated with different sectors or business activities. For example, although we have one PWO in cement and cement product-related activities, the respective amount of wealth is the highest in the list (Rs. 73100 Cr. INR), followed by the individuals involved in other service sector activities (Rs. 24800 Cr. INR). The group of entrepreneurs in metals and mining activities has an average wealth of Rs. 4550 Cr. INR). Table 7 is organised in descending order of average wealth of individual(s) associated with specific sectors. It can be verified that there is a huge gap between the first entry and the second entry in that table implying an extremely skewed or polarised distribution pattern at the top end. Whether such distribution of wealth and sector-wise numbers of PWOs are related to the degree of monopoly in respective markets is a matter of separate research. This is beyond the scope of the current study, even though it might be a potentially critical factor or reason.

**Table 7: Sector wise average wealth (Hurun List)**

| Sector | Mean Wealth |
|---|---|
| Cement & Cement products | 73100 |
| Services | 24800 |
| Graphite Electordes | 7665 |
| FMCG | 7000 |
| Metals and Mining | 4550 |
| Construction & Engineering | 3667 |
| Consumer Durables | 3250 |
| Food & Beverages | 3233 |
| Textiles, Apparels & Accessories | 3180 |
| Construction Material | 2300 |
| Industrial Products | 2140 |
| Agricultural Products | 2050 |
| Agro-Chemicals | 1700 |
| Jewellery | 1600 |
| Real Estate | 1600 |
| Energy | 1400 |

**Source:** Authors' calculation

**Figure 10: Class, sector and caste composition of wealth elites**



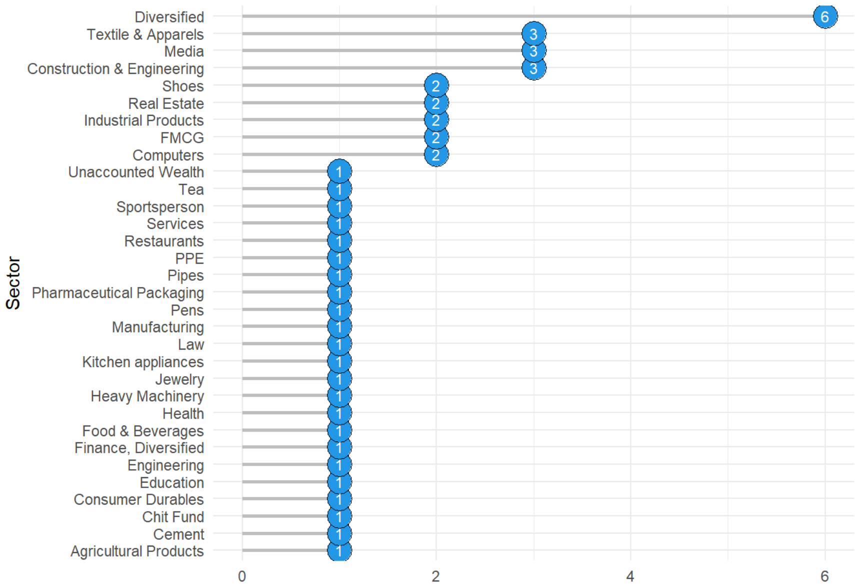

**Source:** Authors' illustration using data collected from Hurun list

PWOs from the Hurun list are diverse in terms of their wealth profile, sectoral involvement and also their social identities, for example, community. Note, however, that Hurun does not provide the information about the social/ethnic identities of the concerned individuals. Information in this regard was gathered by the authors from various sources. We have so far presented some basic descriptive numbers regarding the PWOs. Now we intend to dig a bit deeper into the intersection of class (bottom 25%, middle 25% and top 25%), sector and community in order to understand the wealth elites' social and sectoral profile. We do so by clubbing PWOs into different wealth-class categories.

As can be seen in the above figure, the bottom 25% of the PWOs from the Hurun list is more diversified (about ten sectors/types of economic activity) than the top 25%, as reflected in more links between the concerned wealth class and sectoral activities. The same holds true for the middle 25% of the wealth distribution. The top 25% of the rich is more concentrated in about five sectors and thus is found to be less diversified at an aggregate level. The ethnic identities are quite revealing. Firstly, there are very few Bengalis in the list. Secondly, none of the Bengali PWOs is in the top 25% wealth class. Thirdly, in contrast to that, the Marwari community in this context appears to be extremely diversified, in terms of both their extent of richness and sectoral involvement.

Next, we present the overall scenario about the wealth elites in Kolkata that emerges from List Two.

**Figure 11: Number of primary wealth owners by type of business activity**




**Source:** Authors' illustration using primary survey data

In List Two the highest frequency of PWO can be observed for the category of diversified business activities. Media, textiles and apparels, and construction and engineering also contribute three super rich each. A wide range of activities/sectors contribute to this list, ranging from tea estates to agricultural products. We also have PWOs in this list who are involved with the education and health sectors.

