

**SOME ASPECTS OF TRADE AND COMMERCE IN THE  
KONKAN AND THE WESTERN DECCAN DURING  
THE SEVENTEENTH CENTURY**

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In fond remembrance of  
Razmi Rizwan Husain

**C E R T I F I C A T E**

**It is certified that the dissertation entitled "Some Aspects of Trade and Commerce in the Konkan and the Western Deccan during the Seventeenth Century" submitted by Faizi Qazir Hashmi is in fulfilment of eight credits out of the twenty-four credits for the degree of Master of Philosophy of this University. This dissertation, is to the best of my knowledge, his original work, and has not been submitted previously for any other degree of this University.**

**We recommend that this dissertation be placed before the examiners for evaluation.**



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*Faizi Ozair Hashmi*

New Delhi  
February, 1983.

FAIZI OZAIR HASHMI

## LIST OF ABBREVIATIONS AND MAP

<u>IESHR</u>	Indian Economic and Social History Review
<u>IHR</u>	Indian Historical Review
<u>JIH</u>	Journal of Indian History
<u>PIHC</u>	Proceedings of Indian History Congress
<u>EFI</u>	English Factories in India, 1618-69, 13 vols., ed. W. Foster, Oxford, 1906-27
<u>Papers Received</u>	Collection of Papers Received, 1661-98, 18 vols., Department of Archives and Archaeology, Bombay
<u>MAP</u>	The Konkan and Western Deccan (Economic), After Irfan Habib, An Atlas of Mughal Empire, Delhi, 1982, page-7.

## **I N T R O D U C T I O N**

## INTRODUCTION

The seventeenth century witnessed a great expansion in Indo-European trade and the Western Coast was the most important coastal region for Indian contacts with the outside world. The rise, progress, extent and nature of this trade is very vast subject involving the study of a vast amount of original sources and has been undertaken by many scholars. But while most of the works have concerned themselves with other coastal regions of India, the aspect of trade and commerce on the Konkan coast has not been studied at length. So this study proposes to investigate into the commercial structure of the Konkan and the Western Deccan and their trading relations with the other regions as well as the European Companies.

The historical study of this aspect of the region is important for certain reasons. First, the Konkan being an integral part of the Western coast deserves as much attention for historical research as for instance, the Gujarat and the Malabar coasts. Secondly, the area under consideration owing to obscure reasons has largely remained unexplored, and the amount of historical research done on the Konkan is glaringly inadequate. This has led to a situation where most of the questions have remained unanswered. This very fact while making this study worthwhile also acts as a positive handicap for a researcher in



this field for one is deprived of the theoretical formulation and a definite framework to carry out one's studies. Now one way to tackle this problem, though with its own limitations, can be to study the Konkan coast and to compare the findings with the other flourishing regions of Western India and then to draw parallels or look for identical developments in certain spheres of commercial structure, as also by questioning the basis of disparities, if any.

The period chosen for the present study is a long stretch of time, i.e. from 1600 to 1700 A.D. Since seventeenth century in India was marked by vigorous activities in the commercial life, with new sources of demand opening up, and widening of export potential of the country, this time-span may rightly be taken as the climax of a trading pattern which had to undergo important transformation in the century following it. Foreigners were not new to the maritime India but they were definitely fewer and essentially functioned in the same structural set-up as operated in India. During the seventeenth century, however, there was an addition of the European market due to the arrival of well-organised trading companies of the Dutch and the English and merchants of France and other countries. The presence of a greatly increased number of European buyers in the market of the Konkan, must have been of considerable

consequence for its economy. The present study would try to show that the Region comprising Konkan and Western Deccan, also participated actively in the maritime commerce of the period. The Western Deccan was the hinterland of the Konkan coast and on her depended the prosperity of the latter. It should be noted here that the main emphasis of the present study is on Konkan. Hence those areas in the Deccan which had their outlets to the east, have been left out and only relevant areas taken into account. Besides the significance of the Konkan as a region of trade in its own right, its importance was no less as an entrepot for ships trading in the Asian Waters. Among these were those plying between South East Asia and the Red Sea and Persian Gulf regions, as also from the Eastern coast of India. The inability of these merchant ships to complete their voyage in one season, necessitated their stay here till the break of the monsoon.

The Region, under study was the producer of a wide variety of commodities which were needed as mutual exchange for coastal and overseas trade. The Deccan produced a number of cotton goods like bafta, Chintz, dungarees, etc., and pepper while Chaul silk and embroidered quilts, indigo, paper and timber etc. were available in coastal areas. There was also trade in foodgrains, saltpeter and precious stones. Horses were also an important commercial

item, imported into the Deccan. The commercial structure was sustained by a flourishing coastal and port to port trade but the participation of the Konkan in the Overseas trade was also significant. Thus we have for our period, an unprecedented concentration of European merchants - Portuguese, Dutch, English, French and other smaller nations on the Konkan coast. While the English and the Dutch were late comers and were trying to establish themselves, the Portuguese were able to hold to their own at least in regions, like Goa and Bassein. The merchant community of the Konkan was thus a heterogenous lot cutting across ethnic and national boundaries. It had a dynamic section of Indian mercantile class which adjusted itself remarkably with the changing trading patterns.

A study of this nature would naturally depend on a close examination of the contemporary sources. These are mostly available in the form of English factory records and accounts of the European travellers who visited India during the 17th century. They have been used extensively but with caution for fear of any possible bias as their very nature is European. Among European travellers, accounts of Linschoten, Pyrard, Fryer, Tavernier, Della Valle and Jourdain were more helpful. We have also utilised for the present study, the letters of the East India Company and its agents available in thirteen typed volumes in the Maharashtra State Archives, Bombay and entitled, 'Collection

of Papers Received from the India Office<sup>1</sup>. The Gazetteers of the old Bombay Presidency and new district Gazetteers of Maharashtra were also used. One wished to utilise the Portuguese and the Dutch sources for such a study, as ignorance of these languages leads to severe limitations which one has to admit. Among Persian chroniclers, only Khafi Khan, Lahori and Bhimsen give some information about the produce of the region but which is generally inadequate.

Looking for secondary sources, one faced real problem as there is almost no study which deals with this aspect of the region. The other secondary works which have attempted to examine the commercial organization of the period with a wider perspective like the one we have in K.N. Chaudhuri's,<sup>1</sup> helped in understanding the nature and scope of the problem from a proper perspective. There have been a lot of works on aspects of commerce of different coastal regions, especially Gujarat, Coromandel and Bengal. Their limitations for any concrete help to the present study need not be explained here. So this is a humble attempt to fill in the gap in knowledge about the commercial life of a viable trading coast of India, which has largely remained neglected.

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1 K.N. Chaudhuri, Trading World of Asia and the East India Company. Cambridge, 1978.

The present study is based on what one may call 'utility, relevance, and effectiveness of a region' to participate as a unit in the economic life of a given Age. Hence we start with a brief survey of the geography and production of the region and go on to trace the trading pattern in the second chapter. The role and participation of the European companies, and a study of mercantile activities including the merchant-artisan relationship, have been undertaken in subsequent chapters. Part of the last chapter is devoted to an analysis of the Ruler-Merchant relationship, or more precisely in estimating the role of the State in commercial structure of the period.

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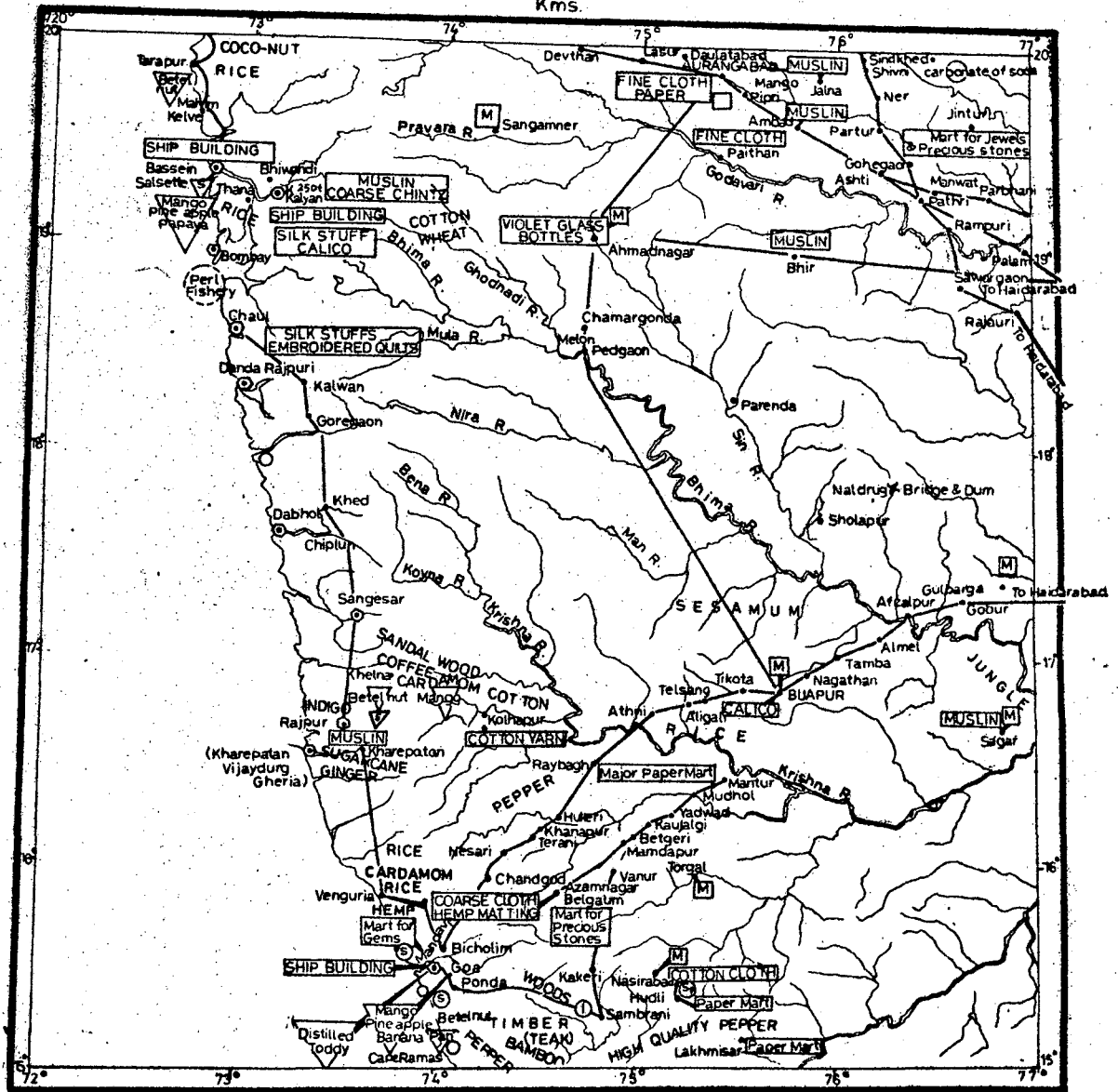
**CHAPTER - I**

# THE KONKAN AND WESTERN DECCAN

## ECONOMIC

20 0 20 40 60 80

Kms.



### REFERENCE

- |   |      |                      |   |
|---|------|----------------------|---|
| Port  | ⊙    | Route                | — |
| Tonnage of longest vested anchoring             | 250t | Bridge               | — |
| Dam   | ⊕    | Pass                 | — |
| Mines minerals                                  | ⊕    | Iron mine            | ⊕ |
| Pearl fishery abandoned                         | ⊕    | Salt pans            | ⊕ |
| Fruits localised processed agricultural product | ⊕    | Sugar                | ⊕ |
| Craft product                                   | ⊕    | Rupee mint Aurangzeb | ⊕ |

## CHAPTER I

### GEOGRAPHY AND PRODUCTION OF THE REGION

The Region under study forms two distinct geographical units, extending south to north from  $15^{\circ}15'$  N to  $20^{\circ}40'$  N latitudes, and from east to west from  $72^{\circ}45'$  E to  $78^{\circ}$  E longitudes. The Konkan coastal lowland lying between the Western Ghats and the Arabian Sea is 530 km long and 30 to 50 km broad,<sup>1</sup> and corresponds to the modern districts of Thana, Kolaba, Ratnagiri, and the State of Goa. The Western Deccan plateau, running parallel to the Konkan, corresponds to a large part of Maharashtra (including the districts of Nasik, Aurangabad, Ahmadnagar, Poona, Bhir, Satara, Osmanabad, Sholapur, Sangli and Kolhapur) and parts of Karnataka (comprising the districts of Bijapur, Belgaum, Raichur, Dharwar and Gulbarga). These areas formed during the early seventeenth century, the two kingdoms of Ahmadnagar and Bijapur.

The Western Ghats separate the Konkan like a wall from the Deccan plateau.<sup>2</sup> But the North Konkan with the Thalghat and Bhorghat gaps in the Sahyadris, is actively linked with the vast hinterlands of the Deccan

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1 O.H.K. Spate and A.T.A. Learmonth, India and Pakistan, A General and Regional Geography (London, 1967), pp. 642-4.

2 Gazetteer of the Bombay Presidency (Konkan), vol.I, Part-II, Bombay, 1896, Introduction, p. xii.



plateau. This is characterised by the sandy spits intruding into muddy shallows close to the sea.<sup>3</sup> The alluvial soil of the Konkan is very fertile, with coarse sandy soil to the east of its coastal alluvium. Parts of the North Konkan has black soil which is very rich in iron, magnesium, and calcium but poor in nitrogen.<sup>4</sup>

The Western Deccan or Maratha country, may be taken as roughly conterminous with the main mass of the Deccan Lavas above the Ghats.<sup>5</sup> The whole area is more or less a vast stretch of black cotton soil or 'regur'.<sup>6</sup> The high lying lands in the heavy rainfall area on the western margin of the region are covered with laterite, viz., the districts of Kolhapur and Satara. Rest of the area, comprising the old Bijapur Kingdom, is made of red laterite soils in association with 'regur'.<sup>7</sup> However, deep black soil is mostly found in Raichur, Dharwar, Ballary and in certain areas of Bijapur and Gulbarga, which is good for the cultivation of cotton. The soil around Belgaum is favourable for the cultivation of coconut, areca, coffee, and pepper.

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3 R.L. Singh, India, a Regional Geography (Varanasi, 1971), pp. 910-11.

4 Ibid., pp. 814-15.

5 Spate and Learmonth, op. cit., pp. 644-5.

6 R.L. Singh, op. cit., p. 700.

7 Ibid., p. 795.

The rainfall in Konkan is quite high, 280 cm, 80 per cent of it coming between June to September. This has given a comparatively higher fertility to this region. The Western Deccan in contrast is deficient in rainfall and thus climate is an important factor in its landscape. Low rainfall, less than 100 cm, in the region has fostered aridity.

Thus the geography of the Region is such that while parts near the coast are fertile, highly cultivated and populous, the inland parts are rocky and rugged, not much favoured by nature. These geographical factors have their impact on the agriculture of our region. Thus while the coastal areas are good for the cultivation of food produce, the western Deccan favours the cultivation of cash crops like cotton and spices, and diverse types of fruits.

Hence keeping these geographical factors in mind the agricultural and non-agricultural produce of these two distinct geographical units, namely the Konkan and the Western Deccan, should be studied separately.

### Agricultural Production

The Konkan spreads out to a fairly extensive area on the western coast of India from Bassein southwards

to Thana, Bombay, Chaul, Danda Rajapuri, Janjira, Dabhol, Rajapur, Vengurla, and Goa. The Konkan coast was the producer of a large variety of agricultural goods. Different commodities were produced in the vicinity of different trading ports listed above. In and around the region of Bassein there was large scale production of rice.<sup>8</sup> Thevenot and Abbe Carre tell us about the production of sugarcane in this region.<sup>9</sup> Khafi Khan refers to the production of coconut and betelnuts in the region between Daman and Bassein.<sup>10</sup> Rice and sugarcane were also produced in Salsette island and Thana.<sup>11</sup> Salsette also produced many kinds of fruits like pineapple, coconut, mango and papaya.<sup>12</sup> Coconut was also widely grown in Bombay<sup>13</sup> and Chaul.<sup>14</sup> Della Valle

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8 Khafi Khan, Muntakhabu-l Lubab, ed. K.D. Ahmed and Haig, Calcutta, 1909-25, vol. II, p. 401.

9 Ibid.; The Indian Travels of Thevenot and Careri, ed. S.N. Sen (New Delhi, 1949), pp. 168-69, 179; The Travels of Abbe Carre in India and the Near East, 1671-74, ed. Sir Charles Pawcett, Hakluyet Society, London, 1947, vol. I, p. 178.

10 Khafi Khan, op.cit., vol. II, p. 401.

11 Careri, op. cit., p. 179; EPI (1668-69), p. 45.

12 Ibid.

13 Ibid.

14 Early Travels in India (1583-1619), ed. W. Foster, London, 1921, p. 13.

informs us about the production of indigo, cotton, and opium in Chaul and its surroundings.<sup>15</sup> This is confirmed by Pyrard also.<sup>16</sup>

After Bassein-Thana-Kalyan region, the areas around Rajapur were of considerable importance as they produced a number of agricultural goods for the market. Some quantity of indigo was produced in Rajapur.<sup>17</sup> Sugar-cane, ginger and turmeric were produced near Rajapur and the adjoining areas of Jaitapur, Kharepatan and Gheria.<sup>18</sup> The English factors also noticed the production of gum-lac in Rajapur.<sup>19</sup> In the nearby region of Khelna coffee and cardamom were produced.<sup>20</sup> Sandalwood was also grown in that region as also fruits like mango and coconut. Betel-nut<sup>21</sup> was also grown in this region.

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15 The Travels of Pietro della Valle in India, vol. I, tr. E. Grey, Hakluyet Society, London, 1892, pp. 224-5.

16 Pyrard, The Voyage of Francois Pyrard of Laval, ed. A. Gray, vol. II (London, 1887-90), p. 355.

17 The English Factories in India (1624-29), ed. W. Foster, 13 vols. (1618-69), Oxford, 1906-27, p. 258. Hereafter to be referred to as EFL.

18 Ibid.

19 Ibid.

20 EFL (1655-60), p. 241; Khafi Khan, vol. II, op. cit., p. 501.

21 Khafi Khan, vol. II, op. cit., p. 501.

Vengurla produced a small quantity of good quality spices and cardamoms which were scarce and dear.<sup>22</sup> But it was more famous for the plenty of rice it produced.<sup>23</sup> In fact, for the supply of provisions to the wintering ships, Vengurla was the best place in the Konkan. Tavernier informs us that it was due to this that the Dutch had established a settlement there.<sup>24</sup> They especially needed the supply of provisions during their blockade of Goa.

Though Goa did not have much agricultural production, the region south to it produced rice,<sup>25</sup> sugarcane,<sup>26</sup> and pepper.<sup>27</sup> There was, however, good production of fruits, especially coconut, banana, mango,

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22 Tavernier, Tavernier's Travels in India, trans. V. Balls, revised and ed. W. Crooke (London, 1925), vol. I, pp. 148, 184.

23 Ibid., p. 123.

24 Ibid., pp. 148-9; "...not only all the vessels which come from Batavia, Japan, Bengal, Ceylon, and other places, and those which sail for Surat, the Red Sea, Hormuz, Bassora etc. both in going and returning, anchor in the roads at Vengurla, but also when the Dutch are at war with the Portuguese..., they send their small boats to Vengurla to obtain provisions'.

25 Della Valle, vol. I, op. cit., p. 175.

26 Khafi Khan, vol. II, op. cit., p. 401.

27 Careri, op. cit., p. 190.

and pineapple.<sup>28</sup> Other European travellers also tell us about the production of fruits in Goa.<sup>29</sup>

Some regions on the Konkan coast produced sufficient quantity of timber which was so vital for the ship-building industry. Timber was produced in the region around Thana and Kalyan-Bhiwandi.<sup>30</sup> Bassein was another large producer of timber and also building stone, which was as good as granite and was according to Pyrard used in all the Goa churches and palaces.<sup>31</sup> It was essentially a ship-building harbour due to the availability of large quantity of timber.<sup>32</sup> Therefore, it was considered vital for all the merchants trading on the western coast, especially Europeans. Due to the Portuguese control of the region, the English faced repeated problems in the importation of timber.<sup>33</sup> The English factors informed the Surat Council in

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28 Tavernier, vol. I, op. cit., p. 186.

