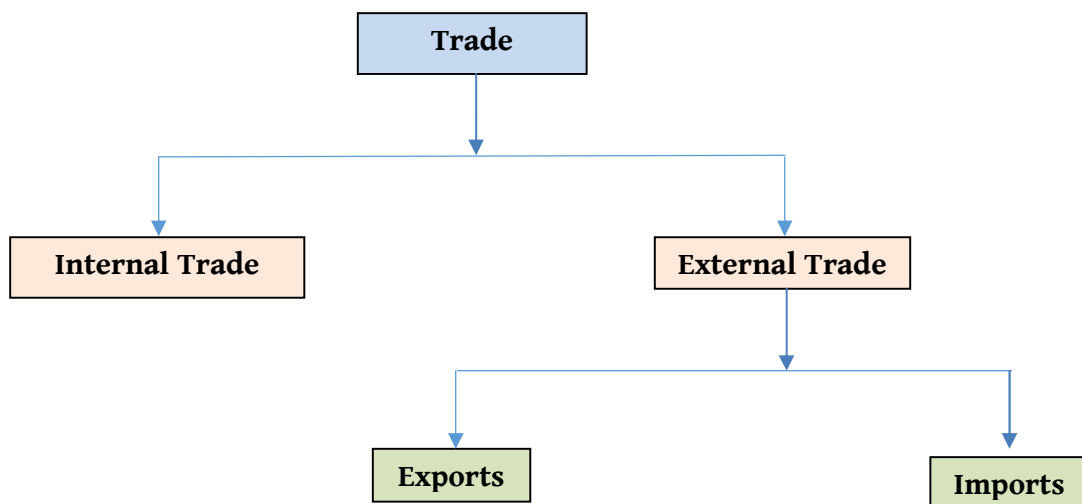


## Trade: A Survey

Much trade has been taking place in and from the Indian subcontinent for millennia. But what do we precisely mean by 'trade'? The word refers to the purchase and sale of goods and services for money or something equivalent to it. The producer or the manufacturer makes the goods and takes them to the consumer through intermediaries. Trade involves transfer or exchange of goods and services.

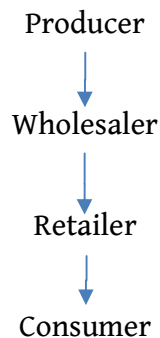
### How Does Trade Work?

There are two types of trade, internal and external. While internal trade takes place within the region or country, external trade involves exports and imports of goods and services.



There are two major intermediaries involved in trade, the wholesalers and the retailers. Wholesalers buy bulk quantities of goods from the producer or manufacturer and sell them to the retailers in smaller quantities. Retailers buy goods in small lots from the wholesalers and sell them in smaller quantities to the consumers. Smaller retailers

include *kirānā* shops, hawkers and push cart vendors. Departmental stores are bigger retailers. The following chart explains the movement of goods from the producers to the customers.



Trade is essential to satisfy the requirements of the consumers. It is a major economic activity as the society needs the supply of goods. It helps the producers to find outlets for their goods. It encourages specialization, division of labour and the benefits arising out of comparative advantages.

### Trade in Ancient India

At Mehrgarh, in Baluchistan, archaeology has brought to light trade networks as early as around 5000 BCE, in the Neolithic age. Some raw materials found there, such as shell, lapis lazuli and turquoise, must have come from distant regions. These trade networks expanded considerably in extent and diversity



A Harappan terracotta tablet depicting a river boat.

before and during the Indus Civilization (2600–1900 BCE), when cities like Mohenjo-daro (Sind), Harappa (Punjab), Rakhigarhi (Haryana) or Dholavira (Gujarat) became major trade centres. Still later, during the 1<sup>st</sup> millennium BCE, many large cities emerged, such as Takṣaśilā (or Taxila), Ujjayinī (Ujjain), Mathura, Pāṭaliputra (Patna), Rājagṛha (Rajgir), Vārāṇasī,

Bhṛgukaccha (Bharuch or Broach); and in the South, Kāñcī (Kanchipuram), Madurai, Uraiyur (near Tiruchi), Kaveripattinam and several more. Those cities were always important trading centres and generally located on some of the major trading routes.

That was also the time when well-structured states arose, which provided the required infrastructure and a suitable environment for the promotion of trade. Kauṭilya's *Arthaśāstra* mentions trade as one of the three major types of economic activities and describes the duties of the 'Superintendents' of Commerce, Tolls, Shipping, Mining, Textile, Labour, etc. This 3<sup>rd</sup> or 4<sup>th</sup> century BCE text shows Magadha (corresponding roughly to Bihar and Jharkhand) trading in textiles, gems, coral and pearls, metals and minerals, with many parts of north, central and south India. Salt, too, was a major commodity whose production was strictly controlled by the state. The state also made sure that trade routes were safe and that goods were not adulterated or consumers duped by unscrupulous traders.

About the same time, Megasthenes, a Greek envoy to the Mauryan Empire, mentions a Royal Road connecting Pāṭaliputra, Magadha's capital, to the delta areas. This is confirmed by Aśoka's edicts, which provide evidence of political and economic networks across the whole subcontinent, and in particular between north India and the southern kingdoms of modern Tamil Nadu, Kerala and Sri Lanka. Those networks were the channels for a brisk internal trade, which took place through sea routes — the coast and rivers — and land routes. Among the latter, two major ones, called *Uttarāpatha* and *Dakṣiṇāpatha*, connected the northern and southern parts of the country.

Kauṭilya, in fact, preferred land or river routes over sea routes, which he thought were unsafe (except for those closely following the coast); and among land routes, he preferred the southward to the northward, because "with the exception of blankets, skins, and horses, other articles of merchandise such as conch shells, diamonds, precious stones, pearls and gold are available in plenty in the south" (*Arthaśāstra*, 7.12).

4

While Harappan trade was wholly based on barter, between 600 and 500 BCE punch-marked coins of silver were introduced in north and western India; they had irregular shapes (though precise weights), no inscriptions but various symbols ‘punched’ into them by dies. Later, round or square coins of gold, silver or copper were minted by various dynasties. The most common coins were the *dīnāra*, *suvarṇa* and *kārṣāpaṇa* (or *paṇa*), and they generally had specific weights. Let us however note that despite the increasing use of coins, barter trade never completely disappeared, especially in local trade.

### Different Countries, Many Goods

But India had long been engaged in external trade, too. The Harappans were exporting timber, beads of semiprecious stone (especially carnelian), shell bangles, ivory items, pearls, etc., to Oman, Bahrain and Mesopotamia through the Persian Gulf, besides Iran and Central Asia across the Afghan mountain ranges. As a result, Harappan seals and other evidence of trade have come to light at many sites in those regions. Curiously, little is known of what Harappans imported in return: perhaps gold, silver or, more likely, copper ore.

Around the beginning of the 1<sup>st</sup> millennium BCE, trade began with the Phoenicians, who appear to have reached India’s western coast. Indian teak and cedar reached Babylonian builders, and a Buddhist *Jātaka* tale mentions trade with the city of Bāveru (Babylon). From India’s western coast, spices, ivory, gems, timber, silks and other textiles, besides ‘exotic’ animals like monkeys and peacocks, found their way to Egypt, Asia Minor and the Near East, finally to Greece and Rome.

Trade with the Roman Empire began gradually in the 3<sup>rd</sup> century BCE, reached its peak in the 1<sup>st</sup> centuries BCE and CE, and slowly followed the decline of the Roman Empire. Archaeology, Greek and Latin texts and the Tamil Sangam literature agree with a wealth

of details that Roman traders frequented south Indian ports. One early Tamil text states, for example, “The beautiful ships of the *Yavanas* [a word for Greeks or Romans] arrived filled with goods such as oil, wine, glass vases, gold and silver coins.” While they brought glassware, wine or olive oil in sealed amphoras (tall conical jars with a pair of handles), pigments, coral and metals (such as copper, lead and tin), they took back home timber, sandalwood, precious and semiprecious stones (such as beryl or quartz), pearls, ivory, tortoise shells, spices (especially pepper, which they not only consumed but used for mummification), textiles (especially muslin), perfumes, medicinal and aromatic plants, and peacocks. Indian wootz steel was also exported to the Mediterranean world, where it was used to make lighter and sharper swords, among other weapons (see module **Other Technologies**).