**Table 8: Sector wise average wealth**

| Sector | Mean Wealth |
|---|---|
| Services | 24800 |
| Cement | 15250 |
| FMCG | 5200 |
| Consumer Durables | 4600 |
| Tea | 4500 |
| Textile & Apparels | 3767 |
| Construction & Engineering | 3667 |
| Agricultural Products | 3100 |
| Manufacturing | 2900 |
| Industrial Products | 1700 |
| Diversified | 1602 |
| Jewelry | 1600 |
| Food & Beverages | 1400 |
| Real Estate | 1070 |
| Heavy Machinery | 1000 |
| Health | 441 |
| Sportsperson | 365 |
| Shoes | 200 |
| Restaurants | 165 |
| Pens | 134 |
| PPE | 128 |
| Computers | 100 |
| Engineering | 100 |
| Law | 100 |
| Media | 100 |
| Pipes | 100 |
| Unaccounted Wealth | 100 |

**Source:** Authors' calculation using primary survey data

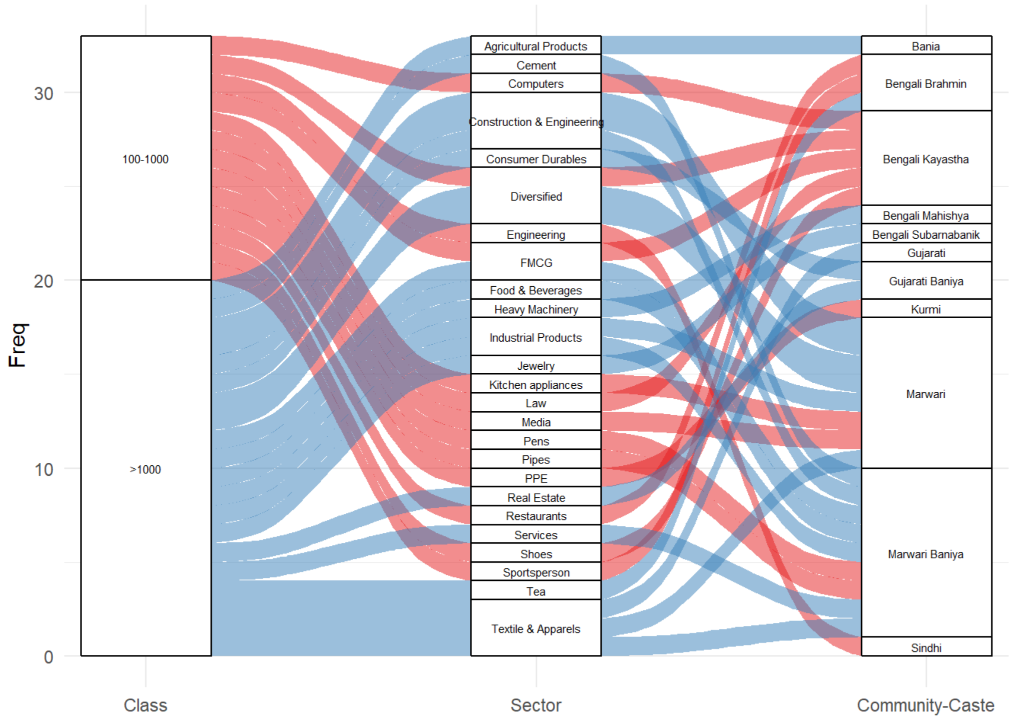
Here too we see that the distribution is skewed at the top end. If we remove individuals owning more than 10000 cr INR then we get this pattern of distribution. Figure 12 below shows that, in both cases, there is a high range of values beyond the third quartile. This occurs after removing the outliers. A contrast between these two groups of PWO (100–1000 and >1000) can be discerned. For the former group, the variation is relatively higher among the third quarter, reflected through the gap between third and second quartiles, and the opposite holds for the latter in which the gap between second and first quartiles is relatively greater. Thus, the distribution of wealth for the first group (100–1000) is relatively positively skewed and the distribution for the second group (>1000) is relatively negatively skewed. Although this is not an appropriate measure of inequality, it indicates the degree of variation in ownership of wealth and hence renders a broad understanding of the distribution pattern. What can be safely argued is that wealth distribution among the wealth elites might be highly skewed and there is a possibility of polarisation among the super-rich.

**Figure 12: Distribution of wealth among the wealth elites (List Two)**


**Source:** Authors' illustration using primary survey data

A discussion about how class, domain of economic activities and social identity are linked using List One has been offered. We conduct the same exercise using the Second List. Recall, in the List One we only had those who belong to the Hurun List and it was solely those with wealth above 1000 cr. In List Two we have individuals, some of whom are on the Hurun list but many of whom are not. Also, we have individuals with wealth between 100–1000 cr. As mentioned earlier, the List Two mainly consists of people about whom relatively more information has been gathered. Therefore, the aspect of social identity (caste community) is comparatively more detailed than earlier analysis. The following figure demonstrates the distribution of wealth elites along the axes of class, sector (productive activities) and caste community.