29 Fryer, A New Account of East India and Persia (1672-81), vol. II, ed. W. Crooke, Hakluyt Society, London, 1909, p. 84.

30 EPI (1668-69), pp. 83-84.

31 Gazetteer of Bombay Presidency (Thana), vol. xiv, Bombay, 1882, pp. 31-32.

32 Collection of Papers Received from the India Office (1668-69), vol. 3, pp. 49-50. There are 18 vols. (1661-1698) of the documents in typed *form* preserved in the Department of Archives & Archaeology, Bombay. They will be hereafter referred to as Papers Received.

33 Ibid (1672-73), vol. 5, p. 54; 'The Portuguese continues still very insolent in impeding the trade of your Island to the Maine and particularly the captain of Bacam (Bassein) doth positively deny bringing of timber of which we are in extraordinary want....'; also (1673-75), vol. 6, p. 95.

1668, 'one of the greatest matters of imports to your present designs, is that of timber, where of five hundred pieces yearly may be procured out of the Portuguese country at the same price the captain of Basaim (Bassein) buys it himself ...'<sup>34</sup> There are frequent references in the contemporary sources of Bassein as a timber producing centre. Goa was also rich in the production of timber and bamboo.

In the western Deccan we had broadly four regions of agricultural production, Aurangabad, Ahmadnagar, Bijapur and Raybagh. The soil formation of Deccan being favourable for cotton cultivation there was sufficient production of this stuff which the European travellers of the seventeenth century noticed, especially in the region known as 'Bombay Cotton Tract' and in Aurangabad. The Balaghat region, more precisely Aurangabad, had good cultivation of cotton which was noticed by Thevenot.<sup>35</sup> Cotton was also widely grown in Junnar,<sup>36</sup> Kolhapur<sup>37</sup> and Gulbarga<sup>38</sup> regions.

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34 Ibid (1668-69), vol. 3, pp. 55-56.

35 Thevenot, op. cit., pp. 112-13.

36 Fryer, op. cit., vol. 1, pp. 331, 334.

37 EPI, (1655-60), p. 241.

38 Abbe Carre, op. cit., vol. II, pp. 325-36.

Among foodgrains, mostly wheat and rice were grown, the former in Junnar<sup>39</sup> region and latter widely in Bijapur kingdom.<sup>40</sup> But foodgrains were available everywhere and hence grown in some quantity all over the region. Inferior quality crops were also grown like maize, barley, etc. and also different kinds of pulses. About oil seeds we do not have very clear evidence but it is inconceivable that they were not grown. Among spices, Black pepper was produced in the range of Western Ghats, especially Bijapur and north Kanara area. The European travellers of the seventeenth century noticed the cultivation of pepper in the Deccan,<sup>41</sup> which is corroborated by the records of the English factories also.<sup>42</sup> The English factors informed the Company in 1644, 'the pepper produced in the Deccan is extraordinary good and bought cheaper by 25 per cent than we have at any time known it'.<sup>43</sup> Pepper was particularly widely grown in the region of Raybagh which lay on the trade route between Bijapur and Goa.<sup>44</sup> Cardamona

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39 Fryer, vol. I, p. 331.

40 Manucci (1699-1709), Storia de Mogor, vol. II, trans. W. Irvine, (London, 1907-8), p. 437.

41 Tavernier, vol. II, op.cit., p. 11; Fryer, vol. II, op. cit. p. 355.

42 EPI (1622-23), p. 51; (1618-21), p. 289.

43 Ibid (1642-45), p. 214.

44 Ibid (1634-36), p. 212; (1655-60), p. 241.



was also produced in this region, but it was mainly consumed locally. Hubli, further south to Raybagh also produced some good quality pepper.<sup>45</sup> Cotton<sup>46</sup> and saltpetre<sup>47</sup> were also produced in the region around Hubli. Raybagh produced good quality saltpetre.<sup>48</sup>

Among the commercial crops whose cultivation started during the seventeenth century, tobacco came to occupy an important place. This crop was widely cultivated in the Deccan during our period. It was produced in such abundance at Burhanpur that the peasants left a considerable volume on the fields because they had no place to store them.<sup>49</sup> The availability of these various commodities in our region made it a viable trading area, as will be seen in a subsequent chapter.

Before we go over to examine the evidence of non-agricultural manufactures in our region, it will not be out of context to note that during this period even the

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45 Ibid., (1655-60), p. 240.

46 Ibid.(1668-69), p. 270.

47 Ibid. p. 113.

48 Papers Received (1664-67), vol. 2, pp. 68-69;  
Surat Inward Letter Book, no. 1 (1646-47), Maharashtra State Archives, Bombay, pp. 17-18, 48.

49 Tavernier, vol. II, op. cit., pp. 19-20.

process of agricultural production had to go through some process of manufacture.<sup>50</sup> Thus at times it became a combination of purely agricultural work with manufacturing processes. This was especially true in the case of cash crops. Cotton had to go through the process of cleaning and carding by the peasant himself, after it was picked up from the fields. Thereafter it was spun into yarn, only at which point the weaver used to take over. Other areas of agricultural manufacture were sugar and gur, of which good quantity was produced in the Deccan, and also processing of indigo, and extraction of oil from the oilseeds, etc.

#### Non-Agricultural Production

Non-agricultural production was spread out both in the rural and urban centres, though it tended to be more concentrated in the urban centres. However, there was production not only for the urban population and for export requirements but also for the village population. The Konkan and the Western Deccan had developed a fairly extensive area based on urban industries and sustained by

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50 Irfan Habib, Agrarian System of Mughal India (Bombay, 1963), pp. 57-59.

a class of skilled artisans. Recent studies have shown that the seventeenth century achieved the highest watermark of textile production in medieval India. Hence cotton and silk-weaving were the two most important industries in our region. All sorts of cotton goods were produced in different port-towns of Konkan and its adjoining regions.

The port town of Chaul was famous for its silk stuffs and embroidered quilts.<sup>51</sup> Chaul's fame as a thriving manufacturing centre for good silk and cotton stuffs is corroborated by Fryer and Pyrard.<sup>52</sup> Della Valle visited Chaul and found it a very prosperous centre of textile production.<sup>53</sup> There were many 'makers of silk and weavers of wool and of black and red bombast'. There were artisans

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51 EPI (1661-64), pp. 63-64; (1668-69), p. 65.

52 Pyrard, vol. II, op. cit., p. 355; 'the country there is vastly rich and productive of all kinds of valuable merchandise, the merchants from all parts of India and the East come to seek. But the chiefest are the silk, which are obtained there in such quantity that alone they almost supply Goa and all India. They are of a different quality from those of China; and at Goa no account is made of any, but Chaul silk, whereof very pretty stuffs are made, it also largely supplies choice fabrics.'

53 Della Valle, op. cit., pp. 224-25.

engaged in production of silk and cotton on looms.<sup>54</sup> Though there was considerable production of silk stuffs at Chaul, we do not know the exact source of silk. It is possible that raw silk was imported there from Orissa and Bengal. Though English factors mention 'the muster of raw silk' from Chaul.<sup>55</sup> Thana and Kalyan-Bhiwandi were also important centres of textile production. Careri tells us that Thana was famous for calicoes 'no place in the Portuguese dominion exceeding it in this particular even for table service'.<sup>56</sup> Bhiwandi was famous for weaving industry.

In the southern Konkan, a very good quality of muslin was manufactured at Rajapur.<sup>57</sup> Vengurla was reputed for its production of coarse cloth and hemp matting which served for packing goods.<sup>58</sup> Apart from Vengurla hemp

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54 Ibid. Also see EPI (1668-69), p. 65; 'We have informed ourselves of Chaul, Thana, and Bandora, concerning the weavers of silk and stuffs, and we find that in Chaul there are 700 families who make at least 5000 peeces of taffetas and several sorts of stuffs yearly....'

55 Papers Received (1668-69), vol. 3, p. 61.

56 Careri, op. cit., p. 177.

57 EPI (1624-29), p. 258.

58 Tavernier, vol. 1, op. cit., pp. 148-49; "...Coarse cotton cloths for home consumption are made there too, and a sort of matting called toti, which is only used for wrapping up merchandise'.

was produced in Karwar and Mirjan also<sup>59</sup> where from it was probably imported.

During the last quarter of the seventeenth century, Bombay was developing as a major production centre for the Konkan region. The main emphasis of the English Company was to develop it as a producer of all sorts of cotton textiles, owing to the growing importance and demand of this commodity in the European trade with India. Through the invoices of East India Company from 1661, onwards, an impression is made out that cotton stuffs were much in demand, and most of it was sought from Rajapur. The different names with which the various cotton stuffs were called, are 'dungarees', 'dutties', 'baftas' (white and blue), 'sovaguzzees', 'parcollaes', and silk stuffs like 'truggagee', 'taffaties', and 'serwunge chints', etc.<sup>60</sup>

To bring down the cost of production and to develop Bombay as a manufacturing and distributing centre,

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59 Fryer, vol. II, op.cit., p. 76.

60 Papers Received (1664-67), vol. 2, pp. 66-68, 103; (1668-69), vol. 3, pp. 46-47.



the English agents were constantly urged to encourage the manufacture of all sorts of calicoes there. Weavers and spinners were invited from Chaul and other places to settle down in Bombay with the promise of all facilities. Already in 1670-71 the manufacture of calicoes was going on in Bombay under the supervision of English merchants.<sup>61</sup> The company asked the Surat agents to encourage the manufacture of calicoes at Bombay.<sup>62</sup> In a letter of 1674, the Bombay factors informed the company that due to a fire at Chaul, it was almost destroyed and most of the artisans were coming over to Bombay, thus increasing its production potential.<sup>63</sup> In 1675, the Rajapur factors had a stock of Rs.70-80,000 which the 'Bombay Generall' expected them to invest in the purchase of 'dungarees' and broad

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61 Papers Received (1669-71), vol. 4, pp. 115, 150; (1668-69), vol. 3, pp. 168-9. The factors were so optimistic that they even expressed hope that 'in a short time you will have a good ship laden only with the produce of your Island Bombay'. They informed the Company, 'the manufacture of cloth goes on very hopefully, last year there was some stop for want of loomes, which since we have supplied them with from hence (Sually Marine) and they have also procured from other places; (1669-71), vol. 4, p. 115.

62 Paper Received (1664-67), vol. 2, p. 103; '.... we also would have you, as soon as may be, to put the inhabitants upon making of such calicoes, as they are capable of...., we commend this to your especial care for that we would very willingly have some manufacture under our own Government,.....'

63 Ibid. (1673-75), vol. 6, p. 73.



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and narrow 'baftas'.<sup>64</sup> By 1680s very good quality calicoes were being produced at Bombay which were even better than the produce of Surat and could be made of any length and width.<sup>65</sup> The manufacture of silk had also improved as the artisans knew the art of dyeing, throwing and weaving. It was not surprising that the English East India Company which was greatly interested in the trade of the Konkan, wanted to make Bombay, the headquarters of its trade with the Western coast of India since most of the export commodities were available near the port towns themselves.

The Western Deccan had many important centres engaged in textile production of varying magnitude. The most important centres were, of course, Daulatabad-Aurangabad and Bijapur. There were numerous varieties of cotton goods, cheap as well as expensive, which passed through different stages of bleaching, dyeing, printing and painting. Tavernier<sup>66</sup> and Jourdain<sup>67</sup> make references

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64 Ibid., p. 140.

65 Ibid (1689-90), vol. 12, pp. 20-21.

66 Tavernier, vol. I, pp. cit., p. 123.

67 Jourdain, The Journal of John Jourdain, ed. W. Foster, Hakluyet Society, 1905, p. 145.. 'this cittle doth abound in making of fine baftales, bairames (fine cotton cloth), serabafts, rich turbans and girdles of silk and gold'.

to the manufacture of cloth at Burhanpur and Aurangabad. While Aurangabad was famous for white cotton cloth and silk stuffs, Burhanpur's fame lay in its fine white and printed cloth. A particular variety of calicoe being produced in the city of Bijapur, is mentioned by Manucci.<sup>68</sup> Similarly, a type of fine cloth was manufactured at Daulatabad.<sup>69</sup> There were other small urban centres around Aurangabad which specialised in the production of cotton goods. Among these Jalna and Ambad were famous for muslin while Paithan produced fine cloth. Junnar, in Ahmednagar suba was another important region which participated in the textile production of our region in a big way. Fryer noticed the production of muslin and coarse chintz at Junnar.<sup>70</sup> To the east of Ahmednagar we had Bhir, as a centre of production for muslin. In the Bijapur territory, in Kolhapur there was production of good

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68 Manucci, vol. III, op.cit., p. 437.

69 Abdul Hamid Lahori, vol. I, Badshahnama, ed. Kabiruddin Ahmad and Abdur Rahim, 2 vols. Calcutta, 1867-72, p. 501.

70 Fryer, vol. I, op.cit., p. 344.



quality cotton-yarn worked by skilled artisans.<sup>71</sup> Further east of Bijapur, muslin was produced at Sagar. Some cotton stuffs were produced at Hubli, to the east of Goa.<sup>72</sup>

Thus craft production in our region was to a great extent based on the manufacture of various types of cotton stuffs. These were the products which apart from satisfying the local needs, catered to the export requirements of the region. But the various other articles of daily necessities of the populace were also produced. Among these may be included potteries and utensils, building materials, and tools and implements, etc. At Chaul, desks and tables of black-wood, inlaid with ivory, were manufactured.<sup>73</sup> The fact that Ahmadnagar, Aurangabad and Bijapur were centres of royalty and there were other prosperous port towns in the Konkan, clearly presupposes a lot of craft activities in the region. There were many artisans working on metal, leather and wood in different

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71 EPI (1655-60), p. 241.

72 EPI (1668-69), p. 270.

73 Gazetteer (Thana), op.cit., p. 358.

areas.<sup>74</sup> A significant development was the growth of paper industry in Junnar region during the second half of the seventeenth century. Fryer noticed that paper was being made from cotton rags which were first soaked in water, beaten and brought into the form of paper, these were then dried in the sun and polished.<sup>75</sup>

There were also large industries like those of ship-building and mining. The two most important centres of ship-building were Bassein<sup>76</sup> and Goa<sup>77</sup>. Kalyan-Bhiwandi was another important centre. These places were adequately supplied with timber produced in these regions. In a subsequent chapter we will see their relevance in and contribution to the commercial structure of the period. Shivaji gave great encouragement to ship-building industry and erected a large fleet of more than one hundred vessels. The Deccan kingdoms also showed keen interest in ship-building as they had their trading interests.

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74 Della Valle, vol. 1, op. cit., p. 377; '... their skill is likewise exquisite in making of cabinets, or boxes, or Trunks, or Sandishes, curiously wrought, within and without, inlaid with Elephant tooth, or pearl, or Ebony, or Tortoyse-shell, or wyre; they make excellent cups, and other things of Agate, and cornelian'.

75 Fryer, vol. I, op. cit., pp. 334, 351-52.

76 BFI (1634-36), pp. 137-39.

77 Ibid. (1624-29), p. 260.

Diamond-mining was also carried out in the Deccan. Though more important mines were located in the Qutub Shahi kingdom of eastern Deccan, there was an important diamond-mining centre at Raolconda in the western Deccan.<sup>78</sup> There was a system of leasing out the mines to merchants by the king on the payment of certain amount, who in turn employed miners. Among minerals, salt and saltpeter were also produced in the region. Salt was produced near Goa.<sup>79</sup> The region around Hubli produced saltpeter.<sup>80</sup>

This survey of production centres of our region may not be taken as complete. But the nature of our source material is such that most information which come to us are generally about the urban places or places situated along the trade routes. The interior centres of production spread out in remote villages are often not mentioned in the contemporary sources, but they were not less significant, considering the requirements of a vast population.

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78 H. Fukazawa, in Cambridge Economic History of India, vol. 1, ed. Tapan Raychaudhuri and Irfan Habib, Cambridge, 1982; p. 314.

79 Careri, op. cit., p. 190.

80 EPI (1668-69), p. 113; (1646-50), pp. 53-54.

It has to be noted that many of these places were linked with each other and to the port towns through direct and well-defined trade routes. On the Konkan coast, there was a route linking Bassein to Daman.<sup>81</sup> Another trade route started from Chaul and came up to Goa, passing by Danda Rajapuri and Dabhol and through Rajpur.<sup>82</sup> Goa was also linked to Bijapur through a direct trade route.<sup>83</sup> Raybagh, the major pepper mart of western Deccan lay on this route. Bijapur was linked with trade route to Hyderabad<sup>84</sup> in the east and Ahmadnagar and Aurangabad in the north. Aurangabad<sup>85</sup> and Ahmadnagar were also linked to Hyderabad in the east. In the north there were two trade routes, one connecting Aurangabad to Surat,<sup>86</sup> and another to Agra, via Burhanpur.<sup>87</sup> When Malik Amber invited the English factors to Ahmadnagar kingdom to settle a dispute

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81 Abbe Carre, vol. 1, op.cit., pp. 172-76.

82 Ibid., pp. 202-7.

83 Ibid., pp. 222-28.

84 Ibid., pp. 172-76.

85 Tavernier, vol. 1, op.cit., pp. 146, 148; Thevenot, op.cit., pp. 108-10.

86 Ibid., pp. 142-43; Thevenot, pp. 102-3.

87 Ibid., pp. 58-65.

involving plunder of an English caravan, two factors, Robert Jeffries and Nicholas Crispe took a route from Chaul to Junnar and then to Ahmadnagar via Daulatabad.<sup>88</sup> So it seems that apart from the regular trade routes, there were other smaller routes linking different places in the Deccan.

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<sup>88</sup> EPI (1618-21), Introduction, xxxii.

**CHAPTER - II**

## CHAPTER II

### PATTERN AND REGIONS OF TRADE

The significance of the region comprising the Konkan and the Western Deccan in the commercial structure of the seventeenth century, lay both in its own potential, as a 'manufacturing, collecting and distributing centre', as well as in its capacity to attract foreign merchants to its coast. The ports of the Konkan not only acted as entrepots for its hinterland production centres but were also vital for the ships from the South East Asia heading for the Red Sea and Persian Gulf region, and vice versa. The inability of the merchant vessels to finish their Asian voyages in one season thus, made it pertinent for them to rest on the Konkan ports, like Vengurla, Goa, Chaul and Dabhol. After the procurement of provisions and coming of the favourable season and wind pattern, they used to ship towards their destinations.

The seventeenth century was marked on the one hand by a decline of the Portuguese in the Indian waters, and on the other, by attempts of the Dutch and the English to step into the void created by the slackening of Portuguese control. There was also incessant warfare

among the Deccan states. The attempt by the Mughals to extend their sway over the rich tracts of Deccan, added another dimension to this scene. Shivaji was making inroads into the Konkan territories after the 1650s and the Sidi of Janjira was also actively fishing in the troubled waters. It will be seen that during this time political control of different regions, changed hands intermittently from the Mughals to Nizam Shahs and Adil Shahs and with Shivaji. This political disequilibrium had its impact on the trading pattern within the Konkan. Abbe Carre, the French traveller visiting Raybagh noticed a general decline of trade in the region due to constant fight among rival factions after the death of Adilshah II.<sup>1</sup> The Mughal-Maratha contest during the middle of the seventeenth century also caused considerable damage to trade especially in the regions of Poona, Junnar, Udgir and Ausa as many villages were burned down and plundered.<sup>2</sup> Two very important ports of the Konkan, Rajapur,<sup>3</sup> and Chaul<sup>4</sup> had considerably lost their

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1 Abbe Carre, op.cit., pp. 233-34.