The findings of thousands of gold, silver and copper Roman coins in India, mostly in the South, bear testimony to this intense trade. Many coins depict the Roman emperor Augustus (63 BCE – 14 CE); he himself wrote, “Indian kings often sent me embassies, as no other Roman head had received so far.”



A gold coin of Augustus found in Pudukottai (Tamil Nadu).



Fragments of cotton material from Gujarat were found in Egyptian tombs at Fustat, 5<sup>th</sup> century CE.

It is generally assumed that those embassies from

India were partly composed of merchants.

The 1<sup>st</sup> century BCE Greek geographer Strabo notes that in his time, about 120 ships sailed for India in a single season from the Red Sea port of Myos Hormos. Berenike (or Berenice) was another Egyptian port that saw many ships sailing to and from India, and where excavations have brought to light evidence of such

trade. Inscriptions in Tamil language and Tamil Brahmi script have been found on potsherds at another Red Sea port, Quseir al-Qadim, dating back to the first centuries CE. Since there was no Suez Canal in those days, goods traded in either direction had to be offloaded in Egypt, either at Alexandria on the Mediterranean or at some Red Sea port, and carried overland. East Africa was also part of this trade network. The same sea routes were later much frequented by the Arabs for their trade with Indian ports.

### Ports and Sailors

Indians too were shipbuilders and sailors. There is evidence (some of it from Greek texts) that shipbuilding was a flourishing activity right from Mauryan times. Early Buddhist and Jain literatures corroborate this: a Jain text, for instance, refers to a merchant, Nāgadatta, who travelled to Suvarnabhūmi (a reference to Sumatra) with five hundred ships to conduct trade. (The number is clearly exaggerated, but not the fact of the trade connection.) Chinese historical sources refer to maritime traders bringing Indian products to China as far back as the 7<sup>th</sup> century BCE. Glass beads and bangles found in the Malay Peninsula, Java and Borneo point to a trade contact with southern India going back to the 1<sup>st</sup> millennium BCE. A Sanskrit treatise on shipbuilding, *Yuktikalpataru* of Bhoja Narapati, of uncertain date, describes in great detail various kinds of ships, their proportions and sizes, the materials out of which they were built, the ways to decorate them, etc.

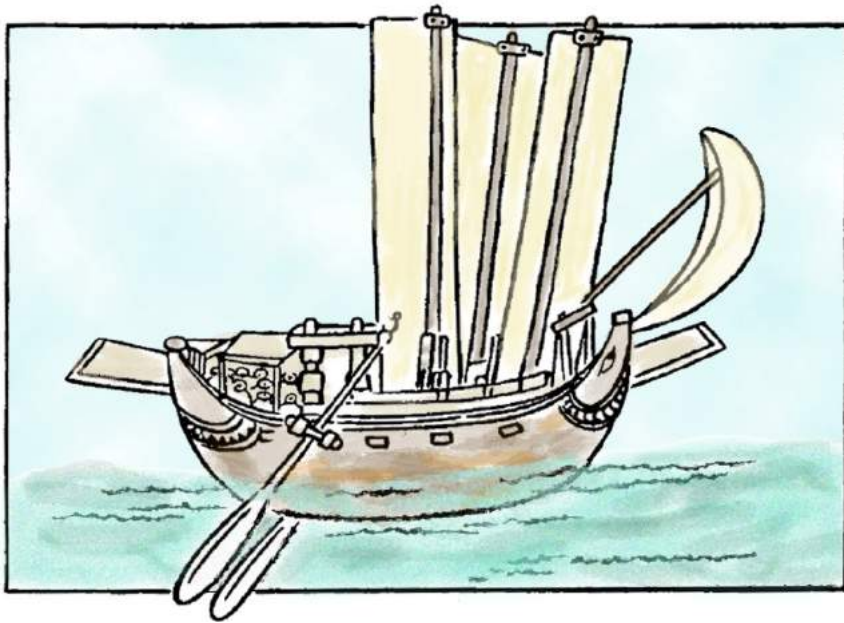


A seafaring ship depicted on a lead coin of a Sātavāhana king of the 1<sup>st</sup>–2<sup>nd</sup> century CE.

In the next millennium, Kaliṅga (modern Odisha) and Bengal were engaged in a busy traffic with Burma and all the way to Java; the 7<sup>th</sup>-century Chinese traveller Hsuan



Tsang noted that merchants left from Puri “for distant countries”. By the 9<sup>th</sup> century CE, the Cōlas kings of south India had built a navy powerful enough to briefly conquer parts of Malaysia (Perak) and Indonesia (the Śrīvijaya kingdom). Indian traders often visited countries and islands of Southeast Asia, selling silk, gems and other luxury items, and bringing back spices, camphor and fragrant woods.

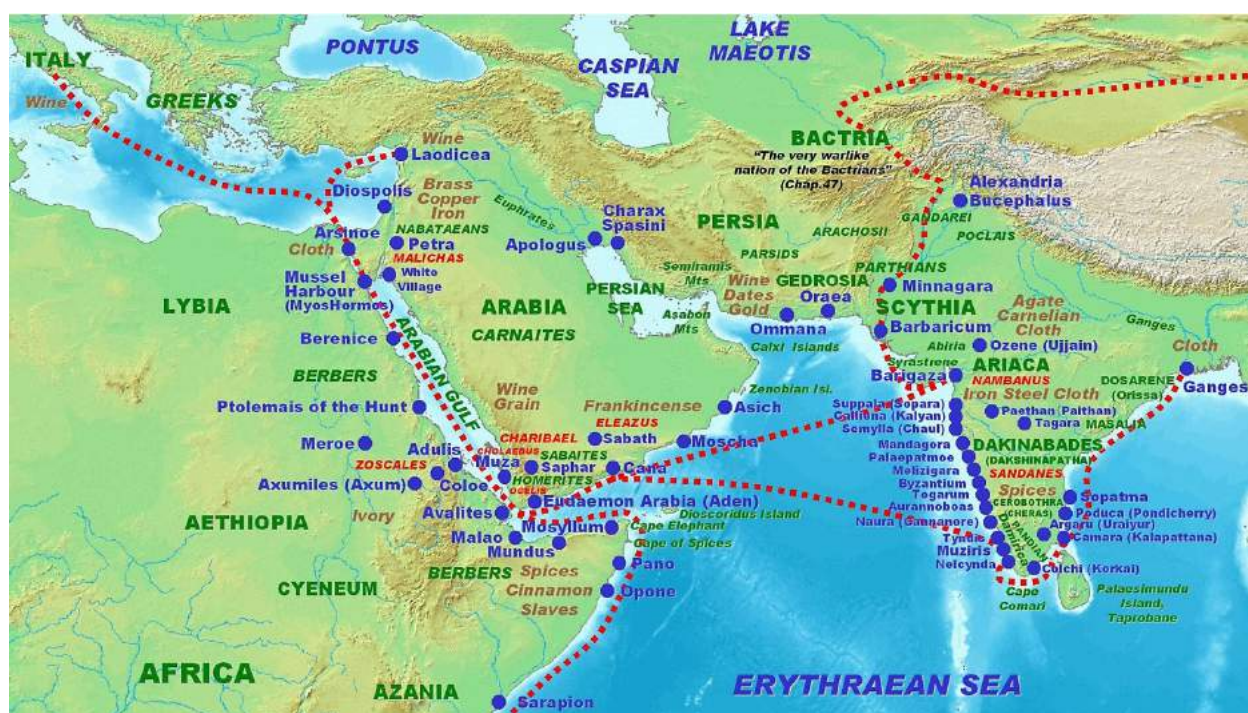


A sea-faring ship depicted on a fresco at Ajanta (from a line drawing, colour added).