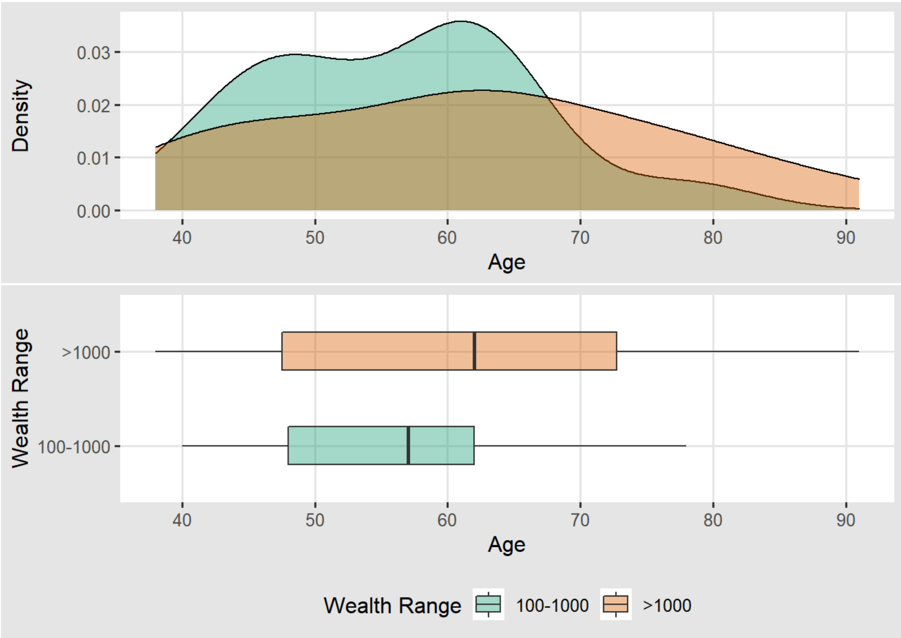
**Figure 13: Class, sector and caste composition of wealth elites**




**Source:** Authors' illustration using primary survey data

Certain important observations can be drawn from the Figure 13. First of all, there appears to be some sort of a segregate in terms of economic activities that the PWOs from two groups are engaged with, in the sense that the extent of intersection in this regard is relatively low. Sectors where we find the >1000 group of people are generally different from the sector where we find the other set of individuals, of course not to undermine sectors where both are present, such as FMCG and various other manufacturing goods. This is indicative of a plausible correlation between sectoral association and resultant accumulation of wealth. Once again, this requires further probing to conclude on the economic logic behind such separation, if any. As far as the community-caste perspective is concerned, we have a few Bengali Brahmin individuals linked with sports, shoe production and real estate, who belong to the >1000 group which is predominantly composed of Marwaris and Gujaratis and mostly the Baniyas from both ethnic communities. It is only the Subarnabaniks who are non-Brahmin and belong to the >1000 cr group. From the Bengali Kayastha group no one is in the >1000 cr group. Secondly, while Marwaris have a large number of >1000 cr individuals, the Gujarati Baniyas in this dataset comprise solely the >1000 cr PWOs. Thirdly, while the class-sector link is relatively more segregated, the caste-sector links are a lot more diverse, in the sense that a same caste-community group has various individuals associated with diverse business or productive activities, which is strikingly different from the Bengali community's scenario.

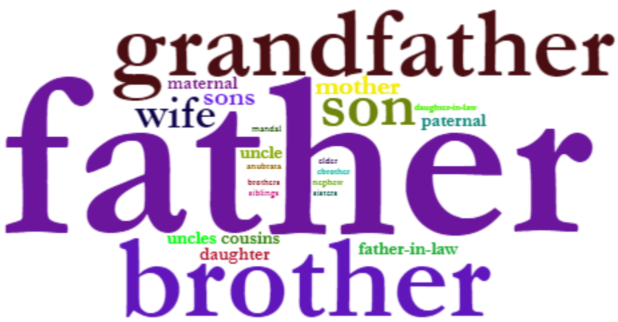
**Figure 14: Age distribution of PWO**




**Source:** Authors' illustration using primary survey data

There is yet another interesting observation about these two groups which is worth highlighting. The median age of the >1000 cr group is higher than the group of 100–1000 cr. This is not counter-intuitive as it is likely that many of the richest individuals have accumulated huge wealth (>1000 cr.) over many years. The age variable is more dispersed for the former group than the latter as can be seen in Figure 14. The age distribution is relatively right skewed in the case of the group of individuals in the wealth bracket of 100–1000 cr INR. While the age of most individuals of the group 100–1000 cr is between late 40s and early 60s, the same for the second group is between late 40s and early 70s. It is likely that many of the richest of the group have been in business since the pre-reform or nehruvian era. This statement is not intended to undermine the relatively younger lot who have made it big and are in the >1000 cr group. Most of those belonging to the group 100–1000 cr have built their empires over the last three or four decades. This coincided roughly with the time of India's growth turn-around in the early 80s and liberalisation in the early 90s. However, this is a matter for further research.

