A Glance at the Foreign Trade of India
during the Mughal Age, 1526-1707

Muhammad Idris

The Mughal age from 1526 to 1707 A.D. was a period of renaissance in India. While trade and industry flourished, fine arts like sculpture, music, painting reached perfection. The Mughal conquest of Northern India brought radical changes in socio-cultural, and political milieu. Technological advancement also influenced the economic life of the people of Hindustan. It replaced the multi-state system of the Sultans with a centralized political organization controlled by a powerful monarch. In the wake of the Mughal conquest of India, a large number of immigrants and many celebrities came to the India from Central Asia and Persia and settled down in Delhi and other cities. Many foreigners including merchants contributed in the state administration and the economic setup of the Mughals.

The nature of India’s trade, inland and foreign, has practically been the same in the ancient and medieval ages. During the medieval period the whole of Northern and Western India had commercial relations with West Asia and extending through it to the Mediterranean world, as also to Central Asia, South-East Asia and China both oversea and overland routes.

Zahiruddin Muhammad Babur (1526-30 A.D.), the founder of the Mughal Empire in India, was well aware of the importance of the

* Lecturer, Department of History, Punjabi University, Patiala, Punjab, India.

3. Ibid.
communication system and foreign trade particularly to ensure the regular flow of reinforcements from Kabul. Thus soon after the conquest, square towers\(^4\) were erected after every eighteen miles while \textit{chaukis} were established after every 36 miles in order to create an efficient communication system, which helped in the development of trade.\(^5\) Nasiruddin Muhammad Humayun (1530-1540 and 1555-1556 A.D.) had insufficient opportunity to show his ability as an administrator. Between Babur’s death and Humanyun’s re-entry into India, the Surs ruled from Delhi. Sher Shah (1540-1545 A.D.), the founder of the dynasty and a uniquely farsighted ruler, reorganized the country’s entire administrative system.\(^6\) He constructed the Grand Trunk Road from Attock to Delhi.\(^7\) Travel for men and merchandize became easier and safer during Akbar’s reign.\(^8\) The construction of new roads, bridges and military posts which gave the Army greater mobility also stimulated the flow of trade with foreign countries.\(^9\) Nuruddin Muhammad Jahangir (1605-1627 A.D.) ordered Zamindars to plant trees on the routes between Agra and Attock, and between Agra and Bengal.\(^10\) \textit{Zafarnama} gives an idea of the route followed by Timur, which ran from Multan to Delhi via Tulamba, Sahwal, Jahwal, Ajodhan, Tohana, Samana and Panipat.\(^11\)

In Shahjahan’s time the overland routes from Multan and Kashmir had lost their importance on account of disturbances on the frontier. The Indo-Persian wars for the occupation and retention of Qandahar had caused great disturbance to all those trade routes which were linked to them.\(^12\) Towards the end of the seventeenth century, Aurangzeb’s incessant wars in the Deccan, bankruptcy of the administration and exhaustion of the imperial treasury, caused disorder and resulted in the ruin of trade.\(^13\)

\(^5\) \textit{Ibid.}, pp.629-30.
\(^6\) Abul Khair Mohammad Farooque, \textit{Roads and Communications in Mughal India}, (Delhi: 1977), p.10.
\(^7\) \textit{Ibid.}, p.11.
\(^12\) T.C. Bigham, \textit{Transportation, Principles and Problems} (Calcutta: 1968), p.11.
\(^13\) \textit{Ibid.}, p.12.
All the transactions with foreign countries were generally done on exchange basis. The foreigners were paid the prices in the form of precious metals. Only four travellers Peter Mundy, Tavernier, Fryer and Marshal paid sufficient attention in their accounts to the weights and measures prevalent during this period.\textsuperscript{14} The use of money and the coinage system of this period indicate a considerable use of metals of different kinds. The modern researches have pointed out that the Indian production of the two metals, gold and silver, was on a very limited scale. The accessible layers in the goldmines of Karanataka appear to have been long exhausted. Only little quantities of gold could have come from the sands brought down by the Himalayan rivers, and, for silver, no important mine seems to have been worked. As a result, India was almost entirely dependent upon imports for its gold and silver supply.\textsuperscript{15} According to Bernier, supplying itself with articles of foreign growth does not prevent Hindustan from absorbing a large portion of gold and silver of the world, admitted through a variety of channels, while there is scarcely any opening for its return.\textsuperscript{16} It seems that in the eleventh century metals received by the royalties and nobilities through foreign trade were mostly utilized by them either to feed their luxuries or to mint coins.\textsuperscript{17}

The institution of banking is very old in India. But indigenous banking received a major jolt with the advent of the Muslims in India as they brought along with them their own theories based on the Islamic principles which considered the selling of one’s goods or property on interest a great sin. The other notable reasons for further setbacks to the Indians were the wars and mutual hostilities among the Muslim rulers and nobles which hampered the growth of trade and commerce. As a consequence banking and money lending suffered considerably.\textsuperscript{18}

The North-West India was considered self-sufficient in almost every respect. It had always had enough for internal consumption and also for export. But every country cannot fulfil her needs by herself.