Ports thus dotted the Indian coast, and many of them were listed in Greek and Roman texts, such as the *Periplus Maris Erythraei* or ‘Voyage around the Erythrean Sea’, an anonymous Greek travelogue of the 1<sup>st</sup> century CE, ‘Erythrean’ referring to the Arabian Sea together with the Red Sea and the Persian Gulf. It named ports such as Barygaza (Bhṛgukaccha in Sanskrit, modern Bharuch or Broach), Suppara (Sopara, north of Mumbai), Muziris (near Kodungallur in Kerala), Colchoi (Koṛkai in Tamil Nadu), Camara (known as Puhar or Kāvēripaṭṭinam in Tamil literature), Poduke or Poduca (Puducherry), Palaesimundu (in ‘Taprobane’, i.e., Sri Lanka) or Masalia (Masulipatam in



Andhra Pradesh), among many others. With the exception of a few settlements such as Arikamedu near Puducherry, which was excavated in the 1940s, it is only in the last two or three decades that excavations, sometimes coupled with underwater explorations, have confirmed the antiquity of some of those ancient port towns.



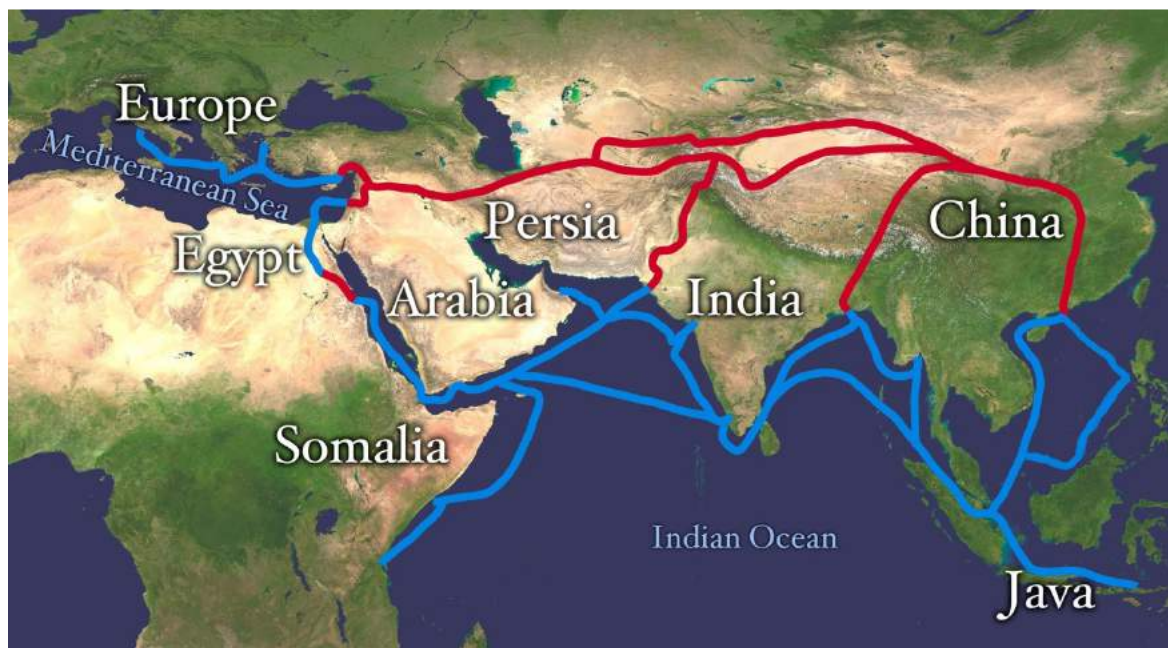
The sea routes described in *Periplus Maris Erythraei*, connecting India with the Mediterranean world (source: Wikipedia).

Indian ports did not exclusively deal in trade of Indian or Roman goods: Chinese silk, for instance, reached India's eastern coast, where Roman traders bought it. Goods also came there from Southeast Asia. The international trade was therefore based on a complex network with multiple stages and intermediaries.

## Land Routes

Land routes were, of course, part of this network, especially the famed Silk Road through which countless caravans of traders crossing many kingdoms connected the Mediterranean world with Asia. (Romans, too, started their Indian trade through the land routes, but as toll taxes for safe passage increased, they turned to the sea route and soon learned to time their voyages to India with the monsoons so as to shorten them.) Indian traders made full use of those routes, and established trading stations at Kashgar, Yarkand and Khotan, among other cities of central Asia. They did not travel only westward: they also carried cotton to China and brought Chinese goods back home.

Altogether, the ancient world appears like a bustling network of crisscrossing routes that nourished not only commercial and military but also cultural interactions.



The main elements of the Silk Road (in red) connecting China and India with the Mediterranean world. The map also shows important sea routes (in blue) (source: Wikipedia).

### India's Dominance up to Precolonial Times

From the beginning of the historical period, India enjoyed a favourable balance of trade, thereby accumulating stocks of gold. In 77 CE, the Roman historian Pliny the elder complained,

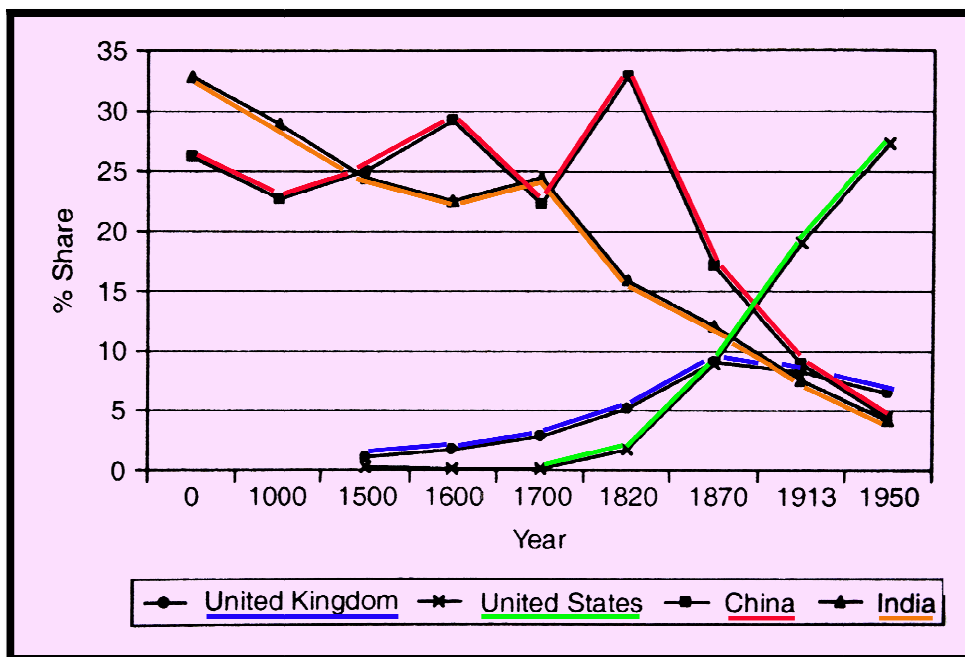
By the lowest reckoning India, China and the Arab peninsula draw from our empire 100 million sesterces every year. ... In no year does India absorb less than 50 million sesterces of our empire's wealth, sending back merchandise to be sold with us at a hundred times its prime cost.

The sesterce was a Roman currency, and some scholars have counted this massive drain on the treasury among the causes for the decline of the Roman Empire.

India's trade dominance continued in later times. In Moghul times, Abu'l Fazl's *Āīn-e Akbarī* records that 40,000 vessels were engaged in trade in the Indus and its tributaries of Punjab. While studying the Indian economy in the few centuries preceding British rule, economic historians have pointed out India's high trade surplus with most of her trading partners in Europe, West Asia or Africa. This was the result of efficient low-cost products such as cotton or spices, but also of well-organized communities of traders. Indeed, Indian merchants rarely operated individually; whether in north or south India, they organized themselves into guilds, a structure that provided them with greater security, shared and reliable information, and effective access to goods as well as markets.

China too was a dominant player in international trade. The two countries together, controlling nearly 60 per cent of the world's GDP 2,000 years ago, were the premier economic and trade powers from early times until the colonial era, as the graph below shows. It also illustrates how the colonial rule coincided with a steep decline in

India's overseas trade dominance and overall production, as the rules of trade and industry began being dictated by the colonial master.



World GDP from 0 to 1950 CE (adapted from Angus Maddison and P. Kanagasabapathi).