**Figure 15: Relatives in business**




**Source:** Authors' illustration using primary survey data

While state support, direct or indirect, and market mechanisms are crucial for wealth accumulation, having a strong network, including blood relations, friends or political connections, does matter in setting up and furthering business activities. Part of the survey inquired whether the PWOs have any relatives in business activities, either the same or different. The answers varied from grandfather to daughter-in-law. It needs to be highlighted that having a father, grandfather or siblings in businesses would generally indicate a big boost to start with while having a son, daughter or daughter-in-law would imply that the business activities are passed on to the next generation. Possibly, because of various support systems emanating from the class-caste-gender position of the next generation they may have started something of their own also. The word cloud presented above clearly shows us who has been in business most of the time. For the majority of the PWOs it is found that they have their fathers in businesses, either the same one or of other kinds.

Given the fact that having a father in business activities is the dominant occurrence, it is worthwhile to see if there is any difference between the two classes of wealth elite. The following table captures this.

**Table 9: Wealth range group and father's occupation**

| Wealth Range | Father's Occupation | Percentage |
|---|---|---|
| 100-1000 | Businessman | 66.67 |
| 100-1000 | Civil servant | 8.33 |
| 100-1000 | Diretor, JARI | 8.33 |
| 100-1000 | Lawyer | 8.33 |
| 100-1000 | Railway Employee | 8.33 |
| >1000 | Businessman | 83.33 |
| >1000 | Founder, RPG Group | 5.56 |
| >1000 | Serviceman | 5.56 |
| >1000 | Shop Owner | 5.56 |

**Source:** Authors' calculation using primary survey data

The difference between the two groups is striking. It can be seen that for 67% of the PWOs in the group of 100–1000 cr the father was or is a businessman and that the percentage becomes much higher, as high as about 84%, when it comes to PWOs belonging to the group >1000 cr. It appears that the presence of fathers in businesses seems to be critical in reaching a higher wealth bracket here.

**Table 10: Wealth range, higher education institutions and percentage**

| Wealth Range | Higher Education Institution | Percentage |
|---|---|---|
| 100-1000 | St. Xavier's College, Kolkata | 30.77 |
| 100-1000 | Bhawanipore Educational Society | 15.38 |
| 100-1000 | University of Calcutta | 15.38 |
| 100-1000 | Christ University, Bangalore | 7.69 |
| 100-1000 | Government Law College, Mumbai | 7.69 |
| 100-1000 | Ravenshaw University | 7.69 |
| 100-1000 | SCB Medical College | 7.69 |
| 100-1000 | University of Pennsylvenia | 7.69 |
| >1000 | St. Xavier's College, Kolkata | 35.29 |
| >1000 | St. Xavier's College, Kolkata; Calcutta University | 11.76 |
| >1000 | University of Calcutta | 11.76 |
| >1000 | Bond University, Queensland, Australia | 5.88 |
| >1000 | Dibrugarh University, Assam | 5.88 |
| >1000 | Jadavpur University, Harvard University | 5.88 |
| >1000 | St. Anthony's College, Shillong, Calcutta University | 5.88 |
| >1000 | St. Xavier's College, Kolkata; Columbia University | 5.88 |
| >1000 | St. Xavier's College, Kolkata; IMT Ghaziabad | 5.88 |
| >1000 | Wharton and University of Pennsylvania | 5.88 |

**Source:** Authors' calculation using primary survey data

It is generally assumed that education plays a key role in higher earning potential. Many of the wealth elites of the current survey opted for higher education. It is not just how far they studied but also where they studied that matters. Access to specific elite educational institutions comes with not only its obvious benefits but also an additional and long-term reward – social networks. Although this paper does not aim to analyse networking through educational institutions, the findings about the institutions of higher education for the wealth elites are worth highlighting (see Table 10 above). St Xavier's College of Kolkata is generally a popular choice among the non-Bengali and Bengali elites of the city. The survey revealed that while about 30% of the wealth elites from the wealth bracket of 100–1000 cr have studied at St Xavier's college, this proportion reaches close to 60% for the group >1000 cr.

Our primary survey-based analysis coupled with various historical accounts revealed, among other things, the importance of caste and communities and, consequently, social network in wealth accumulation and wealth reproduction. In the case of Bengal and Kolkata, in particular, we see the unparalleled economic success of the Marwari community with regard to the Bengali community. Also, in contrast to popular perceptions, just like any other parts of India, both caste and religion become important in the case of wealth ownership. Therefore, before we conclude this section, we present a small discussion on caste-religion intersection and the story of Marwari success, in particular.

