

SUBSIDIARY ALLIANCE SYSTEM

It was introduced by Lord Wellesley in 1798 to bring princely states under the control of the British. In this system, an Indian ruler had to maintain British troops in his state, either by giving some of his territories or by paying for the maintenance of the troops. They had to maintain a British resident at their courts. This system allowed the British to maintain a large army at the expense of the local rulers.

1. The allies of Indian state's ruler were compelled to accept the permanent garrison of British Army within their territories and to pay a subsidy for its maintenance.
2. The Indian ruler could not employ any European in their service without prior approval of British.
3. They could not negotiate with any other Indian rulers without consulting the Governor-General.

The Governor General Lord Dalhousie introduced a new policy, known as the Doctrine of Lapse. According to this policy, if the king did not have any natural born heir then the kingdom would lapse to the British or would be administered and occupied by the British. Indian states such as Satara, Nagpur and Jhansi were annexed under this policy.

It helped the English East India company to maintain a large army at the expense of the Indian rulers. They began to control the foreign policy of the native states. The extent of the British empire in India increased. The rulers lost their independence.

State comes under the periphery of the policy

1. 'The Nizam of Hyderabad' was the first victim of this policy. In AD 1798 it detached the Nizam from the French and also forbade having alliances with Maratha without British consent.
2. Second state was Mysore in AD 1799. Then Wellesley compelled the Nawab of Awadh to accept the Policy of Subsidiary Alliance in AD 1801.
3. In AD 1802, Peshwa Baji Rao II also subjugated his state under this policy. Many Maratha states like Bhosle and Scindia in AD 1803 also accepted the terms of the policy.
4. The last Maratha Confederation i.e. Holkars too accepted the terms of subsidiary alliance.

The Policy of Subsidiary Alliance was in reality, a document of losing sovereignty which meant the state did not had the rights of self defence, of maintaining diplomatic relations, of employing foreign experts, and of settling its disputes with its neighbours.