During the precolonial era (15<sup>th</sup> to 18<sup>th</sup> century), several European visitors testify that India was a 'flourishing' land and its manufacturing centres, whether of textile, iron or paper, were doing well and exporting much of their products. In the late 1600s shipments of tens of thousands of wootz ingots would leave the Coromandel Coast for Persia. Shortly before his conquest of Bengal in 1757, Robert Clive found it to be one of the richest parts of the world, 'the paradise of the earth'; at the time, Bengal exported rice to Sri Lanka and the Maldives, sugar to Arabia and Mesopotamia, and silks to Europe, among other goods. Other ports such as Calcutta (Kolkata), Madras (Chennai), Pondicherry (Puducherry), Cochin (Surat) or Surat saw ships sailing in from several European nations.





A view of the port of Calicut (Kozhikode, on Kerala's Malabar coast) in 1572, with ships calling in from Europe; ship building is also depicted. (Georg Braun and Franz Hogenberg's atlas *Civitates orbis terrarum*, 1572, source: Wikipedia)



'Harvesting pepper at Quilon' (Kollam, Kerala), a painting in a 1410 French version of *The Travels of Marco Polo* (source: Bibliothèque Nationale de France)

## By-Products of Trade

Indian texts emphasize that merchants and traders are to follow ethical principles in their businesses, and they were indeed respected and often praised by foreign travellers for their good character and trustworthiness. Thus the 12<sup>th</sup>-century Arab geographer al-Idrīsī writes, “Indians are naturally inclined to justice and never depart from it in their actions. Their good faith, honesty, and fidelity to their engagements are well known, and they are so famous for these qualities that people flock to their country from every side.” Five centuries later, about 1619, Edward Terry, a British traveller to India noted how “a stranger may travel alone, with a great charge of money or goods, quite through the country and take [Indians] for his guard, yet never be neglected or injured by them.”

Trade was thus not merely a source of economic prosperity but also earned fame for Indian goods and people. Along with trade, culture travelled and extensive as well as complex cultural interchanges took place in all directions. For instance, north India absorbed elements of Greek culture, as is especially visible in Gandhāra art. Similarly, trade promoted the spread of Buddhism to much of Asia and Hinduism to parts of Southeast Asia, along with much Indian art and literature.

Within India, the growth of trade networks promoted exchanges between regions and therefore cultural integration across the land. Altogether, trade has played an important part to play in the economic, social and cultural history of India.

## Further Reading

1. Vimala Begley & Richard Daniel De Puma, (eds), *Rome and India: The Ancient Sea Trade*, University of Wisconsin, 1992
2. Ranabir Chakravarti, (ed.), *Trade in Early India*, Oxford University Press, New Delhi, 2001
3. Moti Chandra, *Trade and Trade Routes in Ancient India*, Abhinav Publications, New Delhi, 1977



4. Rosa Maria Cimino, (ed.), *Ancient Rome and India: Commercial and cultural contacts between the Roman world and India*, Italian Embassy Cultural Centre, New Delhi, 1994
5. P. Kanagasabapathi, *Indian Models of Economy, Business and Management*, PHI Learning, 3<sup>rd</sup> edn, New Delhi, 2011
6. Nayanjot Lahiri, *The Archaeology of Indian Trade Routes Upto c. 200 BC*, Oxford University Press, New Delhi, 1992
7. R.C. Majumdar, *The Classical Accounts of India*, Firms KLM, Calcutta, 1960
8. Radha Kumud Mookerji, *Indian Shipping: A History of the Sea-Borne Trade and Maritime Activity of the Indians from the Earliest Times*, Kitab Mahal, Calcutta, 1962
9. Balram Srivastava, *Trade and Commerce in Ancient India (From the earliest times to c. A.D. 300)*, Chowkhamba Sanskrit Series Office, Varanasi, 1968

### Internet Resources (all URLs accessed in December 2013)

- Pliny the Elder on India: [www.fordham.edu/halsall/ancient/pliny-india.asp](http://www.fordham.edu/halsall/ancient/pliny-india.asp)
- *Periplus of the Erythraean Sea*: [www.fordham.edu/halsall/ancient/periplus.asp](http://www.fordham.edu/halsall/ancient/periplus.asp) and <http://depts.washington.edu/silkroad/texts/periplus/periplus.html>
- The Silk Road: [www.ess.uci.edu/~oliver/silk.html](http://www.ess.uci.edu/~oliver/silk.html) and [www.silkroutes.net](http://www.silkroutes.net)
- The Silk Road, 12-episode documentary film, first episode: [www.youtube.com/watch?v=b-AqeE2p\\_ww&list=PL43EA21B3FBAA90CF](http://www.youtube.com/watch?v=b-AqeE2p_ww&list=PL43EA21B3FBAA90CF)
- Documentary, “Secrets of the Ancient Empires: The First Merchants”: [www.youtube.com/watch?v=R15JrHjXscs](http://www.youtube.com/watch?v=R15JrHjXscs)
- Buddhist art and the trade routes: [www.asiasocietymuseum.org/buddhist\\_trade/intro.html](http://www.asiasocietymuseum.org/buddhist_trade/intro.html)
- Indian coinage: [www.rbi.org.in/currency/museum/c-overview.html](http://www.rbi.org.in/currency/museum/c-overview.html)

### Comprehension

1. What do you understand by trade? Explain the importance of trade in society.

2. Name some trade centres of ancient India. Make a list of articles of export and import during that period.
3. What do you know about the ranks in trades? Find the contemporary names.
4. Explain the role of winds in governing the sea routes.
5. Describe a caravan. Mentioning the security system for a caravan, compare it with present-day practices of carrying load to various destinations. You may compare on scales of time, fuel, cost, route, distance and modes of transport.
6. What do you understand by ethics in trade? What will happen if the traders do not follow certain rules for their business?
7. Make a list of materials that were exported through the Silk Road and the sea route. Comment on the barter system and compare trade practices of that period with present-day economic practices.
8. What currencies were used for trade in ancient India? Compare with the present-day system.
9. Trace the role of trade in the spread of Buddhism and Hinduism beyond India.
10. In the absence of literary evidence, what other disciplines can help us find out trade activities in ancient India?

### Activities

- Prepare a list of some of India's ancient cities along with their contemporary names and locate them on a map.
- Keeping the period of *Arthaśāstra* in mind, list important cities along the *Uttarāpatha* and *Dakṣiṇāpatha* and locate them on the map.

- Using the maps and other data in this Survey, draw a map of the Silk Road and some of the sea routes from India; calculate the distance using online tools.
- Can you imagine when exchange of goods became an important ingredient of India's socioeconomic life? To have the feel of that period, imagine you are part of the society in a pre-currency period. Divide your class into two groups. Create a village *haat* where two groups come and display a variety of goods. Without language, currency and without the intervention of a broker or mediator, visualize how the exchange could have taken place. Act out a whole scene of barter trade. Take care that all your actions are in mime (i.e., without words).

### Projects

- Work in groups and explore about the travellers / traders who visited ancient India. Mention their epochs, routes to India, durations of their stays, and purposes of their visits.
- Arrange a field visit to a museum with your friends to view some evidence of trade connections in the past. Collect images of coins and currency of various periods found at different parts of the world and prepare a presentation.

### Extended Activity

- Select one of India's ancient or medieval ports mentioned by foreign travellers that is still active today — for instance Surat, Broach, Goa, Cochin, Puducherry, Puri, etc. Research the history of the port through the travellers' testimonies and document the kind of goods (both imported and exported) and trade traffic it has seen at different periods.

- Research the different foreign coins that have been found in India and correlate them with testimonies by foreign travellers. As far as possible, work out their rates of exchange with Indian currencies of those times.
- Assume you lead a caravan of merchants along the Silk Road from north India to Antioch in the 1<sup>st</sup> century BCE. What places will you pass through? (Find out their ancient as well as present-day names.) What goods will you take from India? What places will you travel through? What trade will take place on the way? What dangers should you be prepared to ward off on the way? Prepare a realistic presentation on the whole journey.



## Trade: A Selection from Primary Texts

### *Sigālovāda Suttanta*

In this text, Buddha praises the amassing of wealth through trade and business, and gives directions for the righteous use of wealth.