2 H. Fukazawa, in The Cambridge Economic History of India, vol. 1, c. 1200-1750, ed. Tapan Raychaudhuri and Irfan Habib, Cambridge, 1982, pp. 476-77.

3 B.G. Gokhale, "English Trade with Western India", Journal of Indian History, vol. xi, no. 2, 1964, p. 333.

4 Papers Received (1673-75), vol. 6, p. 62, '... About three in the afternoon receiving advice that Sevages was



prosperity by 1662 and 1674 respectively owing to Adilshahi-Mughal-Maratha fightings and Portuguese depre-dations. There were also occasional famines in the Deccan, such as those of 1630-31, 1655, 1682, 1684 etc. which devastated the crop and depleted human population.<sup>5</sup>

But the wars and famines were not exclusive for the Deccan only. They did affect, to some extent the pattern of trade in other regions also. Moreover they were not constant factors in Deccan history but came as passing phases. Once the troubled days were over, people tended to get back to their normal economic life either by settling down with their old professions or migrating to new localities.

Hence we shall see that inspite of occasional political disturbances the Konkan had a fairly well-developed trade during this period. Here a brief account of the commercial importance of different Konkan ports and

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returned to Rairy from Chiblone, departed thence to Upper Chaule, a town belonging to the Rajah about two mile distance from the Portugall city (Chaule), and was in former times a great mart for all sorts of Deccan commodities but now totally ruined by the late wars betwixt the Mogull and se-vagee, whose Armies have plundered and laid it waste.'

5 Irfan Habib, The Agrarian System of Mughal India, (Bombay, 1963) pp. 104, 106-7; Fukawawa, op.cit., p. 476.

its hinterland should be given to help us grasp the trading pattern of the region and analyse its nature. The land area or the hinterland corresponding to the Konkan, largely comprised of the two kingdoms of Ahmadnagar and Bijapur. The Nizamshahi kingdom of Ahmadnagar was a flourishing centre of trade. Writing during the early years of the sixteenth century Barbosa says, 'it has very good sea ports of great trade in the goods used on the mainland, the chief being Chaul in Kolaba about thirty miles south of Bombay.'<sup>6</sup> Da Barros describes Chaul as a city which in population and size was one of the most important of that coast.<sup>7</sup> Its importance lay on account of its excellent position as an entrepot for Malabar and Cambay ships. Linschotten who came to India towards the far end of the sixteenth century noticed Chaul ships going to the 'Redde Sea' or the Straites of Mecca'.<sup>8</sup>

The most important port in the Northern Konkan was Bassein which was under Portuguese possession. It

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6 Cf. Balkrishna, Commercial Relations between India and England (1601-1757), (London, 1924), pp. 17-18.

7 Ibid.

8 Linschotten, vol. II, The Voyage of Van Linschotten to the East Indies, ed. P.A. Tiele (London, 1885), p. 183.

was a flourishing commercial centre and the Portuguese had established a factory there. There was frequent movement of ships from and to Bassein from the coastal areas, and vessels brought from Malabar areas, cocones, and spices.<sup>9</sup> Towards the close of the sixteenth century it is mentioned as 'one of the places of most trade in corn and rice on the coast'.<sup>10</sup> The place is called 'Bussy' by Abdul Fazl, 'a city and an emporium like Daman, Sanjan, Mahim and Tarapur, all five of them being in the possession of Europeans through the negligence of the Mughal officers'.<sup>11</sup>

Further south, Dabhol was the principal sea outlet of the Bijapur kingdom. John Jourdain informs us that from Dabhol 'two or three ships of great burden and far richer than those that went from Surat, every year sailed to the Red Sea and two very rich ships used to go to Ormuz'.<sup>12</sup> Dabhol merchants were trading in the South East

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9 Barbosa, The Book of Duarte Barbosa, vol. I, An Account of the Countries Bordering on the Indian Ocean and their inhabitants, trans. Longworth Dames (London, 1918, 1921), 2 vols. p. 68.

10 Ralph Fitch, quoted in Gazetteer of Bombay Presidency (Thana) (Bombay, 1882), vol. xiv, p. 207.

11 Gazetteer, op.cit., p. 28.

12 The Journal of John Jourdain, ed. W. Foster, Hakluyt Society, 1905, pp. 197-8.

Asia also as we are informed by Middleton, 'the fourth day, came other ship of Dabul, which landed at Achin with Peppers these three great ships belong all to the Governor of Dabul, who is a Persian, and a great merchant.'<sup>13</sup> In 1611 the English East India Company included Dabhol in its scheme of establishing commercial relations with the Western coast of India. Middleton visited Dabhol in 1612 and was welcomed by the Governor there.<sup>14</sup> In 1617, Sir Thomas Roe also wrote a letter to the Governor of Dabhol asking him to start trade with the English.<sup>15</sup> It was thought to be a valuable place for their trade with the Red Sea region. It could also be useful for them in case of troubles with the Mughal authorities. There was even a proposal to shift the Surat factory to Dabhol.<sup>16</sup> Though these proposals did not materialise. In spite of their unsure position at Surat, its commercial importance for the English weighed in favour

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13 Purchas, His Pilgrims (Henry Middleton's Account), vol. 3, ed. Maclehoze, (Glasgow, 1905), p. 154.

14 Maharashtra State Gazetteers (Ratnagiri) (Bombay, 1962), p. 149.

15 B.G. Gokhale, "English Trade with Western India (1650-1700)", Journal of Indian History, part II, 1964, p. 83.

16 Gazetteers (Ratnagiri), op.cit., p. 154; "In consequence of Middleton's honourable treatment of the Mokha junk, the Governor of Dabhol, offered the English free trade, and as their position in Surat was most uncomfortable, they thought of removing to Dabhol (1616). In 1624, there was again a proposal to move to Dabhol from Surat'.

of retaining the factory there. Another factor hampering the above suggestion was the Portuguese hostility. It was only after the conclusion of the convention of Goa in 1635 that the English could establish trading relations with the Adilshahi dominions.<sup>17</sup> During the 1660s Danda Rajapuri was suggested by the Company as another probable place to shift the Presidency.<sup>18</sup>

Jaitapur and Vengurla were other very important sea ports of the Konkan. Jaitapur was in fact the sea outlet of Rajapur which was famous for its muslin, indigo and pepper. It commanded considerable importance and was thought of as the best place away from both the Mughal and Dutch influences. In 1638-39, the First Free Traders or the 'Interlopers', the association of Sir William Courteen established a factory at Rajapur.<sup>19</sup> Afterwards Courteen's Association was incorporated into the East India Company and the factory at Rajapur continued as before. The French had also established a factory at Rajapur in 1667.<sup>20</sup> The English factories refer to the good terms

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17 EPI (1655-60), p. 233.

18 Papers Received (1661-64), vol. 3, p. 15.

19 Maharashtra State Gazetteers (Ratnagiri), op.cit., p. 154.

20 Ibid.

prevailing between the French factors and Shivaji at Rajapur in the 1670s.<sup>21</sup> Abbe Carre, a French man, passing through Rajapur and Chaul was treated very civilly by Shivaji's men. Vengurla where the Dutch had their settlements, was more important because it could provide provisions for the anchoring ships. It is referred to as a 'large town half a league along the coast, with one of the best roads in India, where all the vessels that come from Batavia, Japan, Bengal, and Ceylon, and those bound for Surat, Ormus and the Red Sea, both coming and going anchored both water and rice being excellent'.<sup>22</sup> Vengurla was also reputed for good quality spices, and cardamoms it produced and which were difficult to get anywhere else. It was also famous for its coarse cloth and Hemp matting that served for packing goods.<sup>23</sup> It had thus enough attraction for the overseas ships coming on the western coast of India.

Most important of all ports, however, was the Portuguese possession of Goa. Besides the major role which

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21 EPI (1668-69), p. 73: " ...they (the French) have settled at Rajapur and have met Sevagy, who have them some clothes and firman to trade freely in all his ports".

22 Tavernier, vol. I, op.cit., pp. 148-9.

23 Ibid.

Goa played in the commercial structure of the seventeenth century, as a port of call and embarkation, it was also a centre for ship-building industry. The references to Goa, its coastal and overseas trade are scattered all over the English Factory Records. During the seventeenth century when the Portuguese were losing ground to the Dutch and the English throughout the Asian world, Goa remained firmly under the former's control and was the most invaluable gem of Portuguese India.

The transfer of Bombay to the English in the 1660s and its subsequent rise after 1670s and 1680s was a watershed in the commercial history of the Konkan. The politico-economic significance of the acquisition of Bombay was great. While it was the first territorial possession of the English in India, it acted as a bullwark against, as also an escape from the Mughal authorities. It could also be used as a base against the Portuguese and the Dutch in times of emergency. Great interest and concern was shown by the East India Company to develop Bombay as a commercial centre with its own production by encouraging the artisans to settle on the Mainland.<sup>24</sup> Its fortifications

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24 Surat Inward Letter Book (1656-1701), vol. IA, p. 10. "The manufacture of Callicoes we have given all the encouragement we can and we pray you to assure yourselves that you will have in time considerable quantities of cloath made there. The silk weavers from Chaul wee have alsoe suited, some whereof are already come over to us..."; Also see, Papers Received (1664-67), vol. 2, p. 103, ... "see wee would have you endeavour to incorage the Natives, that are there and invite others to come thither, and to promote the making salt, and the raising

were provided, ship-building was encouraged and incentives were given to banias to come and settle in Bombay. The significant growth of cotton trade in Bombay started afterwards which does not come under the scope of the present study.

The commodity composition of the Konkan for its overseas and coastal trade was to a great extent same as from other regions of India. There were cotton textiles,<sup>25</sup> i.e. bafta, chintz, dungarees, Guinea stuff, byrampauts, Sallowes, pautkeys, Bombay stuff, muslin, silk stuffs, embroidered quilts, etc.;<sup>26</sup> besides there were available for trade indigo, pepper, and other spices, paper, saltpetre, food grains, timber, and precious stones, etc.

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of any other commodities either by manufacture, planting or otherwise, that may be vendible in those parts, as well as in Europe....' (1689).

25 Diverse types of cotton textiles are mentioned in the contemporary sources. Their names are quite confusing and it is difficult to follow the precise nature of every variety mentioned therein.

26 K.N. Chaudhari, The Trading World of Asia and the East India Co. (1660-1760) (Cambridge, 1978), p. 901.



### Overseas Trade

The availability of as diverse commodities as we have noted above, speaks of the Konkan's trading potentials. It was actively involved in overseas trade to the Red Sea, Persian Gulf and the Indo-China. Ships going to the Persian Gulf and even to the Spice Islands used to touch Rajapur and Goa.<sup>27</sup> Ships being laden at Surat for England in case of insufficient cargo, used to go to the Konkan ports to fetch export commodities.<sup>28</sup> Della Valle tells us about the arrival of ships at Chaul from Muscat and Basra, 'the same day, an 'Almadia' or small boat of Ciaul came to Goa with news of a vessel arrived there from Muscat, and also a ship from Bassora'.<sup>29</sup> On his way back to Europe he even took freight on a ship which was going from Chaul to Basra. Jourdain, during his stay in Mocha noticed the presence of 'Bananes of Dabull, Chaule, Bazins (Bassein)', apart from other places. Dabhol ships

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27 EPI (1651-54), Introduction, V.

28 EPI (1646-50), Intro. xxiv, 'In November 1650, the 'Expedition' was sent down the Malabar coast to Goa and Rajapur and her return with a good quantity of Pepper, cardamoms, and cinnamon helped materially in lading the 'love' which was despatched for England at the beginning of 1651, with a cargo invoiced at about 26,000 lb.'

29 Della Valle, op. cit., p. 223.

quite frequently visited Mocha 'with Indian commodities very rich, with store of Indice, pepper and all other sortes of fine commodities of cotton woell'. He further tells us, 'About nine of the clocke wee landed at the citty of Mocha, where we fownde many shipps rydinge some of Dabull, some of Diu, some of Chauli etc. which in jenerall traffyke heather'.<sup>30</sup> Dabhol junks were trading in the Red Sea as early as 1619 when they were attacked by the Dutch.<sup>31</sup> The Dutch were trying to enforce the same system of cartazes as the Portuguese had done earlier and hence came into clash with Indian merchants. In one of such conflicts, two Dabhol vessels were captured by the Dutch which further embittered the relations between the Dabhol merchants and the Dutch.<sup>32</sup> Linshotten who came to India towards the close of 16th century noticed Chaul ships going to the 'Redde Sea or the Straits of Mecca'.<sup>33</sup>

After the conclusion of convention of Goa in 1635 the East India Company's agents started visiting Dhabhol, Rajapur, Raybagh and even Bijapur. The English

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30 The Journal of John Jourdain. op. cit., pp. 103, 209 and 353.

31 EI (1618-21), p. 325.

32 Ibid.

33 Linschotten, vol. II, op. cit., p. 183.

ships used to call at these ports and at Jaitapur to obtain saltpetre and pepper. The dual reason, of a rise in demand of these two commodities in England and the obstructions created by the Dutch in procuring pepper from Bantam or Achin, made these ports particularly important for the English. The English factor, Revington established his headquarters at Raybagh in 1659 with the promise of all facilities for trade from Rustam Zaman, the governor of Rajapur region.<sup>34</sup> The trade was favourable during this time as is evident from the fact that the English factors succeeded in obtaining during the season, more than nine hundred tonnes of goods, including pepper, saltpetre, coffee, callicoes, gum-lac and cotton yarn.<sup>35</sup> In a letter to the company in November 1659, the district round Hubli, was declared to be 'the only suitable place on the whole of the Malabar coast for procuring really good pepper at reasonable prices'.<sup>36</sup> The inferior quality of pepper was exported to Mocha and Basra and sold to the Turkas and Arabs.<sup>37</sup>

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34 EFA (1655-60), p. 236.

35 Ibid.

36 Ibid.

37 Ibid., p. 240.

In the Raybagh region, the English also found the possibility of good trade in seed-lac, saltpetre and calicoes. But the requirements of the company were not met by the colour and dimension of the Kolhapur and Raybagh goods and they thought of starting dye work and giving specifications to the artisans as to its sizes.<sup>38</sup> It was even thought of calling weavers from Masulipatnam, for the manufacture of stipulated quality. In spite of disruption caused by Maratha deprecations during the 1670s, the English factors could procure pepper from Rajapur,<sup>39</sup> after unloading salt at Dabhol and picking up other ships ('Revenge', Hunter, 'Falcon') and vessels plying in the region. They were also exploring the possibility of trade in upper Chaul for silk, called 'Truggage'<sup>40</sup> by the country people. For this purpose their merchant friend

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38 Ibid., pp. 240-41; "but we must have time to provide it because these country people twist it the wrong way; so that it must be all untwisted again or else bespooke right hand twisted at first."

39 EFI (1670-77), vol.I, (The Western Presidency), ed. C. Fawcett Oxford, 1936, p. 104.

40 EFI (1668-69), pp. 73-74; "where fore if you please to enorder the buying of 20 or 25 maunds of Persia silk (Truggagee), it will yield  $4\frac{1}{2}$  or  $4\frac{1}{2}$  rupees per seare Surat; and it is supposed the weavers will be able to afford these stufes in time yet chesper...."

Khwaja Aleuddin was sent to the Prince to obtain a 'firman', 'that Phaty and Cullian, for our sakes, shalbee free for all merchants to export and import what goods they please'.<sup>41</sup> We do not know the outcome of this endeavour which might have become a victim of the Deccan wars.

The Courteen's Association who had established a factory at Rajapur were having brisk trade at the port. They were even sending ships laden with Indian goods directly from Rajapur to England.<sup>42</sup> Ships from here were also trading in Achin and the West coast of Sumatra.<sup>43</sup> Due to the uncertainties of the market conditions trade was not always smooth. In such conditions the English tried to use the Konkan coast as best to their advantage as it was possible. Quite often they would order their ships departing for Europe to touch at the Konkan ports and acquire what additional commodities they could get at reasonable rates. Same policy was followed for ships voyaging towards the Red Sea and the Persian Gulf region.<sup>44</sup>

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41 Papers Received (1668-69), vol. 3, p. 56.

42 EFI (1642-45), p. 10; "When the 'London' passed by Rajapur on December 13, Courteen's ship 'William' was lying there ready to set sail for England, with a cargo of pepper, saltpetre, cinnamon, cardamoms, etc."

43 Purchas, op. cit., p. 154.

44 EFI (1646-50), p. 16.

Other common practice was to offer freight services on English ships, to the merchants of the Konkan who were interested in carrying their goods to Persia and other places.<sup>45</sup>

Thus the Konkan participated in the overseas trade both directly and indirectly. At the arrival of ships from England, small vessels from Surat were sent to different ports of the Konkan to collect goods from the Deccani marts which were then used for lading the ships for England. In the absence of quantitative data in the historical sources, no definite answer can be given as to the *volume* of annual shipments from the Konkan coast. But whatever can be gleaned from the factory records, it can be reasonably inferred that annual overseas shipment from this coast was considerable. The English factory records and the accounts of the European travellers quite clearly testify to the presence of Konkan merchants in different trading regions of Asia.

#### Coastal Trade

The pattern and magnitude of the overseas trade notwithstanding, the coastal trade of the Konkan was far more important during the seventeenth century. The evidence

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45 EFL (1642-45), p. 116.

scattered all over our sources when pieced together, gives a clear-cut indication of a wide and flourishing coastal trade involving both Indian and foreign merchants of the region. The coastal trade comprised not only a port to port trade in the Konkan but also a normal practice of the Konkani ships visiting ports of other coastal regions in western India. A fair degree of mobility and a flair to obtain goods on the basis of 'theory of comparative costs' is discernible in the activities of the merchants trading in our region.

The Konkan coast was frequented by ships from Cambay, Surat, Diu and Malabar. The merchants of Chaul and Dabhol visited Diu wherefrom they brought silk, textiles, cotton, horses, opium, wheat etc.<sup>46</sup> In lieu of this they carried to Diu locally manufactured textiles for sale. From Diu the merchants of Chaul also purchased fine muslin, which was re-exported to Arabia and Persia.<sup>47</sup> At Chaul copper was also available for export to the coastal regions which was brought there by the Malabaris and Portuguese.<sup>48</sup> The Malabaris were actively involved in the

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46 S. Gopal, Commerce and Craft in Gujarat in the 16th and 17th centuries, New Delhi, 1975, pp. 74-75.

47 Ibid.

48 Ibid.

carrying trade between the Konkan coast and the ports on the Gujarat coast. In fact Chaul's importance lay on account of its excellent position as an entrepot for Malabar and Cambay ships. Writing during the sixteenth century, Barbosa tells us that 'from December to March there was a great commerce between the ships of Malabar and Cambay, which met here and exchanged their commodities'.<sup>49</sup> He also describes how great caravans of bullocks loaded with goods came down from the interior for the coastal trade. Mendelsso corroborates this and informs us further that they went back with wheat and rice grown in the Konkan.<sup>50</sup> The silk supply to Goa came from Chaul and if we have to believe Pyrard, it was sent all over India.<sup>51</sup>

Other important port involved in the coastal trade was Dabhol. In 1623 Della Valle was a witness to a naval skirmish between the English and Dabhol merchants in which the English in spite of their reverses, 'in their flight took two vessels of Dabul, which were in the port richly laden, but unprovided, which was no small damage to the city'.<sup>52</sup> As sea-outlet of Bijapur Kingdom it was

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49 Gazetteer of the Bombay Presidency, (Konkan),  
op. cit., Introduction.

50 Ibid.

51 The Voyage of Francois Pyrard to the East Indies,  
the Maldives, the Moluccas and Brazil, (London,  
1891), vol. II, Part II, pp. 350-55.

52. Della Valle, op. cit., p. 70.



important for their horse trade which was conducted through Goa and Diu. There was an active commercial intercourse between Dabhol and other ports of the Region. The English were welcomed there to start coastal trade as early as 1618.<sup>53</sup> Ships used to make regular trips from Goa to Dabhol and later on also from Bombay.

