

CHAPTER IV

TRADE ECONOMY OF GUJARAT

In the whole of India, especially on the western coast, Gujarat was known for its commercial activities. Gujarat's social, cultural and economic activities held an important position due to the steady rise on its graph as an important commercial centre. The concentration of merchants and persons of great substance from different parts of the world in Gujarat could be attributed to the external trade.

In the network of the external trade of Gujarat the commercial relations with the West Asian, South-East Asian and the African coast were the most prominent. Actually on account of this foreign trade Gujarat was in the limelight of international traffic especially as a transit trade centre and also as a production centre of various commodities.

A new chapter of economic prosperity began in the history of Gujarat, after it became an independent principality at the beginning of the fifteenth century. The coastal region of Gujarat which had a flourishing maritime trade extended from Dwaraka in the north to Chaul in the south. After 1573 when Gujarat became a part of the Mughal Empire, the ports of Gujarat turned out to be the "sea-gates" of north India. The new circumstances affected the pattern of maritime trade, for Gujarat ports began to supply north India with imported goods. The change in the political

situation also proved conducive to the continued improvement of the overseas commerce of the province.

In 1587 the Eastern trade ceased to be the royal monopoly of the Portuguese and was handed over to the 'Portuguese East India Company'. The new event in the maritime trade of Gujarat in the second half of the sixteenth century was the import of European, Chinese and South Asian goods to Cambay, by the Portuguese. The Gujaratis who are business minded by nature, took it in their stride to reciprocate not only to the arrival of the Portuguese, but also to see them settle down as traders. Thus the Gujarat coast became greatly commercialized in comparison to other parts of India.

Gujarat Trade With South-East Asia

South-East Asia comprised centres like Malacca, Kedah, Bruas, Pase, Selangor, Mjamjam and Pedir. Among these ports Malacca was an important port. It spread from Kedah to Acoala¹ Penajy river which flows into the sea, and then from Maur it is bounded by the Kuala Kenang (Acoala Cagum).² It is situated at the mouth of a tiny stream and it is a safer port than the harbour at Singapore.³ It was a city set in the wilderness, a fishing village which had metamorphosed into the treasure house of the Far East. The trade between Gujarat and Malacca was handled mostly in Gujarati ships. European and Gujarati products were imported into this great South-East Asian entrepôt Malacca and exchanged for Chinese goods. Malacca was the point of

convergence for Gujarati merchants and Gujarati goods in this region. The two extremes of Malacca in the equatorial forest and Ormuz on the outskirts of the desert controlled the commerce of the Orient. Gujarati merchants were found in abundance in Malacca and played an important role. A glance at the dominant overseas traders in Asia at that time, shows that the Chinese traders had for internal political reasons disappeared from the seas to the west of Malacca during the fifteenth century. For the rest of the areas the muslims were dominant on most of the long distance routes. The Gujarati merchants of Malacca had their own Shahbandar who was the chief, and wielded great influence with their ruler as well as the people of Malacca.⁴ Malacca was an important port where about 1000 Gujarati merchants were habitating while about 4000 - 5000 were frequenting the port⁵ annually during the first half of the sixteenth century.

Some of the important products exported from Gujarat to the South-East Asian regions were cotton cloths in enormous variety, styles, qualities, colours, and patterns from Cambay. For quality and durability they were considered to be one of the best in Asia. Next to the textiles ranked indigo which was refined at Cambay, but procured at Sarkhej near Ahmedabad. Cambay also exported drugs and medicinal products, especially opium, spikenards, cornelians, arrowroot, lac, borax and Indian wormwood.

Other products were many. There was a handicraft industry⁶ making weapons, furniture and jewellery in Ahmedabad. Since raw silks were not of very good quality in Gujarat it was imported from Bengal. At Ahmedabad, Surat and Cambay the raw silk was woven and was thus the second important textile. Barbosa has rightly described the scene at the port of Pegu in Burma. He says that every year many Moorish ships came to trade and brought abundant Cambay printed cloths both in silk and cotton, called Patolas. These merchants took opium, copper, great store of scarlet-in-grain cloth, coral (both worked and threaded),⁷ vermilion, quick silver and many Cambaya drugs.

Cambay also exported bracelets for women and boxes and caskets garnished with gold and silver, which were prepared from tortoise shells available and brought from the Maldives and which were highly priced at Surat and Cambay. Tomé Pires also mentions silver being exported to Burma. Both the Portuguese writers Barbosa and Pires speak of Gujarat traders sending every year a ship mainly loaded with textiles to Thailand and Siam. Tena-seram was also an important port of call for the Gujarati merchants.

The imports of South-East Asian products into Gujarat were nutmeg, mace, sandalwood, seedpearls, some porcelain, a little musk and benzoin. Many commodities were collected from the various centres of South-East Asia, from where they were peddled by the Gujarati merchants. In this connection Pegu produced sealing wax, rubies, musk, nutmeg and maces which were exchanged

in Banda for the cloths imported. In the same way Moluccas supplied cloves in return for cloth, copper, quick silver and vermillion. Slaves, silver, honey and sandalwood were collected from Timor in exchange for cloths from Gujarat. From the Burmese ports high quality lac, elephants, rubies and articles of Malacca origin were exported.⁸ Tomé Pires also mentions the annual visits⁹ of Gujarati ships to the neighboring ports of Martbam as well. Thus Malacca was the centre from where merchandise were purchased and brought to Gujarat.