Whoso is virtuous and intelligent,  
Shines like a fire that blazes.  
To him amassing wealth, like roving bee  
Its honey gathering,  
Riches mount up as an ant-heap growing high.  
When the good layman wealth has so amassed  
Able is he to benefit his clan.  
In portions four let him divide that wealth.  
So binds he to himself life's friendly things.  
One portion let him spend and taste the fruit.  
His business to conduct let him take two.  
And portion four let him reserve and hoard;  
So there'll be wherewithal in times of need.

(tr. T.W. & C.A.F. Rhys Davis, *Dialogues of the Buddha*,  
Oxford University Press, 1921, vol. 3, pp. 179–180)

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## *Jātaka Tales*

The Buddhist *Jātaka* tales, which narrate the former births of Buddha (as a Bodhisattva or Bodhisatta), give many clues to the society of those times. We find, in particular, references to trade and merchants, caravans, sailing to distant countries, shrewd business practices, leadership qualities, etc. A few beginnings of such *Jātakas*:

Once on a time in the city of Benares in the Kāsi country there was a king named Brahmadatta. In those days the Bodhisatta was born into a merchant's family, and growing up in due course, used to journey about trading with five hundred carts, travelling now from east to west and now from west to east. There was also at Benares another young merchant, a stupid blockhead, lacking resource. Now at the time of our story the Bodhisatta had loaded five hundred carts with costly wares of Benares and had got them all ready to start. ... (*Apaṇṇaka-Jātaka*)

Once upon a time when Brahmadatta was reigning in Benares in Kāsi, the Bodhisatta was born into the Treasurer's family, and growing up, was made Treasuerer, being called Treasurer Little. A wise and clever man was he, with a keen eye for signs and omens. One day on his way to wait upon the king, he came on a dead mouse lying on the road; and, taking note of the positions of the stars at that moment, he said, "Any decent young fellow with his wits about him has only to pick that mouse up, and [using it as his initial capital] he might start a business and keep a wife." (*Cullaka-Setṭhi-Jātaka*)

Once upon a time when Brahmadatta was reigning in Benares, the Bodhisattva was born a merchant. When he grew up, and was trading with five hundred waggons, he came one day to where the road led through a great forest. ... (*Phāla-Jātaka*)



Once upon a time, they say, a landed gentleman named Sujāta at Benares lodged in his park and ministered to five hundred ascetics who had come down from the Himalayas to procure salt and vinegar. ... (*Mahāsutasoma-Jatāka*).

(Tr. E.B. Cowell)

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### *Arthaśāstra*

Kauṭilya's classic treatise on governance and administration has voluminous and important data on trade and trade regulations as it was practised a few centuries BCE. The care taken by Kauṭilya to deal with every situation in detail is especially noteworthy. A few passages (among others):

#### **Land Routes vs. Sea Routes**

"As between a water-route and a land-route, the water-route is preferable, involving little expenditure and exertion and yielding plenty of goods," say the teachers. "No," says Kauṭilya. The water-route is restricted in movements, not usable at all times, a source of great dangers and without remedies; the land-route is the opposite of this.

In case of a water-way, however, as between a route along the shore and one on the high sea, the route along the coast is preferable because of the large number of ports, or a river-route, because of perennial use and because the dangers in it can be withstood.

Even in the case of a land-route, "The [northern] route to the Himavat is preferable to the southern route, for the commodities of elephants, horses, perfumes, ivory, skins, silver and gold are of very high value," say the

teachers. “No,” says Kautilya. (These) with the exception of the commodities of blankets, skins and horses, besides the commodities of conch-shells, diamonds, rubies, pearls and gold are more plentiful on the southern route.

Even in the case of the route to the south, the trade-route with many mines, with commodities of high value, with well-secured movements, or requiring little expenditure and exertion, is preferable, or one with commodities of small value with an extensive scope (for sale). (7.12)

### **The Director of Trade**

The Director of Trade should be conversant with the differences in the prices of commodities of high value and of low value and the popularity or unpopularity of goods of various kinds, whether produced on land or in water (and) whether they have arrived along land-routes or water-routes, also (should know about) suitable times for resorting to dispersal or concentration, purchase or sale.

And that commodity which may be plentiful, he should collect in one place and raise the price. Or, when the price is reached, he should fix another price.

He should establish in one place trade in royal commodities that are produced in his own country; in many places, in those produced in foreign lands. And he should cause both to be sold so as to favour the subjects. And he should avoid even a big profit that would be injurious to the subjects. He should not create a restriction as to time or the evil of a glut in the market in the case of commodities constantly in demand.

Or, traders should sell royal goods in many places with the price fixed. And they should pay compensation in accordance with the loss (sustained).

One-sixteenth part is the surcharge in measure by capacity, one-twentieth part in measure by weighing, one-eleventh part of commodities sold by counting.

He should encourage the import of goods produced in foreign lands by (allowing) concessions. And to those (who bring such goods) in ships or caravans, he should grant exemptions (from taxes) that would enable a profit (to be made by them). And no law-suit in money matters (should be allowed) against foreign traders, except such as are members (of native concerns) and (their) associates.

Officers in charge of (royal) goods shall deposit the price of goods (sold), in one place, in a wooden box having a lid with one opening. And in the eighth part of the day, they should hand it over to the Director of Trade, declaring, “This much is sold; this is left over.” They should also hand over the implements of weighing and measuring.

Thus (the sale of goods) in one’s own territory has been explained.

In foreign territory, however, he should ascertain the price and the value of the commodity (taken out) and the commodity (to be brought) in exchange and should calculate the profit after clearing expenses for duty, road-cess, escort-charges, picket- and ferry-dues, food and fodder and share.

Should there be no profit, he should see if there is any advantage in taking out goods or in bringing in goods in exchange for goods. Then with a quarter of the goods of high value, he should set going trade by land along a safe route. And he should establish contacts with forest chieftains, frontier officers, and chiefs in the city and the countryside, to secure their favour. In case of a calamity, he should rescue the goods of high value or himself. Or, if

he has reached his destination, he should carry on the trade after paying all dues. And on the water-route he should ascertain hire for boats, provisions on the journey, price and amount of (his) goods and of the goods in exchange, seasons suited for voyage, precautions against dangers and regulations at the ports.

And along river-routes, he should ascertain (conditions of) trade from the (port) regulations and should proceed to where there is profit and avoid absence of profit. (2.16)

### **The Collector of Customs and Tolls**

The Collector of Customs and Tolls should establish the customs house and the flag facing east or the north in the vicinity of the big gates (of the city).

The receivers of duty, four or five in number, should record in writing (details about) traders who have arrived in a caravan, who they are, from what place, with how much merchandise and where the identity-pass (was issued) or the stamping was made.

For (goods) without the stamp the penalty is double the dues. For those with a forged stamp, the fine is eight times the duty. For those with broken stamps, the penalty is distraint in the ware-house. In case of change of the royal stamp or of (change in) the name, he should make (the trader) pay a fine of one *paṇa* and a quarter per load.

Traders shall declare the quantity and price of the goods that have arrived at the foot of the flag, “Who is willing to purchase these goods, so much in quantity, at this price?” When it has been thrice proclaimed, he should give it to those who have sought it. In case of competition among

purchasers, the increase in price together with the duty shall go to the treasury.

If for fear of duty a (trader) declares the quantity of the goods or the price to be less (than it actually is), the king shall confiscate that excess. Or, the (trader) shall pay eight times the duty. He should impose the same (penalty) in case of depreciation of price of a package containing goods by (showing) a sample of lower value and in case of concealment of goods of high value by goods of low value.

Or, if through fear of a rival purchaser a (trader) increases the price beyond the (due) price of a commodity, the king shall receive the increase in price, or make the amount of duty double. The same (penalty) eightfold (shall be imposed) on the Superintendent concealing (the trader's offences).

Therefore, the sale of goods should be made by weighing, measuring or counting; an appraisal (of value should be made) of goods of small value and goods enjoying concessions.

And for goods that have passed beyond the foot of the flag without the duty being paid, the fine is eight times the duty. Secret agents operating on roads and in places without roads should find out such (evasion).