Next to Chaul and Dabhol, Bassein was the most important port for the coastal trade during the sixteenth and seventeenth centuries. A port under Portuguese possession, Bassein was frequented by the Cafilas, caravan of small merchant ships guarded by a Portuguese fleet.<sup>54</sup> The Portuguese viceroy in 1586 issued a decree that all ships trading on the western Indian coast must travel in cafilas.<sup>55</sup> Henceforth, every year two or three cafilas started from Goa and came up to Chaul, Bassein, Deman and Surat, on the way to Cambay.<sup>56</sup> From Cambay the

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53 EPI (1618-21), p. 289.

54 M.N. Pearson, Merchants and Rulers in Gujarat (California, 1976), First Indian edition (New Delhi, 1976), p. 46.

55 Ibid.

56 M.N. Pearson gives a detailed description of the composition of the Portuguese cafilas based on his study of the Portuguese sources, (op.cit., pp.46-47).

'frigotts' of Goa brought different sorts of commodities collected there from the interior marts.<sup>57</sup> The ships bound for Portugal from Goa carried the private cargoes brought by these cafilas.

The cafilas were a special feature of the coastal trade as far as Goa was concerned.<sup>58</sup> Goa being a rice deficit area always depended on them for their supply of provisions fetched through their voyages to Ankola, Honavar and Mangalore. In fact the bulk of rice supplies to Goa came from Kanara.<sup>59</sup> So much so that during the 1680s when Sambhaji planned to fortify Anjidiv island, the Portuguese captured it which was vital for the grain trade between Kanara and Goa.<sup>60</sup> Goa in particular heavily depended on Bijapur for food supplies and other daily necessities.<sup>61</sup>

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57 The Journal of John Jourdain, op. cit., p. 173; Among the European travellers, Jourdain noticed, with interest this commercial practice of the Portuguese of sending regular cafilas, as is clear from his recording of this in detail.

58 Della Valle, op. cit., p. 223.

59 Teotnio R. De Souza, Medieval Goa (New Delhi, 1979), p. 34.

60 Ibid., p. 41.

61 Ibid., p. 34.

Bijapur also supplied textiles to Goa through its sea-outlets at Dabhol and Rajapur.<sup>62</sup> Precious stones which constituted a very important trade item, were brought from Golconda mines via Bijapur, and so also Saltpetre for the manufacture of gunpowder at Goa.<sup>63</sup> Cafilas also came to Goa from Cape Camorin, via Cochin and Cannanore. Sometimes they comprised of larger ships from Malacca, China, Siam, Bengal and Coromandel, with smaller ships joining them from Cochin.<sup>64</sup> Cafilas also came from Malabar coast with goods from Southeast Asia, China and the Bay of Bengal for homebound ships at Goa, and also for other markets of the Konkan.<sup>65</sup> It has been argued that the institution of Cafilas served two purposes; it provided security to the merchant vessels and profit to the Portuguese customs houses.<sup>66</sup> Though there were instances when the native merchants tried to evade the cafilas as they did with the gertazes, to spare themselves the trouble of paying money to the Portuguese.<sup>67</sup> Della

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62 Ibid.

63 Tavernier, II, op. cit., pp. 41-62.

64 M.N. Pearson, Merchants and Rulers in Gujarat, (California, 1976), p. 47.

65 Ibid.

66 Ibid.

67 Della Valle, I, op.cit., pp. 385-86, 393-94.

Valle, who visited India soon after Jourdain, found that the frigate of the Portuguese armada on which he was boarding was not provided with seamen which suggests a decline in the effectiveness of the cafilas. It also appears that the mariners in Goa mostly came from the Kingdom of Bijapur. <sup>68</sup>

The Konkan area had extensive coastal trade with Surat during the seventeenth century. Surat ships used to make southward trips to the Konkan ports in the search of export commodities. The Portuguese coastal fleets from Goa made annual trips to the ports of Gujarat and carried a large proportion of the merchandise exported from the province, particularly cloths. <sup>69</sup> Indigo also formed an important item of trade with Gujarat. That the Goa-Gujarat trade was quite significant is apparent from the following report sent by the authorities at Goa: "the disturbances in Gujarat where the natives have rebelled against the Mughal have taken a heavy toll of the revenues of this Portuguese state of India, because the vanias (banias) were the ones who patronized most our customs". <sup>70</sup> In 1644, an English factor wrote to the company, "As letters recently

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68 Ibid., p. 95; Medieval Goa, op. cit., p. 34.

69 Pearson, op. cit., p. 97.

70 Medieval Goa, op. cit., p. 28.

received from Goa brought no news of the arrival of the 'John' on that coast it has now been determined to send the 'Hart' to Rajapur to fetch cardamoms and pepper waiting there, as they are wanted for lading the 'Crispiana'.<sup>71</sup> In another letter they write: "On January 25, the 'Hopewell' returned from her casting voyage, bringing a lading of 'catches' from Ceylon, Cinnamon, from Goa, pepper from Rajapur, and some Cardamoms, cotton, yarn and gunny. It was then determined to send her to Mekha..."<sup>72</sup> The Europe bound ships of the East India Company when short of commodities from the Malabar used to make voyages to the Konkan to fetch the required quantity. For this Rajapur was a convenient place and there are frequent references to English merchants visiting this port and making tours of upcountry areas in this region.<sup>73</sup> In 1644, the Company

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71 EI (1642-45), p. 216.

72 Ibid., p. 248.

73 Papers Received (1673-75), vol. 6, p. 140; In a letter of 1675 the 'Bombay Generall' wrote to Surat factory, "besides which wee have enordered them near 20,000 rupees to be received at Rajapore, soe that wee reckon they will have a stock about 70 or 80,000 rupees which wee hope they will invest in good Dungerees, Broad and narrow Baftas, and that they will get them seasonably ready against the next ships arrival; wee desire you to advice us the quantities and qualities of such goods, as wee shall want from Rajapore, that wee may govern ourselves accordingly...."

is informed, "as the 'Discovery', which arrived on November 3 brought only a little pepper from Malabar coast, the 'Delphin' was despatched thither on the 13th to procure cardamoms and borax at Rajapur and cinnamon at Goa .... She is now fully laden for England...."<sup>74</sup> The English factors from Surat factory invested in Rajapur markets for the purchase of pepper etc.,<sup>75</sup> especially when the Raybagh pepper rose in esteem in England occasioned by its non-availability from the Southeast Asia. President Breton wrote to the company in 1646, 'under instructions from Surat, 5000 rials were left at Rajapur to Purchase pepper at Raybag, where the price was 11½ pagodas per 'gunny'.<sup>76</sup> From 1640 onwards English ships were making regular trips to Rajapur and its markets to procure goods for its overseas and coastal trade.

Goa thus occupied the place of an entrepot for the Konkan region, its importance not due to its own exports

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74 EPI (1642-45), p. 147.

75 EPI (1646-50), pp. 16, 34, 203, 277 and 327.

76 Papers Received (1673-75), vol. 6, p. 133. According to Moreland's calculations 6000 'pagodas' were equal to 20,000 Mughal rupees (From Akbar to Aurangzeb, First Indian Edition, New Delhi, 1972, pp. 331-32). Hence 10 'pagodas' were approximately equal to 33 rupees. The value of 'gunny' varied from 9-12 maunds. This rate prevailed during most of the 17th century with slight variations.

but because of its position as a collecting and distributing centre. The produce from a large part of India, including the western Deccan was brought here as cargoes for the home-bound ships or to be distributed along the west coast. These large homeward ships were called carracks which collected the merchandise brought from the interior by the small coasting craft.<sup>77</sup> The merchants generally acquiesced in the system for security reasons and waited for the escort thus provided. Thus almost the whole trade of the year between Cambay, Goa and the Konkan ports was conducted in large convoys which sailed two or three times in the season between September and May. Moreland calculates that the convoys consisted commonly of from 200 to 300 crafts, which varied from 8000 to 120,000 tons, amounting to an annual traffic of about 20,000 to 30,000 tons.<sup>78</sup>

The problems faced by the English East India Company in its relations with the Mughals, Portuguese and the Dutch, had gradually made it conscious of the need of an independent territory on the western coast of India. Such an acquisition would not only provide them some revenue for their Eastern trade through customs and transit dues, but would also serve them in good stead in

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77 The Journal of John Jourdain, op. cit., p. 173.

78 W.H. Moreland, India at the Death of Akbar (London, 1920), p. 240.

times of conflicts with their adverseries. The transfer of Bombay to the British crown and subsequently to the East India Company came at an opportune time. It boosted the coastal trade of the Company as well as the Konkan region. In 1662 this was recognised by Gary when he wrote: "It (Bombay region) reaches nearly to Thana, a towne where many silk stuffs and rare scrutors and cabinets are made'; and on its brink stands a place called 'Callian Biundy' (Kalyan-Bhiwandi) where all the commodities of Hyndosstan, Deccan, and Goalcondah may be brought down more facilly and att farr lesser charge then to Surratt or Cambay. So Bombay might be very profitable to His Majesty, if he were to appoint some persons to manage the customs house who are well acquainted with the country".<sup>79</sup> The other European trading in the region were also interested in trade of Konkan. In a letter of 1669, Gerald Aungier informs the company of the presence of two French ships

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79 EPI (1661-64), p. 143. Such references are frequent in the factory records. In another letter in 1667, an English agent observed: "Here is great resort of Bannians, who are the merchants of these ports, who desire to build houses in this island, in expectation His Majesty will order the trade of these parts to this port, which is the best harbour, where shippes may enter and ride safe all seasons.", EPI (1665-67), p. 291.



which were going to Rajapur.<sup>80</sup>

Regular commercial relations started between Bombay and other Konkan ports during this period and ships were bringing timber from Bassain and provisions from other places. The Mughal Governor of Kalyan, Abdullah Khan was approached to enter into an agreement with the English to procure Deccan goods from Bombay.<sup>81</sup> There was even attempt by the Bombay factors to open trade with Aurangabad who sent Richard Adams and a broker, Narayan Shenvi to Junner to obtain passes for the safe conveyance of the goods they took with them through Shivaji's and the Mughal armies.<sup>82</sup> The goods carried by them included 'low-priced perpetuances and other cloth, as well as lead and iron, which it was hoped to sell for cash or barter for timber, or other merchandize needed in Bombay'.<sup>83</sup> Fryer also visited Junner,

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80 Papers Received (1669-71), vol. 4, p. 291.

"Here are now 2 French ships the one of 600 tuns, the other of 300 tuns... their goods for Europe consist of cloth, Drugs, indies, cotton yarne...and in the way take in pepper and their Dryed fish'.

81 EPI (1668-69), pp. 65, 73-74.

82 EPI (1670-77), vol. I, p. 106.

83. Ibid.

apparently to treat the ailing wife of the Governor, Mukhlis Khan, but with the intention to explore the possibilities of trade, and a broker, Runchund (Ram Chand) started some trade in the region for Bombay.<sup>84</sup> Bombay vessels were carrying cargoes of merchants and making freight voyages to Cambay, Dabhol and Rajapur.<sup>85</sup> The French were also regularly trading in the region and the letters record the capture of a rich French ships by the Malabaris.<sup>86</sup> In return they brought pepper and other commodities from these areas. The trade in Bombay rose during this period and by September 1675, when Aungier left Bombay, he had increased the revenue by about 67,800 xerafins or over £ 5,000.<sup>87</sup> Bombay merchants were encouraged by him to trade with adjacent ports and Mokha in small vessels laden with broadcloth, lead, iron guns, coco-nuts, coir and rice.<sup>88</sup> He even himself participated in these ventures, and gave bottomry loans to merchants.<sup>89</sup>

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84 Ibid., p. 131.

85 Ibid., p. 104; Involved in this trade we hear of name of such ships as 'Ketch', 'Malabar Coaster', 'Mayboom', etc.

86 Papers Received, (1671-73), vol. 5, p. 4; "they have also taken a French 'Hoigh' laden with Treasure and goods for Rajapore and a Dutch Jounke bound from Cochin to Surratt...."

87 Ibid., Xerafin was the standard Goan silver coin, and roughly equal to Rs. 1½.

88 EFI (1670-77), p. 131.

89 Ibid.

The trade in Bombay, however, was still in a developing stage. Difficulties faced by the merchants were many owing to the fact that the island was vulnerable to the competing forces around it. The Sidi of Janjira, the Marathas under Shambhaji, the Dutch and the Portuguese, all posed dangers to its security and commercial viability.<sup>90</sup> Nevertheless towards the close of our period its commerce had risen considerably and it was considered very valuable for the English East India Company's interests in the Eastern Seas. In January 1684 Keigwin estimated the population of Bombay at 100,000, a considerable advance on Fryer's estimate of 60,000 in 1675.<sup>91</sup> Its trade, however, declined during 1678-81 and manufacture of calicoes for the company was discontinued in 1681.<sup>92</sup> But there was again revival of trade after 1684. In February 1687 the English East India Company issued orders to the 'General and Council of India', to load all ships going homeward at Bombay and not from Swally Marine.<sup>93</sup> Trade was picking up here from now onwards and the foreign merchants were encouraged to flock there.

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90 Papers Received (1685-88), vol. 11, pp. 1-2.

91 EI (1678-84), vol. 4 (New Series), Bombay, Surat and Malabar Coast, ed. C. Fawcett, Oxford, 1954, p. xxvi.

92 Ibid.

93 Papers Received (1685-88), vol. 11, pp. 39-40.

### Inland Trade

The European merchants operating in our region were conscious of the fact that they constituted and traded in only a fragment of the economic goods produced in India. No doubt, the Konkan had a flourishing foreign trade but the consumption needs of a vast population which mostly lived in villages, were much larger. Though evidence for this type of generalization are hopelessly scarce, we can have a rough idea as to its magnitudes. The inland trade greatly contributed in bringing commodities for the consumption of local buyers as well as consumers in distant markets. Part of this trade was carried through coastal regions, and part through inland waterways and road routes. The geographical nature of the Deccan did not favour trade through inland rivers and hence cross-country trade, to a great extent depended on overland routes.

The collection of revenue in cash tended to promote a closer link of the countryside with urban areas. The latter depended on villages not only for their primary needs - food, but, as has been argued earlier, for many of their consumption requirements of manufactured goods. Our sources give a clear cut picture of markets for such commodities in all places down to a small village. It was but natural that Deccan which was the centre of many a royal powers, would attract inter-local and inter-regional trade. Ovington, Fryer and many others note the abundant

supply of commodities in the bazaars of Gujarat. The same pattern was visible in the port towns and villages of the Konkan and the Western Deccan. During the late seventeenth century when Goa no longer had the same pre-eminence, it still had a rich bazaar where slaves used to sell a wide range of commodities on behalf of their masters.<sup>94</sup> The hats and the mandis were the regular economic features where requirements of the villages were fulfilled on the basis of regional specialisation. Raw material for textile manufacture in the towns as well as dyestuff, like char came from the rural areas.

The availability of provisions everywhere is a case in point. The travellers or even the caravans of pilgrims did not need to carry foodgrains or other commodities of daily necessities with them, for they were easily procurable everywhere.<sup>95</sup> During the 1630s famine had affected Gujarat and the Western Deccan and crop had failed in the areas around Burhanpur. But Mundy was surprised to find the market plentifully stored with all provisions supplied from distant places.<sup>96</sup> Rice was imported to these regions even from Bengal, while Gujarat received

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94 Tapan Raychaudhury, in Cambridge Economic History of India, op. cit., p. 326.

95 Tavernier, vol. I, op. cit., pp. 38, 238.

96 Mundy, vol. II, The Travels of Peter Mundy, (Travels in India), 1628-1634, ed. R.C. Temple, (Hakyt Society, 1914), p. 16.

some rice from the Deccan. Goa sent the best quality mangoes to the Delhi market.<sup>97</sup> Sugar, the traditional export of Bengal, was imported into the western Deccan. There was also trade of butter, oil and salt on inter-local basis. Trade in foodgrains clearly establishes that there were surplus and deficit areas and self-sufficiency was not uniform. That there was no sharp upward fluctuation of prices in surplus areas due to exports, shows that market integration had not yet reached a high level.

Similarly there was inland trade of textiles. The chint and red saly produced at Burhanpur were sent as far as Bengal.<sup>98</sup> We know that the cotton stuffs being produced and marketed in the Deccan came in every range. The coarsest quality cloth was also produced and must have been sold not only to the urban but rural poor also. This naturally presupposes a trade in low quality textiles for the consumption of countryside.

Thus there was need and prevalence of economic exchange from village to town and vice versa, as well as from region to region. However, during the medieval times,

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97 Bernier, Travels in the Mogul Empire, 1656-68, ed. A Constable (London, 1891), p. 249.

98 Mundy, op. cit., vol. II, 362, 371; also see Pelsaert, Reconstrantia, trans. W.H. Moreland and P. Geyl, as Jahangir's India, Cambridge, 1925, p. 9.

the cost of road transportation was quite high and the rugged terraines of Deccan, not being very favourable for wheeled traffic, it had to depend on pack-animals to a great extent. The spatial features of production centres and means of transport suggest a less developed inland trade compared to Gujarat or most of North India.

### Markets

In the Konkan small scale trade co-existed with large scale commercial enterprises. The market of Konkan exhibited the same degree of instability which was the hallmark of the pre-modern markets everywhere. The difference in prices due to regional variations facilitated trade on the basis of 'comparative costs'. The significance of the market lay in the definite favourable position of the sellers. The buyers had to explore the markets, the production centres and to fix up prices and specifications according to their requirements. It was not the Indian artisans or the merchants' problem to find out buyers of their goods who were scattered in space. Though we find the Indian producer and the inter-mediary class welcoming the foreigners but normally it were they who were approached by the latter and not the vice versa.

The favourable nature of the seller's market, appeared disadvantageous to the Europeans trading on the

Konkan coast who frequently complain against monopoly,<sup>99</sup> restrictions on their trade and extortion through high customs duties, bribes etc.<sup>100</sup> The different structural features of the Konkan economy from that of Europe, notwithstanding, these complains appear superfluous. After all the Europeans themselves represented respective monopolies of their nations in their own markets and now wanted the same privilege in Indian waters.<sup>101</sup> It was this tendency that they tried to bypass the Indian middlemen from the commercial structure. It was not within their means to do so, they could realise only after repeated experiences. The lamentations in contemporary sources, of monopolistic trends, cannot be taken seriously since it was a common feature in medieval maritime Europe. Even in India the English East India Company resented any private trading by its agents or groups such as the 'Interlopers'.

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99. EI (1651-54), p. 232.

100. EI (1646-50), pp. 53-54, 114, 186, 251-2, 258, 284, 306, 316-17; EI (1642-45), p. 255; EI (1670-77), pp. 203-4.

101 W.R. Moreland, From Akbar to Aurangzeb! A Study in Indian Economic History (London, 1923), p. 21. As even Moreland would say, throughout this period 'the monopoly was one of the most important facts of the world's commerce and the large expenditure incurred on its acquisition could be regarded as a thoroughly sound investment'.



There are series of letters condemning private trading by English merchants as it cut into the company's profit.<sup>102</sup> Moreover, the Indian markets were an advance over them in the sense that here there was absence of such monopolistic trading companies as we find in contemporary Europe. The individual European trader could carry out his trade undertakings with almost the same level of freedom and assurance which were available to a merchant of the Konkan coast. In practice they were rather encouraged to pursue trade and facilities were given to them to open factories in places like Rajapur, Dabhol and Vengurla. Their interests were threatened only when they came into direct conflict with the officials of a port city or when they irked some influential noble of the region.

There is too much emphasis on the so-called bribes, given through gifts (piscah) of luxury goods, to the Mughal aristocracy or the port officials from time to time to seek trading concessions.<sup>103</sup> This we think, would be included in the overall cost of their investments in trade from which they derived so much profit. Contrary to suggestions of losses due to extortion

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102 Papers Received (1661-64), vol. 1, p. 18.