The distance between Gujarat and South-East Asia being great, Malabar was a stopover for these merchants. The Gujarati merchants flocked at Malabar, not only to secure local and foreign commodities, but also to sell their own goods. These merchants had their settlements in Cannanore, Cochin and Calicut.¹⁰ The Gujarati ships carried some of the commodities of Malabar, on their way to South East Asian countries and also on their return journey they collected some more products and carried them to Gujarat which later were exported to West Asia and the European centres.

Trade With West Asia

Gujarat's trade with the Western Asian regions goes back as far as the first century A.D.¹¹ The connection between the two has been strong and binding and in the sixteenth century a new dimension was added. The muslim merchants from West Asia found in Gujarat a haven for many items which were wanted by the western

countries. From the point of view of Gujarat and the Gujaratis the trade with West Asia was important and profitable, because it was through those Arab regions in the Red Sea that their goods reached out to a wider sphere. The most important regions in the Red Sea were Jedda and Shehr. Shehr on the Arabian Peninsula was the closest to Gujarat geographically. It was an important area¹² for horse trade. Each horse was sold for 500 to 600 ducats. Gujarat also imported from there wheat, meat, incense, dates and some other fruits.

The trade with Shehr depended completely on the direction of the wind. The Gujaratis exported pearls, sugar and spices. These goods were distributed to the whole of Arabia by the local merchants. Ormuz belonged to the Iranians and it acted as an outlet for Iraqi, Irani and Central Asian products to India. In spite of the size of Ormuz it did have lots of merchants from Gujarat who were attracted towards it.¹³ Apart from horses, items like gold, alum, copper, silk, saffron, rosewater, quicksilver and vitroil were imported from Ormuz to Gujarat. On the other hand, Gujarat sold to Ormuz cotton cloths, rice and spices and products brought from Malacca which were available in Cambay. Ormuz served as an entrepôt in the Persian Gulf regions during the sixteenth century.

Aden also acted as an entrepot. The chief imports from Aden to Gujarat were opium, gold (coins and ingots), mercury,¹⁴ copper, vermillion, woollen textiles, madder and rosewater.

Slaves were also imported from Aden to Gujarat.¹⁵ Traders from Cairo and the Mediterranean regions brought goods to Aden which were in turn purchased by the Gujarati merchants.¹⁶ Gujarat exported to Aden cotton textiles, spices, beads, etc. Jedda was another port on the western coast of Arabia frequented by several merchants who were on their way to Mecca. Trade with Jedda for the Gujaratis, was very risky because the Portuguese often attacked these merchants. Since ships were attacked, zambugs were used as a cover from the Portuguese attacks.¹⁷

Gujarat exported spices of several varieties in exchange for copper, vermillion, quick silver, rose-water, woollen cloths of different sorts, scarlet and velvet, gold and silver. Caravans¹⁸ carried the goods from Gujarat to Cairo and Alexandria. From there they were transhipped by the Venetians who purchased this from the muslim traders. In spite of several attempts made by the Portuguese to capture Jedda, it continued to be one of the most important marts in the sixteenth century.¹⁹ Apart from these regions areas like Bandar Abbas, Shiraz, Basram, Muscat, etc., were also trade centres during the sixteenth century.

Trade With The African Coast

Trade with the African coast included Soffala, Angoche, Melinde, Maguadischu, Guardfui, Mombasa and Suez. In fact Gujarat had long standing relations with the East African coast. Vasco da Gama on his way to India found some Gujarati merchants in Melinde, who guided him to Calicut.²⁰ For this trade with Soffala

too, zambugs were used by the Gujarati merchants. Cotton cloths,²¹ textiles and silk were brought here by the Gujarati merchants. Gujarat imported from here ivory, amber and gold which were transported from Monomotapa to Soffala.

Melinde was visited by both the Hindu and Muslim merchants who took with them cloths of all sorts and in exchange brought back to Gujarat ivory, gold, copper, quick silver, etc.²² Angoche was another important place from where Gujarat imported gold and ivory in exchange for cotton cloths, textiles and silks. Mogadischu which was situated on the coast of the Red Sea exported gold and ivory in exchange for spices, cotton and silk cloths.²³ Guardfui was also frequented by the Gujarati merchants.²⁴ Finally cotton and silk cloths were taken to Mombasa from Diu.²⁵ Barbosa states that gold was sold without being weighed and hence the Gujaratis made a big profit by its sale in India.²⁶ Cowrie was collected from Maldives and was circulated as money.²⁷

Trade Centres In Gujarat

Gujarat also had a few important trade centres which account for its importance in the international trading scene. Tomé Pires has rightly said that Cambay stretches its two arms, one towards Aden and the other towards South East Asia.²⁸ The importance and fame of Cambay as one of the major marts in the field of trade and commerce remained unaltered till the rise of Diu and other such places.²⁹ Yet this great city despite its advantages as the

best sighted port to serve the most fertile area in Gujarat faced serious difficulties, first from the continuous problem of the silting up of the upper reaches of the gulf, and secondly from the tidal bore in the gulf which by repute could put even a man on horseback in danger.³⁰ For this reason the ocean going ships either anchored at Diu or Gogha. Cambay was compared to the town of Flanders for trade and to the European towns for its buildings and houses.³¹ The people of this town were rich and prosperous. Apart from cotton textiles, indigo and various kinds of crafts work, manufactured items beads, velvets and satins were exported.