Goods intended for marriage, marriage-gifts accompanying the bride, goods intended as gifts, goods required on the occasion of a sacrifice or a ceremony or a birth and goods used in various rituals like worship of the gods, tonsure rite, initiation for Veda study, hair-cutting rite, consecration for a vow and so on, should go duty-free. For a (person) making a false declaration (in this respect) the punishment for theft (shall be imposed).

For the trader taking out a commodity for which duty has not been paid along with one for which duty has been paid, or carrying off a second (commodity) under one stamp after breaking open the package, forfeiture of the same and an equal amount as fine (shall be the punishment). For the (trader) carrying off (goods of high value) from the customs house after securing acceptance of cowdung (cakes) or straw as the basis (for calculating duty), the highest fine for violence (shall be the punishment).

For the (trader) taking out any one of the unexportable articles, viz., weapons, armours, coats of mail, metals, chariots, jewels, grains and cattle, there shall be a fine as proclaimed as well as loss of the goods. In case any one of these is brought in, its sale (shall be effected) duty-free outside (the city-gate) itself.

The frontier officer should charge a road cess of one *paṇa* and a quarter for a cart-load of goods, of one *paṇa* for a one-hoofed animal, of half a *paṇa* for cattle, of a quarter *paṇa* for small animals, of one *māṣaka* for a shoulder-load. And he shall make good what is lost or stolen (on the way). He should send on to the Superintendent a caravan from a foreign land after making an investigation as to goods of high and low value and giving them an identity-pass and stamp (on the goods).

Or, a secret agent appearing as a trader should communicate to the king the size of the caravan. In accordance with that information, the king should tell the Collector of Customs about the size of the caravan, in order to make his omniscience known. Then the Collector, on meeting the caravan, should say, “These are goods of high and low value belonging to such and such a merchant. It should not be concealed. This is the king’s power.” For one concealing goods of low value the fine shall be eight times the duty, (for



concealing) goods of high value, confiscation of everything (shall be the punishment).

He should cut out goods that are harmful to the country and that are worthless. He should make goods that are highly beneficial duty-free, also seeds that are rare. (2.21)

### **The Tariff of Duties and Tolls**

(Goods are) from the countryside, from the city and from foreign lands. That on (goods) going out and that on (goods) coming in is duty.

On goods coming in (the duty shall be) one-fifth of the price.

Of flowers, fruits, vegetables, roots, bulbous roots, fruits of creepers, seeds, dried fish and meat, he should take one-sixth part (as duty).

Of conch-shells, diamonds, gems and necklaces of pearls and corals, he should make (a valuation) through men expert in the line, making an agreement with them as to the amount of work, time allowed and wages.

On *kṣauma* [linen cloth], *dukūla* [a fine muslin cloth], silk yarn, armours, yellow orpiment, red arsenic, antimony, vermilion, metals of various kinds and ores, on sandal-wood, aloe, spices, fermentation, and minor substances, on skins, ivory, bed-spreads, coverings and silk cloth, and on products of goats and rams, (the duty to be charged is) one-tenth part or one-fifteenth part.

On clothes, four-footed and two-footed creatures, yarn, cotton, perfumes, medicines, woods, bamboos, barks, leather goods and earthenware, and on grains, fats, sugars, salts, wine, cooked food and so on (the duty is) one-twentieth part or one twenty-fifth part. ... (2.22)

### **The Controller of Shipping**

The Controller of Shipping should look after activities concerning sea voyages and ferries at the mouths of rivers, as well as ferries over natural lakes, artificial lakes and rivers, in the *sthānīya* [the kingdom's capital] and other (towns).

Villages on their shores and banks shall pay a fixed (tax).

Fishermen shall pay one-sixth (of their catch) as rent for the boats.

Traders shall pay a part (of the goods) as duty according as it may be current at the ports, those travelling by the king's ships (shall pay) hire for the voyage.

Those fishing for conch-shells and pearls shall pay a rent for the boats, or sail in their own boats. And (the duty of) the Supervisor of these is explained by (that of) the Superintendent of Mines.

The Controller of Shipping shall observe the regulations in a port town as fixed by the Commissioner of Ports.

He should rescue boats that have gone out of their course or are tossed about by a gale, like a father. He should make goods that have fallen in water either duty-free or pay half the duty. And he should send these (boats) on, as commissioned, at times suitable for voyage from the port.

He should demand duty from ships sailing on sea when they come within the domain. He should destroy (boats) that cause harm, also those coming over from the enemy's territory and those violating the regulations of the port.

And he should keep in use big boats in charge of a captain, a pilot, a manipulator of the cutter and ropes and a bailer of water, on big rivers that have to be ferried on (even) in winter and summer, small ones on small rivers flowing (only) in the rainy season. And these should have their crossing-places fixed because of the danger of crossing by traitorous persons.

For one crossing out of time or elsewhere than at the crossing, (the punishment shall be) the lowest fine for violence. For one who crosses without authority even at the proper time and at the crossing, the penalty for crossing is twenty-six *paṇas* and three quarters. There shall be no penalty for fishermen, (carriers of) loads of wood and grass, attendants at flower-gardens, fruit-orchards and vegetable gardens and cowherds, also for those whose going after an envoy is conceivable, and for those carrying out activity in connection with goods for the army, when these cross in their own barges, as well as for those who ferry across seeds, food-stuffs and articles for household use in villages along the water-courses.

Brahmins, wandering monks, children, old persons, sick persons, carriers of royal edicts and pregnant women should cross with a sealed pass from the Controller of Shipping.

Persons from foreign lands may enter when permission to enter is granted or on the testimony of the caravan. ...

A small animal and a man with a load (in hand) shall pay one *māṣaka*, a load on the head, a load on the back, a cow and a horse (shall pay) two (*māṣakas*), a camel and a buffalo four, a small vehicle five, one driven by bullocks six, a cart seven, a load of commodities one quarter (of a *paṇa*). By

that is explained (fare for) a load of goods. The fare for ferries on big rivers is double.

Villages on water-ways shall pay a fixed amount of food and wages (for the ferrymen).

At the frontiers, ferrymen should recover the duty, the escort-charges and the road cess, and should confiscate the goods of one going out without a seal, also (those) of a person crossing with a heavy load at an improper time and elsewhere than at the regular crossing.

When a boat that is lacking in men or equipment or is unseaworthy comes to grief, the Controller of Shipping shall make good what is lost or ruined.

(Tr. R.P. Kangle)

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### ***Periplus Maris Erythraei* ('Voyage around the Erythrean Sea')**

This 1<sup>st</sup> century CE travelogue of the Erythrean Sea (i.e., the Arabian Sea, the Red Sea and the Persian Gulf together) was written in Greek by an unnamed Egyptian merchant. Its first part describes the maritime trade-routes from Egypt southward, following the East Africa coast down to modern-day Tanzania, and the other parts the routes from Egypt eastward, around Arabia, past the Persian Gulf and on to India. For the identification of Indian ports and other places, we have relied on R.C. Majumdar (*Classical Accounts*, pp. 311–12). A few extracts concerning India:

The ships lie at anchor at Barbaricum [in the delta of the Indus], but all their cargoes are carried up to the metropolis by the river, to the King. There are imported into this market a great deal of thin clothing, and a little spurious;

figured linens, topaz, coral, storax, frankincense, vessels of glass, silver and gold plate, and a little wine. On the other hand there are exported costus, bdellium, lycium, nard, turquoise, lapis lazuli, Seric skins, cotton cloth, silk yarn, and indigo. And sailors set out thither with the Indian Etesian winds [i.e., the monsoon], about the month of July, that is Epiphi: it is more dangerous then, but through these winds the voyage is more direct, and sooner completed.

Beyond the river Sinthus [Indus] there is another gulf, not navigable, running in toward the north; it is called Eirionon [Rann of Kachchh]; its parts are called separately the small gulf and the great; in both parts the water is shallow, with shifting sandbanks occurring continually and a great way from shore; so that very often when the shore is not even in sight, ships run aground, and if they attempt to hold their course they are wrecked. ...