103 Papers Received (1669-71), vol. 4, pp. 79-80; "...whose (Bahadur Khan) arrivall eased us of the present feare (of Shivaji's invasion), but cost, the French and Dutch and all the merchants deare for our protection in presents to him, which is a civil kinde of plunder demanded by these greater umbraves as a tribute due to them,..."

and restrictions, the trade gave them reasonable profit margin otherwise they would not have pursued trade with such a far off place. In fact there seems to be a consistent attempt on the part of the Europeans to enlarge their profit through their superior naval power. The frequent capture<sup>104</sup> of Indian merchant vessels or keeping them as ransom, in the name of seeking regresses was only an attempt to force the Indian merchants into relying on their protection and hence to pay for it.<sup>105</sup> The institution of selling protection to the Indian shippers, termed, 'redistributive enterprise' has rightly been pointed out to be the result of the experience that 'profits from armed trading were higher than in the case of peaceful commerce'.<sup>106</sup>

The demand and supply of commercial goods was normally maintained in the Konkan markets. During the most part of the seventeenth century (from 1620 upto 1660) there was a rising demand of Indian goods and supply was matched with this. The markets of the Konkan were dynamic

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104 EEI (1651-54), p. 143; (1646-50), pp. 306, 316.

105 EEI (1646-50), p. 284; In 1650 in a letter to the Company a factor wrote: "We have hither denyed passes to all shipping belonging to the ports under the power of the King of Vizapore, which had caused the merchants to solicit earnestly that satisfaction may be made...."

106 K.N. Chaudhuri, op. cit., pp. 110-22.

and responded to external factors of supply. A shortage or a glut in one market could be felt in other regions as well which caught the merchant unawares.<sup>107</sup> After 1660s, however, there was a slump in production and supply due to Maratha depredations and Deccan wars resulting in scarce market conditions.<sup>108</sup> These were a perpetual problem at Bombay especially, which retarded its development as a full-fledged commercial centre. Trade was also hampered sometimes by political conditions, the avarice of corrupt officials, or natural calamities like famine. The English factory at Rajapur was even withdrawn in the 1670s due to the unending troubles faced by the English factors though it was reestablished after a few years on the fresh promise of good treatment by Shivaji's men.<sup>109</sup>

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107 EFI (1646-50), p. 94; "Report speaks them to have brought great store of men, quantity of provisions, and coral of all sorts sufficient to supply those parts, the effects whereof we found at Rajapore and Rawbagg."

108 EFI (1655-60), pp. 251, 354; Papers Received (1664-67), vol. 2, pp. 68-69; Papers Received (1669-71), vol. 4, p. 129; "... such a fatall disturbance hath these intestine warrs cast on all trade in generall, the end whereof wee cannot yet forsee, Sevagy being countenanced in his rebellion by the Mogulls owne sonn and most of the eminent umbraws of the kingdome."

109 EFI (1670-77), vol. 1 (New Series), p. xii.

The rebellion of Prince Muazzam, governor of Aurangabad during the 1670s further dislocated trade as the Mughal forces followed the rebel deep in the Deccan. The situation is referred to in a letter by President Aungier wherein he expects no revival of trade unless wars in Deccan come to an end.<sup>110</sup> But normally the economy revived fast after the ravages of war were over.

The above survey of trading pattern suggests that the commercial activities of the Indian merchants in Konkan during the seventeenth century cannot be categorised under Van Leur's characterisation of 'peddling trade', as elaborated by Niels Steensgaard.<sup>111</sup> The example of a few merchants penetrating as far as the production centres, only suggests a class of merchants who were involved in small transactions or at best a class of brokers. But there existed along with this in Indian coastal towns, merchants of considerable wealth who were not directly concerned with the producers and who owned large ships. In terms of their capital and the money invested by them in commercial ventures, they can be compared favourably with the highest rung of merchants of the seventeenth

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110 Ibid., pp. 203-4

111 Niels Steensgaard, Carracks, Caravans, and Companies: The Structural Crisis in the European-Asian Trade in the Early 17th Century (Copenhagen, 1972), p. 26.

century Europe. Hence one can see that in spite of uncertain market conditions there were very busy ports and markets with large-scale as well as small trading. It has rightly been pointed out in the criticism of the theory of diversity of Indian markets that "independence of economic institutions between trading centres does not necessarily point to complete market autarchy."<sup>112</sup> Otherwise, we cannot explain variations in price due to supply factors, and the very existence of trade itself. On the other hand there was tendency of price fluctuation determined by supply and demand conditions in the markets, linked with each other, which facilitated trade.<sup>113</sup>

During the seventeenth century, the demand for Europeans goods was extremely limited in its nature and scope. Hence the pattern of trade was favourable to the Indian merchants of the region in the sense that they got ready market for the goods they dealt with while the luxury items brought by the Europeans were used by a limited number of people from the aristocracy. The only choice of

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112 K.N. Chaudhuri, op. cit., p. 135.

113 EPI(1645-50), p. 94; EPI(1642-45), p. 140. There is enough evidence in the contemporary sources confirming the above suggestion. Even the European travellers could notice this trend.

European merchants for the exchange of Indian goods was to bring bullion in the form of gold and silver. The overwhelming impression conveyed through contemporary sources including factory records is one of India as a 'dumping ground' for European gold and silver. The European trade on the Konkan coast was largely financed by the gold and silver brought from the Spanish American colonies and Japanese mines. We find constant urge on the part of the English factors, asking the company to send money on ships coming from home,<sup>114</sup> and their complaints about the non-sailability of the English goods at reasonable prices.<sup>115</sup> The scarcity of money was perpetual problem for the Europeans so much so that they were highly indebted to the Indian merchants and brokers throughout the port towns.<sup>116</sup> Their indebtedness sometimes landed them in trouble when their credibility being low, no money was further advanced by the merchants.<sup>117</sup> In 1646 they were mentioned at Rajapur to be "indebted here 10,720 pagodas greate" and "which deeply eateth".<sup>118</sup> So the reluctance of the

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114 Papers Received (1668-69), vol. 3, p. 118.

115 Ibid (1673-75), vol. 6, p. 134; (1675-80), vol. 7, pp. 80, 94.

116 EFI (1642-45), p. 8.

117 EFI (1642-45), p. 255; EFI (1646-50), p. 39; "Being run deeply on credit and nothing appearing towards the disengagements of our debts of four years continuance at 15½ per cent per annum interest...."

118 EFI (1646-50), pp. 48, 284.

Indian markets to absorb the European goods created the problems of commercial adjustment for the foreigners in the native trading pattern. Since they could not affect any change in the pattern of demand itself, the European trading companies tried to come to terms with the existing situation and be a part of it.

In spite of its limited nature we do get glimpses of types of goods sought by the English factors from their company to be sold in India. The commodities asked for in the invoices of the East India Company of the year 1669 were copper (Rs.21 per maund); '20 or 25,000 maunds', elephant teeth '1500 or 2000 maunds', sold at Rs.17½ per maund'; 'of Tin 10,000 maund (no more in barrels but in small piggs)', will sell in Surat at 12 or 13 rupees per maund'.<sup>119</sup> They also imported Allen, of 1000 or 1500 maund, at 3½ rupees per maund.<sup>120</sup> Quick silver and vermillion were

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119 Papers Received (1668-69), vol. 3, pp. 171-2: "Atcheen Tin sells here 1½ or 2 rupees more than we can get for your Tin such the quality causeth here in the esteem of this people". In October 1673, 2000 md of Tin was ordered for Bombay itself besides what 'you said for Surat'. (P.R. vol. 5, pp. 87-88)

120 Ibid., "Much of it is brought from Persia and Dussora and by the Dutch which abates its value".

in demand in India but due to the participation of the Portuguese the Dutch and the French in this trade, the prices were low. It could still be sold at the rate of Rs.55 per maund.<sup>121</sup> Coral and lead were other imports into India. In 1669, 25 chests of coral were ordered, with specifications of three varieties.<sup>122</sup> In the same year an order for '10 or 15,000 maund' of lead was placed with the company with the assurance of selling it at the rate of '12 rupees, the double maund'.<sup>123</sup> There was attempt on the part of European trading companies to popularise their 'coarse cloth'<sup>124</sup> and woolen goods in Bombay and other places but they mostly failed, and the demand never rose to any significant level to alter the pattern of trade during

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121 Papers Received (1661-64), vol. 1, pp. 171-72. "Quick Silver, selleth best and in small quantity may afford a better rate".

122 Ibid., "Last year it bore a great price, but the market hath bin since glutted and with great quantities brought this year from Lisbon above 200 chests which hath abated the price very much and their ships doe yearly arrive we cannot expect the market will rise..."

123 Ibid.

124 Papers Received (1669-71), vol. 4, pp. 82-83; In 1670 the price of English coarse cloth in India is given as 4 rupees per yard.



our period.<sup>125</sup> As late as 1679-80 the English agents at Bombay were asking the Company not to send English goods which were not vendible but only bullion. There were occasions when small articles generally called 'rarities' in our sources, and European guns were sold to the nobles or officials on the coastal areas but their quantity was hopelessly inadequate, and this can hardly be included in the list of import commodities.

In a recent study on Surat,<sup>126</sup> it has been pointed out that in spite of European's participation in trade of Indian waters, there was not much adverse effect on the Indian merchants because there was a shift in the nature of trade. It is suggested that after the 1580s and during the seventeenth century the Indian merchants gradually lessened their concentration on the spice islands; thus giving up spice trade from Southeast Asia, they concentrated on the export of Indian goods to the west of Asia, i.e. the Red

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125 Papers Received (1679-83), vol. 8, p. 12. "It is a great satisfaction to us to find your Honours sensible of the great loss to you in sending out such great quantities of Europe goods, whereby these markets have been so ever colyed as forced to put of some at less than prime cost, and others soe unvendible as to lye soe long in warehouses as to eat themselves out in time; and that you are resolved to increase your annual stock you send out for the future in Bullion; ... if you could procure your whole treasure to be sent out in Dollers it would be much better, they being always at a sett price...."

126 Ashin Das Gupta, Indian Merchants and the Decline of Surat, (1700-1750), Franz Steiner Verlag, Wiesbaden, 1979, Introduction.

Sea. The staple Indian export during the seventeenth century, as we know was cotton textiles. With enough evidence in the records of our period and with the fact that parts of the Konkan and western Deccan were major producer of certain qualities of textiles, one can reasonably infer that a somewhat identical shift had occurred in the trade of the Indian merchants here also. The seventeenth century was the climax of excellence that the Indian artisans had achieved in the quality and fineness of textile products. This fact cannot be ignored while studying the commercial aspects of Konkan economy of the seventeenth century. The later emphasis in the letters of the East India Company to its factors in Bombay suggests that they were very keen on developing cotton textile industry there.<sup>127</sup> This was only a recognition on their part of the changing pattern of trade during this period and they also wanted to reap the maximum benefit through their trade in textiles.<sup>128</sup> Already in their invoices of 1660s the Board of Directors of the Company were sending orders for specified qualities of textiles, broad white Baftas, broad blue baftas,

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127 Papers Received (1664-67), vol. 2, p. 103; vol. 3, p. 105; vol. 4, pp. 64, 115; 150.

128 Papers Received (1689-91), vol. 12, pp. 20-21.

narrow Baftas 'sovaguzzees', 'Dungarees' and 'Parcollaes' and 'serwunge chints' etc.<sup>129</sup> The demand for different varieties of textiles, from Rajapur had considerably increased during the 1670s as one can see from the invoices of the company sent annually to its agents in Bombay.<sup>130</sup>

In the absence of quantitative information regarding the total volume of trade in this region, before and after the coming of Europeans we cannot calculate with any degree of certainty, the variations or curtailment of the participation of the Indian merchants in trade and commerce within the region. But considering the fact that till the seventeenth century, the Europeans still could not command the markets, and had to depend on the import of bullion in exchange for the Indian commodities, one may reasonably assume; that the position of the Indian merchants in the overall commercial structure had remained mostly unchanged. Moreover the factors of the trading companies themselves realised that in the busy commercial centres of that period they formed only one of the various sections involved in trade. While the combined trade of the region

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129 Ibid. (1664-67), vol. 2, pp. 68-69.

130 Papers Received (1673-75), vol. 6, p. 140.

remained higher than the export requirements of the European merchants, they could not dictate trends in the market. Nevertheless they affected the pattern and production demand, and brought in its wake some structural changes. The period was marked by an intense search for commodities and production centres. The Europeans lived to impose standardisation of goods through sample and cash advances, which we will discuss in a subsequent chapter. The Indian merchant not only followed the changing pattern of demand in Europe and Asia, he was able to secure reasonable profit for his labours.

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**CHAPTER - III**

## CHAPTER III

### EUROPEAN COMPANIES ; THEIR POSITION AND IMPACT

The dawn of the seventeenth century witnessed the concentration of a large number of European merchants on the Konkan coast. Hence any study of the trade and commerce of the region becomes inseparably mixed-up with the study of their activities in as much as they affected or inter-acted with the native commercial structure and the Indian merchants. The Konkan had acquired a fair degree of prosperity during the sixteenth century itself. When the Portuguese started their settlements in India during the sixteenth century some ports on this coast were their early acquisitions. Goa was captured from the Bijapuri kingdom as early as 1510. The Portuguese enjoyed considerable freedom over the seas till the end of the 16th century when other Europeans also stepped in.

Thus the Portuguese were the first group of Europeans who established themselves on the Konkan coast during the sixteenth century. They had their possessions in Bassein, Chaul and Goa while even Dabhol and Rajapur were not free from their influence.<sup>1</sup> The Konkan coast during

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<sup>1</sup> P.M. Joshi, "The Portuguese on the Deccan (Konkan) Coast, 16th and 17th Centuries", Journal of Indian History, 1968, vol. 46, p. 1.

this period had brisk commercial relations with the Red Sea<sup>2</sup> and Persian Gulf<sup>3</sup> region, and ships used to depart from the Konkan ports laden with goods for Portugal.<sup>4</sup> This way the Portuguese came into collision with the Egyptians, the Venetians, the Turks and the whole group of Muslim merchants, involved in the carrying trade of Maritime Asia, who were subsequently forced to acknowledge the Portuguese supremacy but not without constant resistance and conflicts.

The structure of the carrying trade of the region underwent considerable transformation during the seventeenth century when the Dutch, the English and the French also started claiming a share in this trade. From the beginning of this century the Dutch and English especially sought to establish trading relations with Chaul, Dabhol, Rajapur and Goa; the English established their factory at Rajapur, the Dutch opened their at Vengurla in 1638, and the French settled themselves at Rajapur. Their participation in the Konkan trade has

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2 EPI (1618-21), p. 325.

3 Jourdain, The Journal of John Jourdain, ed. W. Foster, Hakluyet Society, 1905, p. 105.

4 Ibid., p. 173; Della Valle, op. cit., p. 223.

been discussed elsewhere. Here we will see how their arrival affected the native commerce, led to conflicts and also the methods adopted by them in their commercial relations with India.

★ The Dutch and the English came to the East for spices. The perpetual hostility between Spain and Holland was a remarkable feature of the politics of late sixteenth and seventeenth century Europe. The prohibition of trade between the Portuguese and the Dutch in Europe created problems for the latter who decided to fetch the spices themselves from the south east Asia. Reaching there, their objective gradually became the monopoly of spice trade from Java with a subsidiary Indian trade. The English were also competing with them from their headquarters at Bantam but their share was greatly curtailed due to the effective Dutch control of the Far Eastern region. The European companies realised the importance of Indian cotton goods as the medium of economic exchange in South East Asia, only as they vied with each other in spice trade.<sup>5</sup> This would, they thought, cut down their investment of bullion in the spice trade and also would be more

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5 W.H. Moreland, From Akbar to Aurangzeb, op. cit., pp. 11-15.



convenient than to wait for the annual shipping from Europe. The importance of trade with this region of India in its own right, they discovered soon afterwards, and we find the English approaching the Konkan ports to open trade from 1618 onwards.<sup>6</sup> It would serve them not only for their trade with South East Asia, but would also provide diverse Indian goods for Europe itself. ★

★ India had had a long association with foreign merchants on its various ports and hence the Europeans were also welcomed on the Konkan coast. But the European companies were a totally different trading group representing different political and economic institutions and ideology. To them the Indian economic environment and its commercial institutions appeared unsafe and unsuitable for peaceful trading. They attempted to penetrate into the market and the production centres, to control them, and to monopolise the trade on the basis of their superiority on the sea. Their naval might was, of course, considerable compared to the Indian powers of the time but the latter could not be challenged on the land. This situation, naturally led to a series of conflicts

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6 EEI (1618-21), Introduction, p. 289.

involving Indian merchants of the Konkan and the servants of European companies.<sup>7</sup> ✱

✱ The conflict took many forms. Due to continuous vexations on the sea, the Mughal authorities took action against the European factories in Indian Port towns.<sup>8</sup> The Europeans retaliated by attacking the Indian ships confiscating their goods and even burning them down.<sup>9</sup> The European policy of selling protection to the native shippers or allowing them to trade only after the payment of certain fees, led sometimes to evasion or resistance by the latter resulting in reprisals in which the Europeans generally had the upper hand.<sup>10</sup> They also took recourse to armed adventure when normal negotiations, with the Port authorities for concessions, failed to bring forth the desired aim.<sup>11</sup> Stemming from their belief of the right

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7 EFI (1618-21), Introduction, xxx, 296; (1646-50), p. 251, 284, 288.

8 EFI (1646-50), 48, pp. 251-92.

9 EFI (1618-21), pp. 324-25, 328; (1651-54), p. 143; Della Valle, op. cit., p. 70.

10 Della Valle, p. 222.

11 EFI (1646-50), p. 316.

to special trading concessions, they captured the Konkan junks going towards the Red Sea or Persian Gulf to force the authorities to come to terms.<sup>12</sup> They did not, however, always succeed in their aim due to their vulnerable position on the land. Della Valle observed with disapproval the Portuguese resort to violence in their dealing with the Indian merchants, which he thought, would be very harmful for their Indian trade.<sup>13</sup> \*

\* The practice of enforcing the 'cartazas system' by the Portuguese was followed by the Dutch and the English also. The Dutch vessels were giving cartazes to the ships of Dabhol going to the Red Sea and they enforced this with great severity.<sup>14</sup> When the Mughal Emperors Akbar and Jahangir were forced to take 'cartazes' issued by the Portuguese, the merchants of the Konkan must have normally accepted the system as it prevailed. The insistence of the European trading companies to tax the coastal and overseas trade of the Konkan merchants can be explained by two reasons. Firstly, the balance of Indo-European trade in which the Europeans had to rely on the importation of money in the form of bullion to obtain

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12 EPI (1618-21), Introduction, xxx.

13 Della Valle, op. cit., pp. 222-24.

14 EPI (1618-21), pp. 324-25.

Indian export goods, appeared disadvantageous to them. Thus the cost of trade could be reduced by claiming a share in the carrying trade. Secondly, frequent threats and reprisals would impress upon the native merchants their vulnerability on the sea, and thus would help the Europeans extract favourable concessions from their rulers.<sup>15</sup> Quite often this worked and the companies achieved their objective. ☆

The Portuguese were the most notorious for their 'cartazes'. For them, this was not only a source of income but it made possible the diversion of a large volume of trade through the Portuguese controlled ports. The native ships were required to collect the license from particular points like Goa, Div and Gulf of Cambay in India and Hormuz in the Persian Gulf. Throughout the sixteenth century and till the beginning of the seventeenth century, the Portuguese control of the Asian trade was very effective and ships from Dabhol, Chaul, Goa and Rajapur were carrying 'cartazes'.<sup>16</sup> Ahmadnagar was given the right to send two ships annually from Chaul to Mocha.

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15 Della Valle, op. cit., p. 90.

16 Jourdain, op. cit., pp. 197-8.

In 1613 Bijapur obtained free 'cartazes' for six ships to Mecca, Hormuz and other places to be sent annually from its port of Dabhol.<sup>17</sup> In 1615 a treaty of friendship was signed between the Mughal emperor and the Portuguese in which they expressed their mutual enmity to the English and Dutch.<sup>18</sup> From this, Jahangir also had the right to free 'cartaze' for one ship to be annually sent to the Red Sea. But soon afterwards the situation changed very fast and started the process of evasion by the Indian merchants of the Portuguese system. In 1619, one of the reasons for the decline of Portuguese customs at Hormuz was given as decline of customs-revenue from Dabhol to the tune of about 35,000 pardaees (it fell from 45,000 pardaees to 7-10,000), 'because the goods circumvented Hormuz'.<sup>19</sup> This was true for ships from Goa and Chaul also. The ships from these places used to slip over to the Persian Gulf

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17 Teotónio R de Souza, Medieval Goa, New Delhi, 1979, p. 34.