## Community, caste and religion in wealth creation

In the overall narrative of wealth creation and appropriation, caste-religion-ethnicity dynamics have remained important throughout the precolonial era and thereafter. For example, in the case of Saptagram, which was a port-town and a business hub until the sixteenth century, boats and ships were owned by mainly wealthy Muslim businessmen. Portuguese traders arrived there to trade. Among Hindu Bengali traders, Baishnabs, a section of Hindu who came up as the result of anti-brahminical struggles by the lower castes, were important. Other than Baishnabs-Subarnabanik[6] (gold trader), Gandhabanik (spice trader) and Kangsabanik (metal trader), all of these were important castes.

During the precolonial period in Saptagram, Hindu traders were not known much for direct international trading ventures. Rather they were local agents – *dalals* or middle-men – for the foreign traders. In this way, these Hindu traders accumulated wealth, mainly through intermediation or through brokerage. Hence, foreign Christian traders came to conduct international trade, Muslims wealth elites were the original rulers and owners of boats and ships mostly, and Hindu trading communities played the role of facilitators, local agents and middlemen.

Again, consider the case of the Jagat Sheth[7] family who became very close to Dehli's Mughal Badshah and Bengal's Nawab Murshid Quli Khan. The rulers were Muslim and yet the closest aide to the ruler was Jagat Sheth, who belonged to the Marwari community, came from the Oswal sub-group and followed Jain religion. Reportedly from the Jagat Sheth family, Fateh Chand became the richest man in the world at that time. Hence, a banker and business family following Jain religion worked closely with Muslim nawabs as well as with Christian officials of the East Indian Company in eighteenth century Bengal.

Since pre-colonial time in this region, in the realm of wealth creation and wealth appropriation, intersection of caste-religion-ethnicity has played a key role in general while the Marwari community started to play a pivotal role in the arena of business in Bengal.

**Marwari-Bengali community dynamics**

From the foregoing analysis it is evident that the Marwari community has played a very important role in wealth creation and, overall, in the realm of business since the precolonial era. At present when we observe recent data on wealth elites of West Bengal, we can clearly observe that this list is largely dominated by Marwaris[8]. Businessmen from the Bengali community are largely absent from the list of wealth elite with net worth of 1000 crore or more.

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[6] Although Subarnabaniks were very rich yet they were part of the Shudra group and they were discriminated against in many ways, including barring them from some of the religious practices. Brahmins used to consider Subarnabaniks untouchables. In such a situation Nityananda a famous Baishnab guru came and ate with a Subarnabanik trader and stayed in his house. By doing so Baishnab guru saved them from untouchability and liberated Subarnabaniks from other types of discrimination. Hence, many people from Subarnabanik caste and other lower trading castes became Baishnab.

[7] Both Jagat Seth and Jagat Sheth are used in the literature and hence we use them here interchangeably.

[8] Few had also become industrial houses before independence. Owing to their large access to liquid wealth, they came to occupy board seats in diverse industries such as tea. By 1965, one-third of the industrial conglomerates in India were Marwari-owned and based out of Kolkata. Among them, Bangur, Surajmull Nagarmull, Dalmia- Jain and Singhanias benefitted much from the transfer process.

This accounts for the fact that Bengalis are absent and Marwaris are overwhelmingly present in the list, which is an intriguing issue.

In order to understand the overwhelming presence of Marwaris among the wealth elites, it is important to first consider the question of who the Marwaris are: to know their origin, orientation and internal issues. As per The Bengal Code of Census Procedure for 1901' a marwari is "A trader from Rajputana". According to this definition – Agarwal, Maheswari, Oswal and Saraogi – these business groups have been marked as Marwaris. For many scholars Marwari means a geographical identity. In ancient times when the river Saraswati dried, various regions in Rajasthan and Gujarat became deserts. *Maruvumi* or *marupradesh*, that is, deserts are the origin of Marwaris. People from these regions had to go out for livelihoods and they are called Marwaris (Maru -> Marwar -> Marwari). They are not only businessmen, but people from western Rajasthan in and around those areas. They may be doctors, chartered accountants or public servants. Among scholars, for the most part, there is consensus that people from western Rajasthan, who are mainly businessmen, are called Marwari. The Marwari community can be divided into three categories – Hindu-Agarwal, Hindu-shiva upasak and Jain. There are further divisions within each of the above categories.