\textsuperscript{14} Meera Nanda, European Travel Accounts During the reigns of Shahjahan and Aurangzeb (Kurukshetra: 1994), p.59.
\textsuperscript{16} Francios Bernier, Travels in Mughal Empire (Delhi: 1972), p.204.
\textsuperscript{17} Neera Darbari, Northern India under Aurangzeb (Meerut: 1982), pp.218-19.
\textsuperscript{18} Pramod Sangar, Growth of English Trade under the Mughals (Jallandhar: 1993), p.250.
So they had to make some trade treaties between themselves for the use of the upper classes. The chief articles of import were certain articles of luxury like skills, velvets and embroidered curtains together with other furnishings and items of decoration. Being mainly an agricultural country, India was certainly fairly rich in agricultural products. But that does not mean that it exported only raw materials. There is a long list of various commodities which find references among the items of import and export during the Mughal period. One can classify these items of trade into two main categories — luxury and non-luxury items. On the basis of the accounts left by medieval travellers and Persian chroniclers, horses, furs, precious stones, silk and silk stuffs and slaves were among the chief luxury items of imports from Central Asia and Persia. Among other goods were various types of clothes, fruits, plants and herbs, gold, silver, olive oil, rose water, glass, etc.

In exchange, India exported numerous articles which were in demand not only in Central Asia and Persia, but also in other Asian and European countries. Among luxury goods, there were very few except some varieties of cloth, pearls, elephants, tusk and horns, peacocks, etc. Non-luxury products included spices, aromatic roots, cotton, Indigo-cakes, iron-swords, musk, different types of woods, sugar candy and grains, fruits and dry-fruits, and dye products, etc.

Gold, silver and precious metals played an important role in various areas of lives of the people. The main reason for the significance of the metals was their economic worth and there are references to gold, silver and precious metals import from Persia to India. Abul Fazl states in the A’in-i-Akbari that gold was still imported into Hindustan. With the coming of Europeans in India, a new beverage called Cha’i or Tea started being used in the reign of Aurangzeb.

There is a long list of the cities which were frequented by the merchants in different regions which were well-connected with each other through various routes and were engaged in exchanging goods with different major cities of Central Asia and Persia. There Central

20. Ibid., p.114.
21. Ibid., p.145.
Asian towns such as Balkh, Tirmiz, Kish, Samarkand and Bukhara and Kabul etc., were mainly located in and around Transoziana. Especially, the later had been serving as a link between India and Central Asia from the earliest times.

During the Mughal period like other countries, India had neither metalled roads nor advanced means of transport. Its vast area and varied physical features, together with dangers inherent in long journeys led travellers to form groups of various types, of these the caravans were the most popular, while pilgrims formed smaller groups. The caravan was both the oldest and the most popular method of travelling in large groups. It provided the maximum of safety and security and made an important contribution to social and commercial life. Although Persian and Urdu sources make many references to the leaders of caravans, contemporary histories and travellers’ accounts say little about them. The leader of the caravan called Mir, Salar or Bakshi was a very important person and like the captain of a ship, he had ultimate control of everything while the caravan was on the road. Probably he was employed by the merchants forming the caravan and these merchants normally made important decisions after full consultation with them. The Mughals were aware of the hazards of travel and ordered strong measures to maintain peace and security in the Empire. William Finch (1608-11) found many guards and police posts whose purpose was to prevent robbery and attend to the welfare of travellers. It is not possible to have an idea whether India had a favourable balance of trade in this period, nor on the basis of the available literature one can interpret that the balance of trade was in favour of the foreign merchants. Though the charm for possessing foreign goods remained confined to the emperors, chiefs and some rich people, the common man was leading a simple and austere life fulfilling his meagre requirements through the local resources only.

Throughout the Mughal period, the volume of Indian export through the north-western land routes continued fluctuating according to the atmosphere of amity or hostility prevailing between India and Persia on the question of the possession of Qandahar and sometimes on the relations between the Mughal government and the Portuguese.