18 Maharashtra State Gazetteers (Ratnagiri Dist), Bombay, 1962, p. 151.

19 Niels Steensgaard, Carracks Caravans and Companies: The Structural Crisis in the European-Asian Trade in the early 17th century, Copenhagen, 1972, p. 207. The reason was spelt out in an anonymous memorandum dated 14th February 1619, on the causes of the decline in the Portuguese customs revenue in Hormuz.


avoiding Hormuz and the necessity of paying customs there. The Portuguese had also realised the loss due to armed conflicts and normally avoided resorting to use of force. The fall of Hormuz finally broke their back. Another factor which forced the Portuguese to adopt a more restrained policy towards the native shipping was the arrival of other Europeans. They feared an alliance between the native powers and the new European naval forces and hence were more restrained in enforcing sea control.

But a very interesting aspect of the ineffectiveness of the Portuguese control was the prevalence of institutionalised corruption in their administration.<sup>20</sup> The post of the Governor of Hormuz or Goa was considered a very lucrative post which was auctioned to the highest bidder. The Konkan merchants thus got a way to pass out their ships and goods by bribing the Portuguese officials.<sup>21</sup> Nevertheless their earlier position of trading freely without such

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20 Linschotten, vol. I, The Voyage of Van Linschotten to the East Indies, ed. P.A. Tiele, London, 1885, pp. 40-41. "They (the captains) have their own ships, which they send to Goa, Chaul, Bengal, Muscat and other places, and no one must buy or sell, load or unload any goods before the captain, shipped, freighted and sent off his goods...."

21 Jourdain, op. cit., pp. 197-98.

coercions must have been a better one and they expressed their resentment in no uncertain terms. When Ovington visited India, the Portuguese power, in the Konkan, was in a decadent stage and except for Goa, they had been almost supplanted by other Europeans.<sup>22</sup> The three major European companies, the Portuguese, Dutch and English vied with each other to seek concessions on the Konkan ports and hence also came into collision with each other. The bitter rivalry between the Dutch and English is corroborated by the English factory records.<sup>23</sup> The Dutch animosity with the Portuguese was so intense that they even sent ships up to Hormuz to help the Persians against the latter.<sup>24</sup> They blockaded Goa many times in 1603 and from 1639 to 1642 and harassed the Portuguese. The Portuguese trade was so much dislocated by these blockades that between 1641-1644  not a single carrack could leave Goa for Portugal.<sup>25</sup> The Portuguese then tried to use other northern ports of Chaul, Bassein and Bombay but this

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22 Ovington, A Voyage to Surat in the Year 1689, ed. H.G. Rawlinson, London, 1929, p. 125.

23 EPI (1642-45), Introduction, xxii.

24 Della Valle, op. cit., p. 224.

25 Medieval Goa, op. cit., p. 24.

entailed a lot of extra expenditure. A cessation of hostilities between the Portuguese and the Dutch was followed the next year which was observed with apprehension by the English merchants.<sup>26</sup> With Goa ships free to go to Lisbon, the Dutch competition with the English in the sale of coral etc. European goods in the Konkan increased. Also the cinnamon which the Portuguese were earlier ready to sell to the English due to the Dutch blockade was now not available.<sup>27</sup> Similarly the signing of agreement between the English and Portuguese in 1634 at Goa was seen with much apprehension by the Mughal officials who were further instigated by the Dutch about its injurious effects.<sup>28</sup> Shah Jahan even contemplated ousting the English if the Dutch were ready to take their place. The Dutch also sent their envoy, Van Twist, to Bijapur in 1637 and were given a ferman to trade in the Adil Shahi kingdom and to establish a factory at Vengurla.<sup>29</sup>

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26 EPI (1642-45), Introduction, pp. xxiii-xxv.

27 Ibid.

28 EPI (1634-36), Introduction, p. xii.

29 P.M. Joshi, "The Portuguese on the Konkan Coast", JIH, vol. 46, part 1, 1968.



\* The English were jealous of the predominant position held by the Dutch through their large investments, and their ability to bring spices from the Moluccas, silver from Japan and silk from China.<sup>30</sup> Their fear, that the Dutch would endeavour to control the towns of the Konkan coast owing to the declining influence of the Portuguese, prompted them to seek the cession of Bombay from the Portuguese. \*

\* The English, despite threats from other Europeans and Indian powers, were trying to develop commerce at Bombay to make it the hub of their trading activities on the western coast of India. The factors considered Bombay to be a much safer place and believed that 'the sooner the trade of Surat declines the sooner will it rise at Bombay'.<sup>31</sup> There was a demand to shift the Presidency to Bombay but it was deferred lest it should arouse the apprehension of the Mughal authorities at Surat. Brisk coastal trade started at Bombay with the ports of Malabar, Konkan and Surat. Great hopes were expressed for its prosperous future in the letters of the factors written to

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30 EPI (1637-41), Introduction, p. xlv; (1655-60), p. 5; (1642-45), Introduction, p. xxii.

31 Papers Received (1668-69), vol. 3, pp. 168-9.

the company.<sup>32</sup> It was the growing recognition of the commerce at Bombay that the company in London decided to send four ships of large tonnage directly to Bombay in 1671.<sup>33</sup> This served to boost the growing importance of Bombay in the commercial environment of the period. The factors considered the ports of Rajapur, Dabhol and the adjoining areas as indispensable for the trade of Bombay where all sorts of goods could be obtained for Europe, as also they could consume European commodities. ★

★ The English merchants took all pains to keep friendly terms with Shivaji and endeavoured to open trade with Konkan ports controlled by him. There are many references when the factors met Shivaji's agents, Neeraji Pandit and More Pandit, and through them Shivaji himself,

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32 Papers Received (1671-73), vol. 5, p. 137. "Your island Bombay by the influence and correspondency which it hath now and will have in Trade with several other ports of India, Deccan and Malabar ports, and inland marts of trade, as also with Mocha, Bussora, Persia, Scinda etc. places will by Gods blessing prove of great advantage to Your Honours... for the trade of Bombay will furnish Orungabad, Juneer, Raibagh, Hubly, Vizapore, Rajapore, Carwar, Billiapatan, Callicut, with all the inland towns and places of trade..."

33 Papers Received (1669-71), vol. 4, p. 1444. The four ships mentioned in Company's letter to the President at Surat were 'the Golden Fleece', 500 tons; the 'Lyola Merchant', 500 tons; the 'Rainbow', 380 tons; the 'Mediterranean', 220 tons.

to seek favourable terms for trade.<sup>34</sup> Though this was much hampered by the unsettled state of Shivaji's possessions. Many difficulties arose in procuring enough cloth, pepper, and other goods to fill the ships for England. The English at Bombay also faced problems from the Portuguese who quite often prohibited the export of provisions, timber etc., thus raising their prices.<sup>35</sup> The Portuguese tried to obstruct the growth of English trade at Bombay by levying heavy transit duties on goods taken from Bassein, Karanja and Thana and restricting the export of timber and food provisions to the island of Bombay.<sup>36</sup> The English in turn challenged the Portuguese trade in tobacco. It had been a very profitable commodity for the Portuguese Asiatic trade which was supplied from Brazil via Lisbon. Now the English were selling it at Bombay.<sup>37</sup> The frequent political instability in the Deccan, and its coastal areas during the last quarter of the

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34 Papers Received (1673-75), vol. 6, p. 64; EPI (1670-71), p. 106.

35 Papers Received (1673-75), vol. 6, p. 95.

36 EPI (1670-77).

37 Teotonio R. De Souza, Medieval Goa, op. cit., p. 23.

seventeenth century, as we have noticed earlier, thus may be said to have reduced the pace of commercial development which might have been expected of Bombay. It seems probable that had the Deccan that time been in a more settled state, the English would have totally withdrawn from Surat and settled at Bombay,<sup>38</sup> thus expediting its rise as a big commercial centre. Nevertheless, the company issued orders in February 1687 to load all ships going homeward at Bombay instead of Swally Marine.<sup>39</sup> During the period from 1675-90, the commodity most in demand in England was pepper as is evident from the invoices of the company, though indigo also commanded some respect, especially in the 1680s.<sup>40</sup> From 1690, Calicoe manufacture at Bombay also rose and very good quality was being produced with the added advantage of 'desired length and breadths'.<sup>41</sup> \*

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38 Papers Received (1685-88), vol. 11, p. 1-2. "For the greatest part of those goods exported from thence (Surat) proper for Europe, are made at and is the product of such places which are situated near to this island".

39 Ibid., pp. 39-40; (1684-85), vol. 10, p. 87.

40 Papers Received (1685-88), vol. 11, pp. 64-65; (1688-1690), vol. 12, p. 2.

41 Papers Received (1688-90), vol. 12, pp. 20-21.

\* To encourage trade at Bombay during the initial years, imports and exports were allowed custom-free. But due to constant danger in which it lived,<sup>42</sup> fortifications had to be carried out, and troops maintained, which entailed a lot of expenditure. All this led the English to raise revenue through some means, and in 1675 order were issued fixing customs on certain commodities. Customs on corn, grain and timber was fixed as 2½ per cent and 1 per cent towards the fortifications, while on iron and tobacco it was 8 per cent plus 1 per cent towards fortifications.<sup>43</sup> On horse import there was no tax but once sold, 3½ per cent customs was to be charged. There was no customs for the building or importation of ships and vessels but they were to pay 5 per cent plus 1 per cent towards fortifications if put to sale. The duty on export was levied at the rate of 3½ per cent on all commodities with the exception of 'coconuts, cairo, fish, cojans, salt, cables, and ropes, onions, copra',<sup>44</sup> which were to pay 8 per cent customs and

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42 The threat to Bombay was not only due to the hostility of the Portuguese but also from the Sidis of Janjira, the Marathas and the Mughal governor of Surat.

43 Papers Received (1673-75), vol. 6, p. 104; all these orders were laid out in the declaration of Gerald Aungier, the Dy. Governor of Bombay, dated 26 March 1675.

44 Ibid.

1 per cent for fortifications. A number of goods were exempted from paying anything on their exports and imports, i.e. 'gold, silver, jewels, Amber, Greese, precious stones, pearles, pearle seed, Beazer stone, murke, amber', coines of copper and Tynn called 'coperoons and tynns'.<sup>45</sup> The Company in its letter of 1676 did not approve the levying of customs on ship-building at Bombay, which it thought would discourage trade there.<sup>46</sup> A review of customs was made after a few years. Meanwhile the total income at Bombay through customs and taxes had already increased since its transfer to the East-India Company.<sup>47</sup> ★

*The* The very nature of Indo-European trade was such <sup>sel</sup> that the European merchants had to depend on the importation of cash money, in the form of bullion or foreign currencies. This naturally created problems for them due to the factors of time and space. The English in Konkan, thus had to wait for the annual shipping from England which did not always come in time creating problems of buying in the season's market.

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45 Ibid.

46 Papers Received (1675-79), vol. 7, pp. 18-19.

47 Papers Received (1664-67), vol. 2, p. 153.

Moreover their inability to buy contracted goods in time entailed heavy losses as the artisan tended to sell off his products to other merchants who were willing to pay. The Indian market of the time, however, provided a suitable remedy for this through the institution of money-lending. The English frequently resorted to taking loans from the brokers, merchants and even officials.<sup>48</sup> They are said to have incurred the debt of above 20,000 'pagodas' in Raybagh.<sup>49</sup> Captain Blackman was trying to sell his goods in Goa Road to clear his dues.<sup>50</sup> At Dabhol their debt was up to the tune of 10,720 'pagodas greate' in 1647.<sup>51</sup> Sometimes, they borrowed money in anticipation of supplies from home and had to face embarrassment in case of its late coming or non-arrival. Courteen's factors at Rajapur owed large sum to the banias and were 'virtually held prisoners by their creditors'.<sup>52</sup> Things sometimes came to this pass that the whole stock of a ship from England

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48 Papers Received (1669-71), vol. 4, pp. 79-80.

49 EFI (1642-45), p. 295. ✓

50 Ibid.

51 EFI (1646-50), p. 48. ✓

52 EFI (1646-50), p. 39. ✓

was taken by the merchants as security for the payment of their loans.<sup>53</sup> In 1646, when the 'Ruth' arrived at Rajapur, her goods for investment in the region were seized by Farren's (Courteen's Agent) creditors.<sup>54</sup> Above all, after a certain limit the merchants refused to advance loan until their previous dues were cleared. This lowered the credibility of the English merchants besides creating problems of future borrowing. The Rajapur factor in the 1660s had constant wrangle with Surat Council on this score. They drew bill on the President and Council at Surat which was sometimes not honoured by the latter, landing the factors in trouble. The Rajapur factors were so much incensed by the Surat Council that they even wrote to the Company directly, complaining of its refusal to accept their bills, and requesting the Company to send a ship direct from England to Rajapur, to be returned again from that place, as one means of restoring their

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53 Surat Inward Letter Book, IVA (1656-1701), p. 138; "We have been continually importuned by Nezzam Kaune Rajaby of whom wee took up money in order to discharge our debt by Monak Chand Vora whose bills of interest of 11 yeares date come to 106,000 rupees. Without use our Broker downright told us neither the Right Hon'ble Company's nor our goods could be cleared by the custom house nor the 5 chests silver brought ashore till the latter was contented, otherwise he would put a stop on them." (1696)

54 EFI (1646-50), Introduction, ix-x.



credit.<sup>55</sup> Bills were also drawn in the name of merchants of Surat whose agents advanced loans to the English at Bombay.<sup>56</sup>

The difficulties faced on this account aroused discussion about the possibilities of finding alternative means. One way to ease the crisis of ready money was seen in minting coins in the English factories. In 1659, Ravington, the English factors at Rajapur strongly advocated the establishment of a mint there after obtaining promises from Rustam Zaman, the Governor of that part of Bijapur Kingdom.<sup>57</sup> He suggested the coining of a silver currency there which will "not only be current in this kingdoms' in buying, selling, paying, and receiving but current likewise in Shaw Jehans country among the merchants in exchange...."<sup>58</sup> The shroffs of Surat earned considerable profit through their business of minting, which Ravington

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55 EFI (1655-60), p. 364. Their predicament can be gleaned from this letter to the Company, 'wee are now reduced to that extremity that none will lend us one pice of money; that, if it were not for one broker, Velgy Chaungy (Valji Chaunji), wee might starve, unless we should sell your plate etc. necessaries".

56 Papers Received (1671-73), vol. 5, p. 81.

57 EFI (1655-60), p. 244.

58 Ibid.

thought, could be saved for the company, by minting a coin of the same value as that of Surat rupee.<sup>59</sup>

Incidentally these arguments did not workout but were given serious considerations later, resulting in the establishment of a mint, thirteen years later, at Bombay. The East India Company also evinced interest in starting a mint at Bombay, and in its letter to the Surat Council in February 1670, asked them 'to consider of such a coyne and of such sorts as will best suite with the traffique and exchange of the country, both in bigger and lesser specie....'<sup>60</sup> Eventually the mint which was established, ran in profit, and compared to the price of the metals, they definitely fetched higher premium. In 1673, Aungier informed the Company from Bombay, that by casting the tin into 'Budgrooks', or 'Tinnys' it was sold

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59 Ibid., "You must knowe that the further you send sylver downe the coast, the further you send it from the tanckatall (mint) at Suratt, and therefore the more charge it is to bring it upp againe by land, and so the lesse will be given for it; for what can you imagine any shroffe should doe with barre silver, which will nyther buy any thinge or sell here to anybody but Shroffe who sends it to Suratt againe, and soe will pay a price accordingly..."

60 Surat Inward Letter Book, vol. 1A (1656-1701); for this purpose they sent four ships direct to Bombay, viz. the London, 400 tons; Falcon, 360 ton; Massingbert, 470 tons; Phenix 300 tons; and Antelope 400 ton; "Abord of these ships wee have laden the several quantities of goods, bullion, and stores....".

for rupees 25 per maund Surat, 'charges of your mint paid'.<sup>61</sup> It was sent to Chaul and Shivaji's territories besides what was spent in Bombay, and an yearly cargo of 2000 maund of tin was asked for. They emphasized that this was a better price compared to Surat or any other place.<sup>62</sup>

In the 1680s there seemed to be some disadvantage on account of the coins minted at Bombay, probably due to the fact they were not accepted on par with the Mughal coins. An expression was given to this feeling in the Company's letter of 1687 to the Bombay Council wherein they expressed their surprise that the Mint at Bombay was not as profitable as it was at Fort St. George.<sup>63</sup> This they attributed to a failure on the part of the factors in obtaining a farman from the Mughal Emperor, "that our rupees coyned at Bombay being of equal weight and fineness with the rupees coyned at Surat, shall pass current in all parts of his dominions at least for all commodities bought in his country for the companies use".<sup>64</sup> The factors were

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61 Papers Received (1671-73), vol. 5, pp. 87-88.

62 Ibid.

63 Papers Received (1685-88), vol. 11, pp. 60-62.

64 Ibid.

strictly ordered to procure a favourable farmen and to guarantee the quality and intrinsic value of the coin. In spite of fluctuations in the market and the troubles encountered from time to time, the mint on the whole proved profitable in defraying their overall cost of maintenance etc.

The participation of the Europeans in commercial life of the period was thus not only significant in terms of volume, its consequences were also important. Though we do not have quantitative data as such but it may be safely assumed that the presence of a large number of European buyers in the Konkan market, along with the others, generated increase in demand. The producers in our region generally successfully catered to this new market. The Europeans found their trade with the Konkan profitable as is evident from their constant endeavours to secure their position.

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**CHAPTER - IV**

## CHAPTER IV

### ORGANISATION OF COMMERCE AND PRODUCTION

#### Commercial Practices

The commercial infrastructure of the Konkan was sustained by a rural-urban linkage because the production centres were spread out both in the towns and the hinterland. The various social groups in port towns and other trading centres were naturally engaged in mutual commercial relationship. This was facilitated by the existence of fairly well-developed institutions of money-lending and credit, direct and through bills of exchange, insurance and brokerage. Thus here the attempt will be made to show that the area under study appears to be integrated within the overall economic structure of medieval India.

It has been rightly argued that cash nexus was well-established in India before and by the 17th century,<sup>1</sup> and trade flourished through the availability of a money market. Merchants and others could go in for large-scale

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<sup>1</sup> Irfan Habib, "Usury in Medieval India", in Comparative Studies in Society and History, vol. 6, no. 4, The Hague, July 1964, p. 393.

borrowing in the market, provided by different classes of people involved in mercantile activities. While even the richest merchants advanced loan on interest to each other and to others including the European merchants, there was a class of merchants who specialised in the function of money-lending. The members of this class were generally designated as banias and are referred to in our sources as sah, sahu or sahajan. All the classes involved in trade, merchants, petty traders and even the artisans borrowed from the money-lenders. For the English merchants trading in Konkan, this provided a convenient way for timely investment. The rate of interest at the loan advanced to the merchants varied slightly from one place to the other; it was  $\frac{1}{2}$  to 1 per cent at Surat while in the Deccan it varied from 1 to  $1\frac{1}{2}$  per cent per month.<sup>2</sup> The nobles also advanced loans to the merchants. The English factors refer to a proposed loan of two lakh of rupees which Mughal noble, Bahadur Khan had agreed to give to the French at the rate of  $1\frac{1}{2}$  per cent.<sup>3</sup> The interest rate given on monthly basis suggests that the loans were

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2 To be precise the rate recorded in 1647 at Raybagh was  $1\frac{1}{3}\%$ . / EEI (1645-50), p. 155./

3 Papers Received (1669-71), vol. 4, pp. 79-80.

generally given for short periods compared to the practice in Europe. The interest rate appeared high to the English merchants, who sometimes borrowed very large sums.<sup>4</sup> The English factors constantly complain to the company about the high rate of interest at which they had to borrow in India.<sup>5</sup> This rate, according to the factors was more than double the rate prevailing in England. They still constantly implored for money from England.<sup>6</sup> The delay, they asserted prevented them from going in for timely investment in the market. If the English were not able to pay back their loans in time, their credibility suffered. Once they complained from Rajapur that no merchant was willing to lend them money anymore.<sup>7</sup> Courteen's agents at Rajapur also borrowed freely at Rajapur and Raybagh and later faced problems due to non-clearance of their dues. The rate

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4 Papers Received (1675-80), vol. 7, p. 80; "... this years most of our stock shall be in bullion, for we accopt it very prejudiciall to us to continue interest at so high a rate'.