Early nineteenth century historian James Tod identified 128 merchant castes from Rajasthan who started to move out of Rajasthan. In popular parlance, often business communities from Haryana and Uttar Pradesh are also referred to as Marwaris[9], although they are not officially accepted in Marwari organisations. Some of the factors can be pointed out that explain the out-migration of Marwaris from Rajasthan. First, attacks from Maratha and Pindari pirates in Rajasthan during the end of the Mughal period led to out-migration; second, in the year 1818 the British colonisers captured Rajasthan and took over business opportunities previously enjoyed by the people of Rajasthan; third, after the British capture they imposed Chungi Tax on trade, which again made trading and business unprofitable for the business people of Rajasthan; and fourth, due to natural calamities such as series of draughts in 1804, 1812, 1833, 1848, 1853, 1868–70, 1877–78, 1899–1900, farming was so difficult in this region that Marwaris started to leave their homeland. The same type of exodus happened due to the drought in 1954.

While discussing involvement of different communities in business the following question arises: What makes the Bengali community absent from the business sphere when compared to the Marwari community? To address this question the following points should be pondered:

One, the severe recession in Europe during 1830–40 had adverse impacts over Indian businesses. Prices of indigo and many other commodities plummeted, many businesses incurred huge losses and many had to shut down. In this period, many Bengali entrepreneurs lost a lot of money and the burden of debt increased significantly. This

[9] The presence of Marwaris in Bengal can be traced back to 1564. Mughal Samrat Akbar had to send soldiers to Bengal at that time to supply materials to those soldiers. Businessmen from Rajasthan arrived in Bengal. Hereafter they started to spread all over Bengal and the economic and political importance of Marwaris started to increase.

particular setback created a negative spiral over time and affected business inclinations and risk-taking behaviour of Bengalis in generations to come.

Two, as Calcutta was then the capital of British-India, education came here first. The Bengali middle class and younger rich people pursued education and went for jobs rather than business. At that time, British colonisers needed a section of people for clerical work and educated Bengali young men fulfilled that demand.

Three, the Permanent Settlement policy enacted by Lord Cornwalis made zamindari a lucrative avenue for making money with less risks. Many Bengali businessmen started to invest in zamindari and enjoyed the risk-free leisure life of being Jamindars for generations to come. For example, although from the Tagore family, Prince Dwarkanath Tagore, grandfather of R.N Tagore, was a prominent figure in Indian business in his lifetime but in the next generations businesses were not their main source of income as their income came mainly from zamindari.

Four, racist and discriminatory policies of the British administration discouraged some of the Bengalis from entering into business. Marwaris, however, could maintain a fine balance between the British raj and the swadeshi movement.

Five, with the English education of young Bengali people, after learning about the renaissance in Europe, reasoning, liberalism and scientific discoveries, they became so inclined to literature, philosophy and science that many of them became world famous. This served as a by-product of such interests and reflects a lack of interest in business.

Six, the attitude towards risk taking was seemingly very different among Bengalis and Marwaris. Economic security enjoyed by some of the Bengalis owing to the policy of Permanent Settlement influenced the overall culture towards a low risk, high leisure-oriented lifestyle. Bengalis showed a high inclination for clerical jobs and other jobs that could be obtained through education by obtaining more and more degrees. Conversely, Marwaris came from Rajasthan to Calcutta by risking their own lives. Hence taking risks in business was relatively easy for them. Initially for Marwaris, businesses started with commodities but the nature of business changed subsequently with a move towards speculation, hundi, different financial instruments involving higher risks and share markets. Bengalis could not follow this trail, which Marwaris had followed meticulously from the very beginning. Therefore, after a period of time it became difficult for Bengalis to enter the business world as they lost track and they could not get any network support.

Seven, after the establishment of the Indian National Congress party, many educated Bengalis joined the party and became important office bearers. Attempted partition of Bengal in 1905 and consequent political unrests forced the British administration to shift the capital from Calcutta to Delhi. Due to their deeper involvement in anti-colonial, anti-British struggles, Bengalis were not in a favourable position for the position of British administrator. Note here that after Mahatma Gandhi entered national politics, many Marwaris also entered politics and could maintain good rapport with the British administration as they followed the path of non-violence propounded by Gandhi. Conversely, Bengalis followed more radical paths against the British rulers by following Netaji Subhas Bose and others, which might have further alienated them from the British administration and from receiving favourable terms while doing business. For example, Ghanshyam Das Birla mentioned that he acted as a negotiator between Mahatma Gandhi and the British rulers (Shikdar, 2012).

As a result of all these factors, there would be moneyed men, such Motilal Seal, but the world of business would be distant for them. The native Bengali businessmen who had emerged earlier were almost done with the business sector, their descendants either depending on their forefather's accumulated wealth or taking up jobs as professionals for the English. This left the business sphere open for the Marwaris (Mitra and Prasad, 1990).

From the above analysis today's situation also can be explained as we observe from the recent data that among Kolkata's richest persons very few Bengalis exist in the more than INR 1000 crore category. In the more than INR 100 crore category there are some Bengali entrepreneurs, most of whom are either of Brahmin or Kayastha caste backgrounds. The presence of Muslims is minimal in the list of rich persons in Kolkata and, not surprisingly, Marwaris dominate this list of rich people.