Beyond the gulf of Baraca [Kachchh] is that of Barygaza [Bhrgukaccha, modern Bharuch or Broach] and the coast of the country of Ariaca, which is the beginning of the Kingdom of Nambanus and of all India. That part of it lying inland and adjoining Scythia is called Abiria, but the coast is called Syrastrène [Saurashtra]. It is a fertile country, yielding wheat and rice and sesame oil and clarified butter, cotton and the Indian cloths made therefrom, of the coarser sorts. Very many cattle are pastured there, and the men are of great stature and black in colour. The metropolis of this country is Minnagara, from which much cotton cloth is brought down to Barygaza. ...

Beyond this there is another gulf exposed to the sea-waves, running up toward the north, at the mouth of which there is an island called Baeones; at

its innermost part there is a great river called Mais [Mahi]. Those sailing to Barygaza pass across this gulf, which is 300 stadia<sup>1</sup> in width, leaving behind to their left the island just visible from their tops toward the east, straight to the very mouth of the river of Barygaza; and this river is called Nammadus [Narmada].

This gulf is very narrow to Barygaza and very hard to navigate for those coming from the ocean. ...

For this reason entrance and departure of vessels is very dangerous to those who are inexperienced or who come to this market-town for the first time. For the rush of waters at the incoming tide is irresistible, and the anchors cannot hold against it. ...

Inland from this place and to the east, is the city called Ozene [Ujjain], formerly a royal capital; from this place are brought down all things needed for the welfare of the country about Barygaza, and many things for our trade: agate and carnelian, Indian muslins and mallow cloth, and much ordinary cloth. Through this same region and from the upper country is brought the spikenard that comes through Poclais; that is, the Caspapyrene [Kashmir?] and Paropanisene [Hindu Kush] and Cabolitic [Kabul] and that brought through the adjoining country of Scythia; also costus and bdellium.

There are imported into this market-town, wine, Italian preferred, also Laodicean and Arabian; copper, tin, and lead; coral and topaz; thin clothing and inferior sorts of all kinds; bright-coloured girdles a cubit wide; storax, sweet clover, flint glass, realgar, antimony, gold and silver coin, on which

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<sup>1</sup> A stadia is an ancient Greek unit of length, estimated (in Egypt) to have been about 157 m.



there is a profit when exchanged for the money of the country; and ointment, but not very costly and not much. And for the King there are brought into those places very costly vessels of silver, singing boys, beautiful maidens for the harem, fine wines, thin clothing of the finest weaves, and the choicest ointments. There are exported from these places spikenard, costus, bdellium, ivory, agate and carnelian, lycium, cotton cloth of all kinds, silk cloth, mallow cloth, yarn, long pepper and such other things as are brought here from the various market-towns. Those bound for this market-town from Egypt make the voyage favourably about the month of July, that is Epiphi.

Beyond Barygaza the adjoining coast extends in a straight line from north to south; and so this region is called Dachinabades [*Dakṣiṇāpatha*], for *dachanos* in the language of the natives means ‘south’. The inland country back from the coast toward the east comprises many desert regions and great mountains; and all kinds of wild beasts — leopards, tigers, elephants, enormous serpents, hyenas, and baboons of many sorts; and many populous nations, as far as the Ganges.

Among the market-towns of Dachinabades there are two of special importance; Paethana [Paithan, on the Godavari], distant about twenty days’ journey south from Barygaza; beyond which, about ten days’ journey east, there is another very great city, Tagara [Ter]. There are brought down to Barygaza from these places by wagons and through great tracts without roads, from Paethana carnelian in great quantity, and from Tagara much common cloth, all kinds of muslins and mallow cloth, and other merchandise brought there locally from the regions along the sea-coast. And the whole course to the end of Damirica [the Tamil land] is 7,000 stadia; but the distance is greater to the Coast Country [Coromandel?].

The market-towns of this region are, in order, after Barygaza: Suppara [Sopara, north of Mumbai], and the city of Calliena [Kalyan], which in the time of the elder Saraganus became a lawful market-town; but since it came into the possession of Sandares the port is much obstructed, and Greek ships landing there may chance to be taken to Barygaza under guard.

Beyond Calliena there are other market-towns of this region. ... Tyndis [Ponnani?] is of the kingdom of Cerobothra [Keralaputra or Kerala]; it is a village in plain sight by the sea. Muziris [near Kodungallur], of the same kingdom, abounds in ships sent there with cargoes from Arabia, and by the Greeks; it is located on a river, distant from Tyndis by river and sea 500 stadia, and up the river from the shore twenty stadia. ...

There is another place at the mouth of this river, the village of Bacare [Porakad], to which ships drop down on the outward voyage from Nelcynda. ... They send large ships to these market-towns on account of the great quantity and bulk of pepper and malabathrum [an aromatic plant]. There are imported here, in the first place, a great quantity of coin; topaz, thin clothing, not much; figured linens, antimony, coral, crude glass, copper, tin, lead; wine, not much, but as much as at Barygaza; realgar and orpiment; and wheat enough for the sailors, for this is not dealt in by the merchants there. There is exported pepper, which is produced in quantity in only one region near these markets, a district called Cottonara. Besides this there are exported great quantities of fine pearls, ivory, silk cloth, spikenard from the Ganges, malabathrum from the places in the interior, transparent stones of all kinds, diamonds and sapphires, and tortoise-shell; that from Chryse Island [the Malay Peninsula], and that taken among the islands along the coast of

Damirica. They make the voyage to this place in a favourable season who set out from Egypt about the month of July, that is Epiphi. ...

Beyond Bacare there is the Dark Red Mountain, and another district stretching along the coast toward the south, called Paralia [Purali or Travancore]. The first place is called Balita [Varkallai]; it has a fine harbour and a village by the shore. Beyond this there is another place called Comari [Kumari or Cape Comorin], at which are the Cape of Comari and a harbour; hither come those men who wish to consecrate themselves for the rest of their lives, and bathe and dwell in celibacy; and women also do the same; for it is told that a goddess once dwelt here and bathed.

From Comari toward the south this region extends to Colchi [Korkai], where the pearl-fisheries are; (they are worked by condemned criminals); and it belongs to the Pandian Kingdom. Beyond Colchi there follows another district called the Coast Country [Coromandel], which lies on a bay, and has a region inland called Argaru [Uraiyur, near Tiruchi]. At this place, and nowhere else, are bought the pearls gathered on the coast thereabouts; and from there are exported muslins, those called Argaritic.

Among the market-towns of these countries, and the harbours where the ships put in from Damirica [the Tamil land] and from the north, the most important are, in order as they lie, first Camara [Puhar or Kāvēripaṭṭinam], then Poduca [Puducherry], then Sopatma [Marakanam]; in which there are ships of the country coasting along the shore as far as Damirica; and other very large vessels made of single logs bound together, called *sangara*; but those which make the voyage to Chryse and to the Ganges are called *colandia*, and are very large. There are imported into these places everything made in Damirica, and the greatest part of what is brought at any time from Egypt

comes here, together with most kinds of all the things that are brought from Damirica and of those that are carried through Paralia.

About the following region, the course trending toward the east, lying out at sea toward the west is the island Palaesimundu, called by the ancients Taprobane [Sri Lanka]. The northern part is a day's journey distant, and the southern part trends gradually toward the west, and almost touches the opposite shore of Azania. It produces pearls, transparent stones, muslins, and tortoise-shell.

About these places is the region of Masalia [Masulipatam in Andhra Pradesh] stretching a great way along the coast before the inland country; a great quantity of muslins is made there. Beyond this region, sailing toward the east and crossing the adjacent bay, there is the region of Dosarene, yielding the ivory known as Dosarenic. Beyond this, the course trending toward the north, there are many barbarous tribes, among whom are the Cirrhadae, a race of men with flattened noses, very savage; another tribe, the Bargysi; and the Horse-faces and the Long-faces, who are said to be cannibals.

After these, the course turns toward the east again, and sailing with the ocean to the right and the shore remaining beyond to the left, Ganges comes into view, and near it the very last land toward the east, Chryse. There is a river near it called the Ganges, and it rises and falls in the same way as the Nile. On its bank is a market-town which has the same name as the river, Ganges. Through this place are brought malabathrum and Gangetic spikenard and pearls, and muslins of the finest sorts, which are called Gangetic. It is said that there are gold-mines near these places, and there is a gold coin which is called caltis. And just opposite this river there is an island in the ocean, the last part of the inhabited world toward the east, under the rising

sun itself; it is called Chryse; and it has the best tortoise-shell of all the places on the Erythraean Sea. ...