5 EPI (1646-50), p. 278.

6 Papers Received (1668-69), vol. 3, p. 118; The Company wrote from England, "Wee see that you doe renew your former complaint for want of money, and desire to be supplied with a greater stock, which complaint is contrary to our expectations...."

7 EPI (1655-60), p. 364.



of interest at their debt was declared to be 13½ per cent per annum.<sup>8</sup> Two merchants 'Kitchapurboo' (Kachhi Parbhu) and 'Christanque' (Krishtu Nayak) were creditors of English merchants and their demand in 1650 stood at 10,000 pagodas.<sup>9</sup>

Money was generally advanced to the merchants through the medium of hundis or bills of exchange. The hundi was a bill promising payment at a particular place after a specified period. The professionals involved in this business were called sarrafs. The institution of hundi provided security and assurance to the merchants. The possessor of the hundi could also sell it at other than specified place at a little discount.<sup>10</sup> It was also resorted to if one needed to clear one's debts at a different place from where one was staying, through the agents of the sarraf. Though the sarrafs specialised in this business, merchants also invested in it by discounting

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8 "... whose arriveall in these parts with ship 'Sunn', emptie, gave much discouragement to our great expectations, being runn deeply on credit and nothing apparreing towards the disengagements of our debts of fower yeares continuance at 13½ per cent per annum interest;..." ( RFI, 1646-50, p. 39).

9 RFI (1646-50), pp. 251-2.

10 Irfan Habib, "The System of Bills of Exchange (Hundis) in the Mughal Empire, Proceedings of Indian History Congress, Muzaffarpur session, 1972.

hundis or borrowing through its medium. Thus in 1673 the English factors at Bombay informed the Surat Council that they had borrowed money by issuing bills of exchange in the latter's name.<sup>11</sup> The Rajapur factors also drew bills in the name of President and Council at Surat, requesting its acceptance.<sup>12</sup> Money was frequently remitted from Surat to Rajapur and other areas in the Deccan through the medium of hundis.<sup>13</sup> The non-fulfilment of agreement concerning bills of exchange invited reprisals for the English who complain, 'because our bills are returned, therefore are in a manner imprisoned in Rajapore for the company's debts...'.<sup>14</sup> Sometimes huge sums were remitted through hundis. Once the Rajapur factors drew hundis worth rupees 52,000 in the name of Surat Council.<sup>15</sup> They were afraid that if this was not honoured by the Surat Council,

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11 "Wee haveing great occasion for money here have drawne a bill of Exchange on you for 3000 rupees payable to Bingeo Parrack which wee desire you to favour with acceptance and payment accordingly." (Papers Received, 1671-73, vol. 5, p. 81).

12 EFL (1655-60), p. 361.

13 Ibid., p. 359.

14 Ibid., pp. 361-2.

15 Ibid., p. 362.

then they will have to pay the sarrafs, 5% extra as compensation.<sup>16</sup> When John Jourdain was staying at Burhanpur, he received his money remitted from Surat by bills of exchange.<sup>17</sup> Thus the facility of hundis and banking, through the agency of sarrafs was generally available to the merchants in the Deccan.

It is interesting to note that even nobles remitted large sums from one place to the other through hundis. In one of such official transactions, Golkunda paid the tribute of Rs.10,00,000 to the Moghuls through hundis drawn on Aurangabad.<sup>18</sup>

A very significant development in the context of seventeenth century commerce was the prevalence of the institution of insurance. Insurance or bing was also handled by the sarrafs. We have for our period the existence of both inland and marine insurance, the rate being higher for the latter, obviously due to greater dangers through ship-wreck. In the English factory records, we come across the term "avg"

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16 Ibid.

17 The Journal of John Jourdain, op. cit., p. 145.

18 Selected Vaoai of the Deccan (1660-1671), ed. Y.M. Khan, Central Records Office, Hyderabad, 1953, p. 17.

or "avog" for marine insurance.<sup>19</sup> There were two aspects of marine insurance like that of European practices of bottomry and respondentia.<sup>20</sup> When a whole ship going on a voyage was guaranteed for the loan, it was called bottomry while respondentia was the loan not upon the ship but upon the goods aboard her. Gerald Aungier as Deputy Governor of Bombay advanced bottomry loans to merchants to carry on trade with adjacent ports and the Red Sea.<sup>21</sup> Since in such agreements, incidents of risks were very high, the rate of interest against such loans were exorbitant.<sup>22</sup> This agreement also did not entail any consideration of time but was made for the particular voyage of a ship.

There were many merchants who had to take help of freight services available on the Konkan. The English records tell us about the departure of their ship 'Sun' from Dabhol 'fully laden with freight goods for Persia'.<sup>23</sup> The English were making some money through freight services between Persia and India. The ships which departed from Balasore on the eastern coast to Persia, secured freight

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19 EFI (1655-60), p. 235.

20 A.J. Qaiser, 'Merchant Shipping in India during the 17th Century', Medieval India: A Miscellany, vol. II AMU, 1972, pp. 211-15.

21 EFI (1670-77), p. 131

22 Qaiser, op.cit.

23 EFI (1646-50), p. 48, 37; (1642-45), p. 142.

for goods and men for their return voyage to Dabhol.<sup>24</sup> In 1643 they brought 95 passengers to Dabhol apart from goods.<sup>25</sup> The freight between Persia and Dabhol came to 21,738 laris. The factors at Fort St. George informed the president at Bantam about the arrival of 'Hopewell' from Persia.<sup>26</sup> Ships from Rajapur were also carrying freight goods for Gombroons.<sup>27</sup> A few years later the factors complained of facing difficulties in procuring the same.<sup>28</sup> During the 1670s the English at Bombay were offering regular freight services to the Konkan merchants engaged in coastal trade. The frigates carried goods consigned by merchants for Rajapur, Dabhol and Gujarati ports.<sup>29</sup>

### Merchants

The merchants of the Konkan coast were a heterogenous lot drawing from different regions and ethnic

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24 EFI (1642-45), pp. 73-74.

25 Ibid.

26 'She (Hopewell) had there procured a freight for Dabul, the King of Gulquondahs ambassador, which paid freight, 31,557 Shehees' (EFI, 1642-45, p. 116).

27 EFI (1642-45), p. 285.

28 'Mr Durson in the 'Loyalty' with the expense of two months time at Rawbag and Dabul procured no more freight goods then amounted to 8,702 larrees, upon which despicable tearnes he volaged to Gombroons....' (EFI 1648-50, p. 18 ).

29 EFI (1670-77), vol. 1, p. 104.

groups. Hindus, Muslims and Parsis constituted the Indian community of merchants while there were also Europeans, Armenians, Turks, Arabs and Persians.<sup>30</sup> There were very rich merchants who owned ships and handled a large volume of trade but there were also small traders who mainly exported goods from the port towns. Bhaji Shivpat was an eminent merchant of considerable wealth operating in Rajapur.<sup>31</sup> 'Velgi Chaungy' (Valji Chaunji) and Narayan Shenvi were other rich merchants in the region. Besides, there was a whole class of petty traders who even contacted the producers directly or else themselves acted as brokers to the rich merchants. Among such 'merchant - brokers' two names especially occur very frequently in the English records, Bannidas and 'Runchund' (Ram Chandre).<sup>32</sup> Some traders even followed a particular business based on hereditary lines. There was a specialised category of merchants in the Deccan who dealt in pepper.<sup>33</sup>

On the Konkan coast, however, we do not come across merchant princes or counterparts of Abdul Ghafur and

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30 Abbe Carre, vol. 1, op.cit., p. 201.

31 EFI (1646-50), pp. 251-2.

32 EFI (1646-50), pp. 53-54.

33 EFI (1655-60), p. 240.

Virji Vora of Surat or Malay Chetti and Kasi Viranna of Coromandel. Nevertheless, the high merchants like Virji Vora had their trading interests in the Konkan also. His agents not only came to trade here but also tried to monopolise certain commodities and services through their master's political influence.<sup>34</sup> The English at Bombay did some time receive financial assistance from Virji Vora and Bhinji Parrack, two eminent merchants of Surat.

There were also other group of merchants who moved about from place to place and were referred to as banjaras. The banjaras served both as transport and grain merchants.<sup>35</sup> The banjaras or caravan merchants, as called in the English records probably tried to earn their profit on the basis of the 'theory of comparative cost', by carrying essential commodities from surplus to deficit areas where prices were higher. Though banjaras quite often also carried goods on behalf of other merchants.

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34 EPI (1642-45), p. 108.

35 Tavernier (vol.I, op.cit., pp. 33-35), and Mundy (vol.II, op.cit., pp. 95-96) saw the banjaras carrying hundreds of bullock-loads of grains, pulses, salt and other commodities from distant places to the cities.

The merchant's preoccupation was not only their profession of trade; they also indulged in other profit ventures. They advanced loans to the European factors which we have noted earlier. The English were heavily indebted to some merchants of Raybagh, and were facing problems on that account.<sup>36</sup> Merchants were also used by European factors to seek favourable terms from the Indian rulers as they were supposed to be more familiar with court politics. When Henry Middleton touched the territories of Malik Amber in the Deccan, he first sent a few merchants ashore soliciting the latter's friendship and goodwill.<sup>37</sup> Bannidas was sent many a times to the Deccan marts for different works or to negotiate terms with town officials.<sup>38</sup>

The merchants of the Konkan were sensible of their vulnerable position in case of armed conflicts with the European companies, and hence showed initiative in solving such disputes through peaceful negotiations. To take one instance, in 1652 the Portuguese had launched

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36 EPI (1646-50), pp. 251-52.

37 Purchas. His Pilgrims, vol. III, op.cit., p. 186.

38 EPI (1646-50), p. 306.



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hostilities against the Rajapur merchants but the latter hastily arranged some money and patched up the matter discreetly.<sup>39</sup> We do not have evidence to suggest any association of the Konkani merchants with the administration in some form, as we know about a few merchants in Gujarat.<sup>40</sup> However, as some of them were able to develop their contacts with the local rulers, because of their enviable position as creditors, it was probable that they wielded some political influence.<sup>41</sup> But this cannot be said with any degree of certainty in the absence of any concrete evidence.

However, the Konkani merchants who migrated to the Malabar coast during the 16th century, had acquired considerable wealth and prestige there in relation to other merchants and the Dutch. These were generally the Konkani Brahmins who had left the surroundings of Goa in protest against the Portuguese Inquisition and spread out over the

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39 EFI (1651-54), p. 150; 'The Merchants of Rajapur were so alarmed that they sent hither 20,000 larres' which is more than the principal of the debt,.... they pleaded that His money was collected among themselves, the king contributing nothing.'

40 M.N. Pearson, 'Political Participation in Mughal India', in Indian Economic and Social History Review, vol. 9, no. 2, June 1972, pp. 113-31.

41 EFI (1618-21), p. 296. 'Coge Daut' (Khwaja Daud) was one such merchant who was greatly esteemed by Malik Amber which naturally enhanced his prestige.

Malabar.<sup>42</sup> Among these Babba Prabhu was the most important who wielded sufficient political influence to bring about a conflict between the zamorin and the Dutch. Two other Konkani merchants, Rama Prabhu and 'Babocca Prabhu' served the Dutch company during the 1680s while Babba's son, 'Nannoe Prabhu' was in the Company's service during the 1690s. Two points clearly emerge here, one that the Konkanis had come to acquire an ascendancy in Malabar trade during this period. Secondly, the letters written to Babba Prabhu by the Malabar Council bring up a very interesting fact.<sup>43</sup> The letters begin with, 'Your Honour's esteemed letters...', which show the respect commanded by the Indian traders among this section.

#### Brokers (dallal)

The big merchants conducted most of their commercial transactions through the brokers. Apart from acting as the inter-mediary between the producer and the merchant, the brokers served their masters in many ways,

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42 Ashin Das Gupta, Malabar in Asian Trade, 1740-1800, Cambridge, 1967, pp. 103-4.

43 Ibid., p. 174; Ashin Das Gupta quotes different Dutch sources to prove the ascendancy of the Konkani merchants in Malabar and their political influence.

like negotiating loans and seeking agreements with the authorities. The Europeans in India especially depended on the brokers due to their ignorance of the land, its customs and people. The English always employed brokers to deal with the merchants and rulers and contracted with them for diverse other functions.<sup>44</sup> The names of brokers who frequently feature in the letters of the East India Company, and its agents are Narayan Shenvi, 'Runchund' and Bennidas.<sup>45</sup> Among these Bennidas was by far the most important and trusted English broker in the Konkan who served his masters even at the cost of personal peril.<sup>46</sup> He was sent to explore trade possibilities in the Deccan and was often employed to negotiate terms with the Governor of Rajapur<sup>47</sup> and other authorities for favourable trading concessions. The factory records also refer to 'Bagee Shippott'<sup>48</sup> (Bhaji Shivpat) and 'Velgy Chaungy'<sup>49</sup> (Valji Chaunji) who were merchants but also did the work of brokers for the English company.

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44 EPI (1642-45), pp. 204, 300; (1651-54), Introduction, xxv.

45 Surat Inward Letter Book, No. 1 (1646-47), pp. 17-18; EPI (1646-50), pp. 251-2; 258.

46 EPI (1646-47), p. 258.

47 Ibid., p. 289.

48 EPI (1646-50), p. 288.

49 EPI (1655-60), p. 364.

The brokers performed a variety of services for the merchants both Indian as well as foreign. As the merchants came to procure fine muslin, calicoes and other cotton goods on the Konkan ports, it was but natural that they would have tried to enter into some kind of arrangement with the artisans to ensure the stipulated quantity and quality of the products and its timely delivery. This need and the fact that the production centres were widely scattered all over the region, made it inevitable that the merchants should rely on a class of middlemen who would negotiate terms with the primary producer. The brokers also went to different urban and rural centres of trade in search of goods needed by foreign merchants.<sup>50</sup> Bemuldas was the English Company's broker at Dabhol.<sup>51</sup> Chota Thakur who served the English at Surat, had in turn his agent, Hari Mehta at Goa.<sup>52</sup> The English sent one 'Vaghji' to explore the possibilities of trade between Bombay and the Deccan towns of Junner, Aurangabad, Hubli, and Bijapur.<sup>53</sup> In 1652, Beni Das was sent to Bijapur on a similar mission and was even imprisoned by the authorities there.<sup>54</sup>

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50 EPI (1670-77), p. 78; (1646-50), pp. 15, 54.

51 EPI (1634-36), p. 259.

52 EPI (1634-36), p. 167.

53 Ibid (1670-77), p. 78.

54 Ibid (1651-54), p. 37.

The institution of brokerage was most pronounced in textile industry. The artisans tended to tailor production strictly in accordance with their estimate of anticipated demand, and would not venture to produce goods which may be rejected by the company. Hence the need to give advance orders through cash payment and specifications of quality and quantity. This service to the European and Indian merchants was rendered by the brokers. We do not have evidence to suggest if any interest was charged on the money thus advanced. The cash advances were thus given to the artisans on the understanding of timely delivery of finished products. Dadani or cash advances thus provided the weavers, during the lean season, not only a means of sustenance but also enabled him to buy raw materials needed for production processes. Sometimes raw material was also provided by the English merchants in the form of cotton or silk yarn for they feared that weavers will not buy good yarn from the money advanced to them.<sup>55</sup> Yet this practice remained extremely limited and there were few instances of it.

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55 Papers Received (1669-71), vol. 4, p. 150;  
(1668-69), vol. 3, p. 61.

The artisan normally bound himself to the broker to fulfil the terms of agreement once he accepted the cash advances. But there is nothing in the English records to suggest that the cash advances acted as checks on the independence of the artisan or amounted to economic coercion.<sup>56</sup> As for the penetration of merchant capital into the production processes and its impact on the artisan, we do not have adequate evidence. In the light of available evidence, it can be inferred that in the Konkan as elsewhere,<sup>57</sup> the relations of production had not undergone any fundamental change. The artisan was still the master of his tools of production and often the raw material. But he worked under the overall direction of the trader regarding patterns, sizes, etc. for the European market. What was happening at Bombay (the advancing of cotton yarn and at times looms)<sup>58</sup> was of a very limited nature, the main aim of the English factors being only to attract artisans from Deccan, Chaul, etc.

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56 This aspect has been studied at length by A.J. Gaiser in his paper 'Role of Brokers in Medieval India', Indian Historical Review, 1(2), 1974, and does not need further elaboration.

57 It has been pointed out by Irfan Habib ('Potentialities of Capitalistic Development in the Economy of Mughal India', Enquiry, Winter, 1971) that merchant capital, though it existed and operated through the medium of dadani, could not alter the prevailing relations of production, for which assertion he provides viable reasons.

58 Papers Received, (1668-69), vol. 3, pp. 168-169.

By the very nature of Indian commercial structure, the services of the brokers became inevitable. The absence of institutions like corporate bodies of merchants or trading companies in India, left little scope for organised commercial transactions through agents, and encouraged individual entrepreneurship. Here the brokers came in handy. Their relevance lay in their ability to maintain an effective link between the two rungs of the market - the producer and the merchant, which was otherwise difficult due to the factors of time and space and local environment. Their ability to supply the Europeans with credit also made their position enviable.<sup>59</sup> The English did sometimes nourish grudge against some brokers because of unfair means employed by them.<sup>60</sup> They even thought of bypassing the services of the middlemen and supplanting them by their own agents.<sup>61</sup> But this was simply beyond their means. All calculations in this direction came to a naught when faced with typical practical problems of a foreign economic environment and its customs.

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59 EFI (1651-54), pp. 37, 41, 119, Bemmidas served the English both as broker and sarraf. We have noted his activities in earlier pages.

60 Ibid., p. 112.

61 EFI (1670-77), p. 165; English factors at Bombay wrote in 1676 that their broker, Girdhar had been defrauding them by passing off cloth from Gujarat as "cloth of Bombay manufacture". But they were helpless because they could not carry on trade without the broker's help.

Artisan Production

The artisans, who were employed in the Karkhanas or those who carried on independent individual-level production for the market, showed an extremely high degree of technical skill and workmanship. The European travellers were unanimous in their praise for the art and skill of the Indian artisan. Della Valle,<sup>62</sup> Ovington,<sup>63</sup> Linschotten<sup>64</sup> and Fryer<sup>65</sup> and a host of other travellers

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62 Della Valle, op. cit., vol. I, p. 377; "The natives show very much ingenuity in their curious manufactures; as in their silk-stuffs which they most artificially weave,...as also in making excellent quilts of their stained cloth, or of fresh coloured Taffata....Those Taffata or Sattin-quilts, are excellently stiched by them... They make likewise excellent carpets of their cotton-work, in fine mingled colours.... Their skill is likewise exquisite in making of cabinets, or boxes or Trunks or Standishes, curiously wrought....they make excellent cups, and other things of Agate, and cornelian, and curious they are in cutting all manner of stones, diamonds as well as others".

63 Ovington, op. cit., p. 166; "The Indians are in many things of matchless ingenuity in their several employments, and admirable mimicks of whatever they affect to copy after...; the weavers of silk will exactly imitate the nicest and most beautiful patterns that are brought from Europe. And the very ship-carpenters at Surat will take the model of any English vessel, in all the curiosity of its Building, and the most artificial instances of workmanship about it,..."