## Case Studies

Before we conclude this paper, we present three select case studies to capture both temporal and social perspectives of wealth generation, wealth accumulation and wealth reproduction[10]. They are as follows: Three generation Bengali business wealth elites – A Tea's Mr X and Mr Y – from the Bengali community, and those who benefited from the nehruvian regime and continued to progress further over the Neoliberal era; B Group, representing the Marwari groups and those who benefited more specifically from the free-market era; and C Rajbari, representing the old wealth of Bengal/Kolkata – Bonedi families who could not retain their wealth position and economic hold – a story of wealth loss.

### Case Study (I): Three generation Bengali Business – Mr X and Mr Y of A Tea

A Tea was started by Mr Q in 1912, as part of the swadeshi movement when there was a spurt of growing Indian businesses in defiance of colonial rule. He owned a tract of land in Pearacherra in the Unakoti district of northern Tripura, where he started cultivating tea. He produced high-quality tea which started competing with the tea produced in plantations owned by the British and which fetched the best prices at tea auctions.

Mr Q's son, after completing his education, was immediately inserted into business by his father in the tea estate in Shyamguri, Assam. Mr X, after coming into the business, did the same for his son, Mr Y. He acquired the carpet company O in 1998 and asked his son to learn about the business. Now, Mr Y is the managing director of the group (Banerjee, 2020).[11]

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[10] We maintain anonymity about the names of the corporations and families and also the concerned PWOs

[11] https://www.forbesindia.com/article/family-business/meet-the-kolkata-family-behind-the-worlds-finest-teas/62753/1

Two things stand out in the generational company. One is the question of education, the other is that of hands-on business experience to prepare the next generation of scion. Mr X has a B Com degree, while his son Mr Y has an MBA from Columbia University. Mr Y, during the interview said, “I do not have business contacts with my friends from school or college, but I do so with my colleagues from business school”.

In addition, since they are a family-run business, they find it easier to acquire similar family-run businesses. This idea of a successful Bengali family-run business, seen as a rarity in their line of business (tea) where most of the estates have been either closed down or acquired by the government, plays an important role in this. For instance, when they acquired a renowned tea estate, which produces some of the most premium tea in the world, this notion of family-run business perhaps played an important role, given the tea estate itself was a fourth generation run business.

**Case Study (II): Marwari Wealth – B Group**

Mr U and Mr V, the founders of B Group represent an aspect of business networks – that of friendship based on community identity. Both of them studied in Maheswari Vidyalaya, a school in Burrabazar, a common Marwari locality. They went on to study in the same college and joined different business groups of the Birlas as their first jobs. Mr U and Mr V started their business as a small manufacturer of ayurvedic medicines and cosmetics, in a small room in North Kolkata. They borrowed 20,000 INR from Mr V's father to start their business. At present, they have a wide range of cosmetics, ranging from skin-lightening cream to talcum powder, each a market leader in their own category. They are both joint chairmen of the B Group and own 36.36% of the flagship, along with their respective families. Even in their personal lives, the two friends are close, still living in the same street and going on holiday together each year. Mr U's three children, along with Mr V's two children and a nephew, are also involved in various operations of the company. The newer generation has completed educational degrees from foreign universities. For instance, Mr W, Mr V's nephew has an MBA degree from Cardiff University. After joining the business, exporting increased (Forbes, 2011). This shows how education plays an important role in wealth expansion and ways of doing business, even in family-run companies.

The two founders' control over the family is, however, absolute, in the sense that no big purchases, such as jewellery for women or investments in other businesses, can be done without the founders' nod (Forbes, 2011)[12]. Currently, there is a shift in generations as the elder members of the family pass on the baton to the younger ones, Mr W and Mr Z (Singh, 2022)[13]. Family-run business often depends on identifying one central scion or equally dividing the wealth among all the members, with each member moving on with one particular brand or dividing the company altogether. B Group seems to have chosen the former, identifying one individual from each family as the flagbearer

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12 https://www.forbes.com/global/2011/0808/companies-emami-shyam-goenka-radhe-shyam-two-families.html?sh=5aa9c7577be4

13 https://www.moneycontrol.com/news/business/what-lies-ahead-for-zandu-maker-emami-as-the-next-generation-takes-over-8049611.html

of the next generation. Of course, other children are also engaged in different capacities in the company, but it is taken for granted that they will not lead the company. Mr Q, for instance, heads the international business section while Ms R is involved in other brands. The identification of one leader is vital in such a family-run company, however. For the earlier generation, it was Mr E (Agarwal and Goenka, 2019)[14]. Who takes the lead in the next generation and how other members of the two clans react to it is something which remains to be seen.