(Tr. William H. Schoff)

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### Tamil Literature

The early Tamil literature (from the first centuries CE, possibly slightly earlier) contains many descriptions of port towns and trading practices. A few extracts:

There gardens girt with loam are seen  
Where pegs are driven to tie strong boats  
That stand like steeds in stables tied,  
Come fully laden with the grain  
By barter bought of salt refined  
Through Cōḷa land extending wide  
With many a hamlet closely set. ...  
... Here are brought  
Swift, prancing steeds by sea in ships,  
And bales of pepper black, by carts.  
Himalayas sends gems and gold,  
While Kudḍa hills, sweet sandal-wood  
And akhil; pearls from the south sea come,  
Red coral from the eastern sea.

The Ganges and the Kaveri bring  
Their yield: Ceylon provides its food,  
And Burma, manufactures rare.  
With other rare and rich imports  
This wealth lies close and thickly piled,  
Confused along the spacious streets.

From *Paṭṭiṇappālai* (quoted in *A Sourcebook of Indian Civilization*, Niharranjan Ray & B.D. Chattopadhyaya, (eds), Orient Longman, 2000, pp. 283 ff)

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Those who well fashion bangles fine from chanks,  
The goldsmiths that make jewels bright from gold  
Well purified in fire, those who sell gold  
That's well assayed, those who do trade in clothes,  
Those who buy copper by the weight, those who  
Stitch garments fine, those who sell well-culled blooms  
And sandal-wood, those who could pictures paint  
Of various things in motion, those who draw  
With accuracy things that catch the eye,  
And others gather. Weavers small and great  
Display bright, folded garments, short and long,

That look like shining sands that edge the sea.  
All these are found in four well-crowded streets. ...  
In the *neithal* [littoral] tract are found fine sparkling pearls  
Which the shining sea doth yield, bright bangles cut  
And shaped straight with the file, and other wares  
That merchants sell. Sea captains that sail over  
The ocean high in showy ships that come  
From large and distant countries take away  
The salt that's formed in black and clayey pans,  
Sweet tamarind and salted fish that look  
Like sides of drums prepared by fishermen  
On widespread sands. They bring fine horses here  
And other precious things to barter them  
For jewels fine that are here made. This wealth  
Abounds increasing day by day.

From *Maduraikāñci* (quoted in *ibid.*, pp. 284 ff)

\*

The flourishing town of Muśīri, where the large beautiful ships of the Yavanas which bring gold and take pepper, come disturbing the white foam of the little, fair Periyāru [river] of the Seralar ...

From *Aganānūru* (quoted in *ibid.*, p. 285)

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The Sun shone over the open terraces, over the warehouses near the harbours, and over the turrets with air-holes looking like the eyes of deer. In different places of Pukār [Poompuhar or Kāvēripaṭṭinam] the onlooker's attention was arrested by the sight of the abodes of Yavanas [Roman traders] whose prosperity was never on the wane. On the harbour were to be seen sailors come from distant lands, but for all appearance they lived as one community. In the streets of the city hawkers went about with paints, bathing powders and cool pastes, flowers, incense and fragrant scents. In certain places weavers were seen dealing in fine fabrics made of silk, fur and cotton. Whole streets were full of silks, corals, sandal and myrrh, besides a wealth of rare ornaments, perfect pearls, gems and gold, which were beyond reckoning.

There were also other streets where grain-dealers lived who kept their grains in separate heaps. Washermen, makers of muffins, wine-sellers, fishermen selling fish, dealers in white salt, those who sold betel leaves, those who dealt in scents, mutton-vendors, oil-mongers, meat-vendors, dealers in bronze, manufacturers of copper, carpenters, strong-armed blacksmiths, sculptors, potters, goldsmiths, jewellers, tailors, cobblers, skilled workers of all sorts who made fancy trinkets of pieces of cloth and cork ...

[In addition] there was the open space where could be found many bundles of goods with marks indicative of the quantity, weight and names of their new owners. Since there was neither gate nor lock nor watchman guarding them, thieves might sometimes be tempted to remove these bundles on their heads. And if they did so, the invisible deity guarding the place would make the thief go round and round the open plain, with the



heavy burden on his head but would not permit him to pass away from there.  
The very thought of stealing anything made people quake with fear. ...

From the Tamil epic *Cilappatikāram*, Canto V  
(tr. V.R. Ramachandra Dikshitar)

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### An Inscription on Internal Trade

Inscriptions have a wealth of data not only on trade and traded goods, but also on the social organization of the traders, such as their communities, leaders and guilds.

A 13<sup>th</sup>-century inscription from Belgaum (Karnataka) gives details of taxes to be imposed on various goods. The following items are mentioned: horses, oxen and buffaloes, gold jewellery, cotton, perfumes, cloth, grass, cotton, paddy, unhusked rice, black pepper, asafoetida, green ginger, turmeric, oil, areca butts, betel leaves, coconuts, palm-leaves, coarse sugar, plantains, myrobolans, sugar-cane and potstone.

The following extract is from an inscription by king Ganapatideva at Motupalli (Andhra Pradesh) dated to the 13<sup>th</sup> century CE, in which the king grants protection to traders — of course not without some compensation:

... By this glorious Maharaja Ganapatideva the following edict (assuring) safety has been granted to traders by sea starting for and arriving from all continents, islands, foreign countries and cities.

Formerly kings used to take away by force the whole cargo, viz. gold, elephants, horses, gems, etc., carried by ships and vessels which after they had started from one country for another, were attacked by storms, wrecked, and thrown on shore. But, we out of mercy, for the sake of glory and merit, are granting everything besides the fixed duty to those who have incurred

the great risk of a sea-voyage with the thought that wealth is more valuable than even life.

The rate of this duty [is] one in thirty on [all] exports and imports.

On one tola of sandal, 1 pagoda  $\frac{1}{4}$  fanam.

On 1 pagoda's value of [country] camphor, Chinese camphor and pearls, 3 and  $\frac{3}{8}$  fanam.

On 1 pagoda's value of rose-water, ivory, civet, camphor-oil, copper, zinc, riseya (?), lead, silk-threads, corals, and perfumes,  $1\frac{1}{4}$  and  $\frac{1}{8}$  fanam.

On 1 pagoda's value of pepper, 3 and  $\frac{3}{8}$  fanam.

On all silks,  $5\frac{1}{2}$  fanams per bale.

On every lakh of areca-nuts, 1 pagoda  $3\frac{3}{4}$  fanams ...

(L.D. Barnett, quoted in *ibid.*, p. 455–56)

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### Comprehension

1. What does Kauṭilya mean when he speaks in *Arthaśāstra* of “the evil of a glut in the market in the case of commodities constantly in demand”? Does it remind you of certain situations in contemporary business?
2. What, according to Kauṭilya, are the different methods used by the state to check trade malpractices at different stages of trading?
3. What is the implication of Kauṭilya's statement that the Director of Trade “should avoid even a big profit that would be injurious to the subjects”?

4. What is the idea behind Kauṭilya's injunction to grant exemptions to those involved in import of goods through ships or caravans?
5. Why do you think Kauṭilya lists goods like “weapons, armours, coats of mail, metals, chariots, jewels, grains and cattle” as barred from export?
6. What kind of picture does the extract from the *Cilappatikāram* paint as far as the economic life is concerned?

### Extended Activities

- Reading the above excerpts from *Arthaśāstra*, one gets an impression that consumer protection is not such a new notion. Research the measures proposed by Kauṭilya to make sure that customers are not cheated and compare with today's situation.
- Study the taxation system developed by *Arthaśāstra* for traded goods (including duties and tolls). What services can merchants expect in exchange for the taxes they have to pay? Discuss whether, in your estimate, the system is (1) fair overall, and (2) conducive to trade activities?
- Draw a map of the various ports mentioned in the *Periplus Maris Erythraei*, and a table of the goods imported and exported through the Indian ports. Comment on the kind and volume of trade this suggests.
- Study the above extracts from Tamil literature, including the various goods, crafts and traders they mention, and make a comparison with the data from the *Periplus*. Point out commonalities as well as differences.