64 Linschotten, op. cit., vol. II, pp. 87-90, 136-37.

65 Fryer, op. cit., vol. I, p. 284.



who visited these parts marvelled at the delicacy and fineness of the goods produced by this class of poor men, devoid of good tools and resources. The Indian artisan was in particular a master in the art of imitation and could copy the best products from Europe to the utter surprise of his European buyers. His manufacturing activities were quite extensive if we take into account the massive demand of the upper classes of society as well as the day to day needs of a vast population. Though the bulk of the artisan production was for the small-scale rural markets, there was production of a wide variety of goods for the export market as we have seen already in the chapter dealing with trading pattern within our region. The organisation of this production was mainly family based. Family being the basic unit of production, profession became the hereditary preserve. Generation after generation followed the same profession as inherited from the family tradition, and the social organisation confirmed and consolidated the artisans' social status and his caste lineage.<sup>66</sup>

The different stages of production were carried on by different sub-castes. Taking textile industry

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66 Fukazawa, op. cit., pp. 308-11.

as an example, the processes involving cotton carding, spinning, winding of silk-thread, unwinding and rewinding of the yarn, weaving the fabric on the loom, bleaching, dyeing, printing and painting of designs developed into district occupations, some as exclusive Jatis or caste categories.<sup>67</sup> In other sectors of manufactures also this kind of professional specialisation was common. The artisan's home was the typical workshop with his wife and children cooperating in the production processes. This was further facilitated by the elementary technology and cheap tools available to the artisan which meant a minimal concentration of labour and capital in individual units of production.

The organisation of the artisans - both rural and urban was caste-based. In the Deccan village the artisans and village servants were grouped together as balutedars<sup>68</sup> among whom more important were as follows: Carpenter, blacksmiths, goldsmiths, potter, leatherworker, ropemaker, and barber and washermen, etc. This list significantly does not include weavers and dyers which suggests that these two professions were generally considered to be urban crafts. The balutedar enjoyed customary right

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67 A.R. Kulkarni, Maharashtra in the Age of Shivaji, Poona, 1969, pp. 40-48.

68 Ibid.

over the land (matan) given by the village community which they cultivated. In lieu of their services to the village community, they received remuneration from all the peasants either in kind or cash.<sup>69</sup>

The caste organisation was also dominant in the life of urban artisans and the industries in the town were also as a rule based on caste division of labour.<sup>70</sup> The social order placed all the artisans broadly on the same rung of the ladder, though there was also hierarchical division among them according to their relative social position. However, we cannot surmise a stratification among the artisans in our region, in the sense where one group of the class, by dint of its superior economic powers appropriated the services of its weaker section on any wide scale, like in the textile industry of Lucknow or Bengal where a few rich craftsmen employed hundreds of poor artisans under them. Nevertheless, there would be among the artisans, some who due to a variety of reasons were better placed than the rest of their class. This could be either through the better technical skill and fame of an artisan, or his comparative proximity to some prosperous commercial centre, giving

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69 Fukazawa, op. cit., pp. 308-9.

70 Ibid.

him a developed market and an incentive to produce, or simply his family circumstances. This enabled the particular artisan to save some money and erect more looms, i.e. in case of a weaver. Now a weaver having more than one loom, besides being already in a position to dominate his fellow-artisans, could even employ some of them on his other looms. This immediately brought the element of stratification within the class of artisans. The same may be true of other types of craftsmen working in the markets of the Deccan but this cannot be conclusively established in the light of present evidence.

#### Attitude of the local authorities to Commerce

★ The medieval state system thrived on the surplus produce of the peasant, collected in the form of land revenue, and this formed the main income of the state. However, since India during the seventeenth century had a fairly well-developed inland and overseas commerce, this aspect also contributed significantly to the overall economic life of the period. The state income through commerce, as the studies show, was not insignificant. This, coupled with the fact that a large segment of the population, especially in the urban areas, was in some way involved in commercial activities, could not have

left the government detached from or indifferent to the world of commerce. Indeed the state did show keen interest in the prosperity of trade. This, however, does not mean that trade did not suffer from time to time on account of the avarice of the ruling classes or officials at different levels. It is in this light that we propose to examine the attitude of the authorities towards commerce and the response of the merchants to official policies. \*

\* Some modern scholars credit the merchant class with considerable power of freedom to decide their affairs.<sup>71</sup> On the other hand the general impression created by the accounts of the European travellers, like Ovington,<sup>72</sup> Mundy<sup>73</sup> and Fryer<sup>74</sup> etc. leads one to think that the merchants were an oppressed lot, always living in terror of being plundered by the authorities. It is true that the senior nobles and governors of different regions sometimes abused their power to exact illegal taxes and money in the form of bribe or 'gifts' from the

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71 M.N. Pearson, Commerce & Craft in Gujarat, op. cit., pp. 125-28; M.P. Singh, 'Merchants and the local administration in Gujarat', Medieval India - A Miscellany, vol. II, Aligarh, 1972, p. 224.

72 Ovington, op. cit., p. 187.

73 Mundy, op. cit., vol. II, p. 363.

74 Fryer, op. cit., pp. 247-48.

merchants.<sup>75</sup> There was also a tendency among the nobles of Deccan to monopolise certain commodities such as saltpeter and pepper in the Bijapur kingdom. Yet another form of exaction could be the practice of the authorities to buy merchants' goods at dictated prices.<sup>76</sup> The English factors complained in 1650 that Mahmud Kasim, the governor of Rajapur broke open their ware-house and seized all the cloth lying there to claim illegal taxes.<sup>77</sup> Though the Mughal emperors issued proclamations from time to time, prohibiting collection of illegal taxes but we are not certain whether they were really

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75 Papers Received (1669-71), vol. 4, pp. 79-80; 'we were forced for peace sake to please him (Bahadur Khan, a Mughal noble in the Deccan) with a present to the tune of Rs. 1700 in imitation of the Indians (merchants)'. At another time the factors inform the Surat Council, 'the saltpeter, however, lyes stopt in Raybag by season that Mustapha ckawne (Mustafa Khan) very lately got a firmān of saltpeter of the hands of Jusnner ckawne (Jan Nisar Khan) who in hopes to procure some new unreasonable duties besides what belongs to this port will not suffice it to proceed'. (EFI 1646-50, pp. 53-54).

76 Surat Inward Letter Book, vol. I A, (1656-1701), p. 141.

77 EFI (1646-50), pp. 251-52, 258.

effective.<sup>78</sup> \*

\* However, since our sources are mainly European, we cannot accept them without thorough scrutiny. A bias in the accounts of European travellers and factors cannot be ruled out, especially because to their eyes, their position in India seemed extremely insecure. They could not comprehend or else felt bewildered by the structural differences between European and Indian polity and economy, and attributed this to the lack of efficiency and corruption in the government. It was quite natural that the Europeans who came from a different politico-economic set-up and wanted a monopoly of trade here, would have felt frustrated when they did not succeed in this. We find consistent attempts on the part of European merchants to strive for 'free trade' by which they often meant the scrapping of the necessity of paying taxes to the state.<sup>79</sup> Della Valle while narrating the assault on Dabhol by the English, in which they captured

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78 Thus for example, 'phirmand prohibiting the taking of radarres (rahderi) in the provinces and parts of Porab, Burhanpur, and Ahmedabad, though Lee adviseth us that he was told by Sadala Ckaune (Saddullah Khan) that this phirmand will not steede us in the Rajas countries, where they obey not the kings commands, in other places it will be effectual'. (EFI (1646-50), pp. 320-21). Also see Athar Ali's Mughal Nobility Under Aurangzeb, Bombay, 1966, pp. 81-82.

79 In 1668 they sent an Indian merchant Khwaja Allaiddin the governor of Chaul with the purpose of 'procuring the Princes firmans, that Phaty and Cullian (Kalyan) shalbee free for all merchants to export and import what goods they please,...' (EFI (1668-69), pp. 73-74).

two vessels, felt that, 'this was done by the English out of some old grudge against the city of Dabul, or perhaps, onely to force it to permit them free trade'.<sup>80</sup> In the light of this it is not surprising that they appear to be so vehement in their lamentations about the plight of commerce. \*

Interestingly, we have evidence coming from the European sources themselves which suggest that the state and the aristocracy, at least at a higher level did take interest in providing protection and necessary facilities for the growth of trade. The evidence for this are both direct and indirect. We are told by Thevenot that the Mughal governor of the Deccan or of the port town, tried to give immediate relief in case trade suffered due to the avarice or cupidity of some officers.<sup>81</sup> The governor of Rajapur was suspended by the king of Bijapur on the charge of extortion of merchants.<sup>82</sup> The king of Bijapur interceded on behalf of the merchants and wrote to the Governor asking him to 'reinvite the merchants into his port, and promised satisfaction for the cloth seized on, ...and to secure us a free and uninterrupted trade unto his said

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80 Della Valle, op. cit., p. 70.

81 Thevenot, op. cit., p. 135.

82 EFI (1646-50), p. 288.



port in the future'.<sup>83</sup> The rulers are even seen negotiating terms with the Europeans alongwith the merchants. As a consequence of English capture of Bijapur junks, the governor of 'Satvali' himself came to Surat to negotiate an accomodation, while the Rajapur merchants sent a sum of money in compensation.<sup>84</sup> Since the Indian merchants were also benefitted by the coming of the Europeans in the port towns, they were able to pressurise the Governor to offer the English favourable terms.<sup>85</sup> When the Indian merchants' interest was endangered by threat of European reprisals on the high sea because of the official policies at the port, the merchants vigorously complained to the Governor.<sup>86</sup>

On the other hand authorities also showed their preference for the native trading interests. It is quite significant that Della Valle considered it dangerous for the Portuguese to have captured the Indian ship 'belonging to the Mogul's subjects' as this might provoke the wrath

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83 Ibid.

84 EI (1651-54), p. 150; EI (1646-50), p. 288; 'The President received letters from the new governor of Rajapur and the merchants of that town, wherein the governor invited us againe unto his port, with assurance of real and good entertainment and usage, endeavouring, to excuse the injury offered you the last year,...

85 Ibid.

86 EI (1646-50), p. 284.

of the Mughal.<sup>87</sup> The state was not oblivious of its own interests accruing from the trade of the European merchants. They generally received good treatment from the governors and great nobles of the realm. Malik Amber<sup>88</sup> welcomed the English traders, so also Bijapur kings.<sup>89</sup> Shivaji encouraged the English to establish trading relations with the Konkan. He held negotiations with them through his agents and also granted personal meeting to sort out differences.<sup>90</sup>

A few more references can be cited to illustrate the official line of thinking - at the highest level, in

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87 Della Valle, op. cit., p. 222.

88 EPI (1618-21), p. 296; 'In regard coge Daut (Khwaja Daud), a merchant greatly esteemed by Mellique Amber, and sent purposely to recave and accompany to the court such as should be appointed to the reconsilement of our difference with him'.

89 EPI (1651-54), p. 150.

90 EPI (1668-69), pp. 73-74; 'our friend Cojah Alladyn (Khwaja Allauddin) is fitting and preparing himselfe, in the best manner he cann, to go to the Prince (Shivaji) very sudeinly, and gives us greate assurance of procuring the Princess firmans...'; Papers Received (1668-69), vol. 3, pp. 46-47; 'At Upper Chaul, Gerther was civilly treated by Sevagees servant who gave him encouragement for the procury of saltpeter and pepper at reasonable rates,... the Governor sent us a letter partly congratulatory and partly invitory to settle a factory in any place to trade freely,....'

matters pertaining to commerce. Though the custom officials and some of the nobles exploited their position to exact monetary gains from the merchants they did not always go unpunished. Della Valle tells us how Adil Shah of Bijapur had dismissed the 'Governor' of regions around Goa for his ill-treatment of the Portuguese.<sup>91</sup> In one of the daily news-reports of the Aurangabad city (28th May, 1661), it is declared, "Amanat Khan received Imperial orders through Diyanat Rao directing the Umara posted to the Deccan to execute bonds not to collect Rahdari (toll-tax). The same orders were also forwarded to Nand Lal, the Diwan, for enforcement...."<sup>92</sup> These proclamations do suggest a concern on the part of authorities to issue assurances to the merchants for all protection. At the same time this would have acted as a warning to the corrupt officials.

The rulers also promoted trade by providing institutional facilities - in the medieval context - of

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91 Della Valle, op.cit., p. 222; ...'this seemed to signify that he (Adil Shah) was minded to give them (the Portuguese) some satisfaction; that he had given the place to Chogia Riza or Rezeb, a Persian, lately Governour of Dabul, and from whom being prudent, and formerly, a friend to the Portugals they hope better dealings'.

92 Selected Waqai of the Deccan, op.cit., p. 33; Also, "in contravention of this he would be dismissed from his menseb and Jagir". (Ibid., p. 91).

sarais and markets. Caravanserais were constructed along the trade routes and at major cities to facilitate the passage of merchants. Similarly markets were established in towns & villages. It happened quite often that markets were established in the wake of royal armies' march from one region to other which continued even after the camp was removed from the place. Shivaji greatly encouraged the establishment of new markets by remitting the traders from paying regular customs and octroi duties.<sup>93</sup> He encouraged merchants from other regions to come and settle in capital cities of his kingdom. It might be because of this policy that many Gujarati and Marawari merchants settled down in Konkan towards the close of the seventeenth century.<sup>94</sup> Though there were no trunk roads in the Konkan but creeks were constructed which promoted the flow of merchandise. In Shivaji's dominions, an officer called ghatpanda was especially assigned the duty of providing security to the merchants at the pass between the Deccan and Konkan.<sup>95</sup>

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93 Kulkarni, op.cit., pp. 204-7.

94 Fukazawa, op.cit., p. 202.

95 Ibid., p. 203.

All these measures taken by rulers obviously suggest an endeavour on their part to promote the welfare of the trading community.

✓ The above survey suggests that local exactions could not exceed a limit and could be checked through punishments & fines etc. The merchants also exerted a moral pressure on the ruling class because of their potential as creditors. Trade, both inland and foreign, for the bullion it brought and the general prosperity coming in its wake, could not be neglected by local authorities. Due to all these practical reasons the merchants of our region did get a reasonably favourable deal from the local authorities. ✓

**C O N C L U S I O N**

## CONCLUSION

The Konkan and the western Deccan is generally considered to be a backward area, and as such has remained neglected from the point of view of historical research. In the foregoing pages, an attempt has been made to make a study of some aspects of trade and commerce in this region. Through the use of available contemporary sources, it has been attempted to demonstrate that the area under study was a trading region of some importance.

The Konkan participated in the commercial activities of the seventeenth century India on a fair scale. As such, it attracted the attention of many trading elements, both Indian and foreign, and provided an outlet not only for the products of Konkan but of the hinterland. Thus the study suggests that the Konkan and western Deccan was an important and viable economic region during the seventeenth century.

The commodity composition of the region was not very different from Gujarat, textiles and the silk-products being major items of export. The merchants also traded in pepper which was produced in good quantity in the western Deccan, as distinct from the Malabar and the south. There was also available for export a limited quantity of saltpeter. The English merchants constantly complained of official 'interference' in the export of saltpeter. This may, perhaps, be explained by disturbed conditions of the Deccan, where

saltpeter was needed by the government for the manufacture of gun-powder. Another factor which was special to Konkan trade was the availability of timber. As timber forests had been denuded all along the coastal regions in West Asia up to Gujarat, the Konkan had become very important for its timber for the European's ship-building.

The coming of the Europeans led to an expansion of finance even though the structure was well-developed even before their arrival. The expansion of credit and exchange, markets, and growth of such specialised sections as commodity brokers, shippers etc., can be seen at work in the western Deccan also. However, it does seem that there was limitation to large-scale borrowing in the Konkan. This was probably because rich merchants were not as numerous in the Deccan as for instance, in Gujarat. The shortage of money capital is also suggested by the fact that the rate of interest was higher in the Deccan compared to the north.

★ The rise and growth of Bombay as an important commercial centre is an integral part of this study. Towards the beginning of the last quarter of the seventeenth century, the English succeeded in starting some trade at Bombay. By 1670s, a few ships started coming directly to Bombay from England. The production of calicoes at Bombay was given a boost by the English who invited and settled there the artisans from Chaul. Henceforth, their consignments from the western coast included products of Bombay also. However, the rise of Bombay was



greatly hindered by the European rivalries in the Konkan and the frequent political disturbances in the Deccan. The English factors often complained of difficulties in procuring commodities due to the Maratha depredations and the general fightings in the Deccan. These political factors inhibited the fuller growth of commerce in other areas of the region also.\*

The coming of a large number of Europeans to the Konkan coast in the seventeenth century led to certain positive developments. There was in all probability an upward trend in the volume of trade, though we have no direct evidence to prove that this was so. In the absence of data for the annual shipments from the different ports of Konkan we cannot quantify trade or establish with certainty any increase in its volume. But during the seventeenth century there were certainly larger numbers of foreign buyers in the market leading to an increase in demand. The markets of Konkan were generally able to cater to this new demand, as is evident from frequent references of ships sailing off to different destinations with their requisite cargoes. While it seems reasonable that the increase in demand was met by increased production, this was achieved without any breakthrough in the technology of production. This might have been realised through fuller utilisation of production potential of the artisans, or else through diversion of manpower and resources from other sectors of the economy.

This rise in the demand and supply, nonetheless occurred in the background of frequent fluctuations. There was an

occasional glut in the market as the companies competed with each other in importing certain commodities.<sup>1</sup> The English faced this problem in the sale of their goods, such as coral, while the Portuguese resented the glutting of tobacco, being brought in by the English. The staple commodities, textiles, pepper, etc., were also susceptible to fluctuations.

The extension of Indian goods to the European market not only added a new element to the competition among buyers at the source of supply, but also forced adaptation to European designs. The European demands of embroidered bedspreads and quilts increased the mixture of silk with cotton in many varieties. The weavers of chaul were experts in this art. The artisan was generally able to follow the changing pattern of demand in Europe, in terms of size, pattern, colour, etc. However, the artisan was working in the 'seller's market', and in the presence of a large number of competitive buyers, there was no extra-ordinary compulsion on him to cater specifically to European demand. The merchants' dependence on brokers to negotiate terms of agreement with the producers<sup>2</sup>, also thwarted any direct and effective control over the latter. On the other hand, the artisan's dependence on the brokers arose from the fact that he was producing in a well-developed commercial

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1. Papers Received (1661-64), vol. 1, pp. 171-72.

2. EPI (1655-60), pp. 240-41; (1668-69), pp. 73-74.

environment with variable tastes. Also exchange of goods was taking place at a highly centralized level. Many of the artisans, unlike their primitive counterparts had no means to contact the buyer, and had to depend on the brokers to negotiate terms for the sale of their products.

A very interesting development took place at Bombay during this time which might have been of much historical consequence, but the results lie outside our study. Generally the practice in the Deccan, as elsewhere, was to extend dadan or cash advances to the artisans to undertake production of commodities according to specifications of quality, quantity, design, etc. At Bombay, however, the English tried to stimulate production of calicoes under their own supervision.<sup>3</sup> The 'putting out system' thus had taken a step ela further at Bombay where the artisans were also given raw-material and looms at times. Obviously they were required to work under overall supervision of the English merchants. This had obvious parallels with the Mughal Karkhanas for the production of costly cloth, but was different in purpose since it was meant to cater to a broader market. The reasons as to why it could not grow, leading to the control of labour by capital, are beyond our ken here.) While a semblance of the manufactory system is discernible in this method of production, it is probable that the artisans still owned their

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3. Papers Received (1664-67), vol. 2, p. 103; (1668-69), vol. 3, p. 61; (1669-71), vol. 4, pp. 115, 150.

tools of production, and their mobility was not restricted. Thus, they had not been converted into wage workers. The practical realities of Bombay — it faced threats from other powers, and the fact that the artisans were exhorted to come and settle here, put them in a favourable position vis-a-vis the merchants. Hence, it seems that even here merchant capital could not bring about any meaningful change in the relations of production.

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