Passing down of the baton among the family members in a family-run business is often criticised as a lack of professionalisation in the post-liberalisation era. Mr H of D Constructions, himself an owner of a family-run construction said, "Even though my company is family-owned, it is professionally run. For the last 20 years, except for a single member, there have been no other family members in my company".

He thus hints at the professionalisation of the workforce, something which is expected in post-liberalised India. However, he avoided the question of whether he would pass on the company and its work to his son or not.

Another wealth elite, Mr I, owner of Company F, a widely circulated Hindi daily of eastern India said something opposite, "Kinship may be useful for some connections, but business is done mostly based on merits and ideas. It is like the Bollywood star kids, they may get their first movie based on kinship connection but getting the second movie will depend on his or her talent".

Therefore, questions of merit are highlighted as being an important aspect along with kinship in inheritance and the success of businesses.

**Case Study (III): Old wealth – Sovabazar Rajbari**

Mr R was the founder of the C family. Himself an astute political broker, he was an important conspirator in the Battle of Plassey that led to the defeat of the last independent nawab of Bengal, Siraj ud Daulah. Mr R rose from a humble background. His father was an official who looked after finances in the royal court and passed away when he was young. Educating himself in Farsi and English, he started out as a translator, which got him in close contact with the likes of Robert Clive and Warren Hastings. Taking advantage of the political situation in Bengal, of the turmoil between the nawab and East India Company, he became a political broker. Soon after his active role in the downfall of Shiraj, he received the zamindari of Sutanuti, which led to his increase in wealth.

One way in which the wealth of such old or Bonedi families of Calcutta can be traced is through their consumption and display of opulence. Mr R, for instance, is rumoured to have spent nearly 10 lacs for his mother's funeral.

His descendants, however, did not believe in such a blatant display of wealth. Instead, his adopted son Mr G and grandson Mr H were involved in social and political activities. This was a marked shift which happened across the

[14] https://www.livemint.com/news/business-of-life/we-are-emamiwalas-not-goenka-or-agarwal-1560440899276.html

landscape of Calcutta because such opulence was often the target of literary ridicule, for example, in the instances of Hutum Penchar Naksha or Kamalakanter Daptaar.

However, over the years, multiple reasons led to a decline in the wealth of such families. In the case of C family, the abolition of the zamindari system, combined with reckless expenditure in daily entertainment such as nautch dance and alcohol, and constant squabbling over property led to legal expenditure. At present, in the case of C family, there is still an estate in the name of Mr H, which is valued at over 100 crores. However, the number of sebaits or main (mostly male) members of the estate is nearly 35. Coupled with the families of each, the earnings of the estate are a pittance. Over generations, the decline also means that many newer generations of descendants cannot depend on the estate for their living. Post-liberalisation, taking advantage of newer industries such as Information Technology (IT), has started earning from them. When asked about the present sources of income of the estate, a descendant said, "Some members have adopted new professions and revived their financial situation. Some of the old palaces have been taken by the Archaeological Survey of India like the Natmadir. They also rent their lands for ceremonies to help in earning money".

## Conclusion

The city of Kolkata has undergone considerable restructuring since the time of its inception. Depending on the economic and political regime, the composition of urban beneficiaries has changed as has the spatial structure of the city. This paper intends to trace back a long-term narrative of wealth creation while identifying wealth elites in each epoch. It also establishes the processes to produce and reproduce wealth, ensuring accumulation of the same in the hands of the elites. With respect to the spatial-temporal changes in terms of wealth creation and accumulation, there has been continuity with change. During the British era, it was mainly the colonisers themselves who constituted the smaller segment of wealth elites. Over the post-independence era we see that that space has been occupied primarily by the Marwaris. A closer look tells us that the Marwaris had been around prior to the arrival of the British merchants. After the colonisers left, the existing structure was maintained with the native elites occupying that space. However, most of Bengali old wealth could not maintain its relative position for a multitude of reasons and, consequently, their economic hold faded out. The dynamics of wealth distribution rapidly worsened during the neoliberal era due to the inherent logic neoliberal mode of accumulation. Spatially, too, the city went through considerable changes. This paper has discussed these changes in some length.

Using the data collected through various modes and media, this paper empirically shows the interplay between class, sectoral activities and caste-community/ethnicity of wealth elites. It indicates the importance of social and political networking. This paper identifies a total 200+ wealth elites, the majority of whom belong to the INR 100–1000 cr group with a smaller fraction belonging to the wealth bracket of INR >1000 cr. Some similarities and contrasts between these two groups are highlighted. There are indications about concentration of wealth and potential monopolisation in various sectors. The analysis of family background, educational attainment and affiliation demonstrates how the location of birth tends to be critical, both socially and economically. The ethnic, caste and religious dimensions of the accounting of wealth elites in Kolkata are unavoidable. The wealth elite minority is overpopulated by the Marwaris. Bengalis are scarcely present. Religiously speaking, this group is mainly Hindu dominated.

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