Diu was an island and had many ports which were condign for trade, and both foreign and indigenous merchants were found here.³² One could see ships from various ports of India and from abroad here.³³ For many years Diu occupied an important place in the Indo-Portuguese politics. Its importance in Portuguese eyes was that it was a strong-hold. As long as it continued to be in Muhammadan hands, the Turks could always find a refuge in it. The sampled cloth of Gujarat, however, had an extensive sale all over the East and when there was war over the cession of Diu to the Portuguese the people felt severely about the stoppage of the supply of these cloths, which were used as currency in many places beyond Malacca.³⁴

The city of Gogha was a big village in the kingdom of Gujarat and was visited by ships from Malabar on their way to Aden. As a district it was large and had great traffic and was abundant in wealth.³⁵ Here one could find all the goods

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 available in Diu. Goods were being despatched from Cambay to Gogha where ships would anchor. This was done in order to relieve the congestion at important ports. Thus Gogha as an auxiliary port played an important role in the local economy.

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 The city of Gandhar is situated at the mouth of a small river and was a great centre of trade where varieties of commodities were exchanged. Cotton cloth, wheat, grains, horses and cornelians were exported from here. 38 Since the water would always recede and advance navigation to this town was quite risky and dangerous. Bharuch was both a point of exit and entrance for goods in Gujarat. The merchants obtained cloves, cardamom and other imported items from here. The main attractions for outsiders were the textiles, yarn and cotton. The popularity of textiles of Bharuch was primarily due to their suitability for the overseas market in South-East Asia and the Red Sea region.

The city of Rander, which was inhabited by Muslims had very well-built strong houses and squares. Before the arrival of the Portuguese it was a great mart for Chinese porcelain. It was a wealthy place and the inhabitants traded in their own ships with Malacca, Benguala, Pegu and Tenasarim and also at Martabam and Sumatra in spices of diverse sorts and drugs and oils in great abundance, musk, benzoin and porcelain and many other wares. Oils and scents were distilled at Rander. Those who wanted to see ships from China and Malacca could see them here more frequently than in any other place and these ships were strong and huge. The

great town of Surat, located on the banks of a river was inhabited by both Hindus and muslims and one could find all sorts of commodities here.³⁹ Frequent visits by merchants from the coastal areas both, national and international, to Surat earned for the Sultan of Gujarat huge profits in the form of revenue. Like Diu under Malik Ayaz, Surat under Malik Gopi witnessed busy trade activities.⁴⁰ Manufactured textiles were one of the most important export from here.

The city of Bassein was inhabited by Hindus and Muslims. The picture of peaceful trade was disturbed by the Portuguese attack in 1535. It was subjected to plunder. Zambugs from Malabar came here with coconut and spices. All ships bound for the Red Sea had to call at Bassein and take cartaz and on return journey again went first to Bassein and paid customs duty to the Portuguese.⁴¹

Inter-Coastal Trade

Unlike the external trade the internal trade of Gujarat had to overcome certain problems which were both geographical and political in nature. In spite of this there was a great traffic between the coast of Gujarat and the trade centers on the western side, to the south of Gujarat. Thus due to the land mass which surrounded Gujarat, it could not have any convenient access to other parts of India by land. The geographical nature of Gujarat hampered the trade and commerce, conducted on land with other parts of India. The Aravalli mountains to the north of Gujarat

stretched from west to north-east from Gujarat to Delhi. Added to this the Thar desert formed a part of the north-west border in Gujarat, adjoining the Rann of Kutch. The Eastern region facing Malwa was shielded by the hills. The only route opened for trade with the other parts of India was through Burhanpur located in Khandesh. The sole hitch was that this route was very busy, being⁴² the only path to connect Gujarat and the South.

Apart from the geographical barrier the political situation prevailing during the said century in Rajasthan and North India too were important factors to be concerned with. The constant bickerings between the Muslims Sultanate in Gujarat and the Hindu Rajas of Rajasthan were hindering the internal trade of Gujarat. But due to the thriving ports on the coastal areas of western India, both Gujarat, and the other parts felt it conducive to exchange commodities amongst themselves. Thus the internal trade of Gujarat was limited mainly to the coastal towns of Konkan, Malabar and Kanara coasts.

Merchants from Kanara went to Goa to purchase goods from the Gujarati merchants and sold these goods on a retail price at their own place. Apart from this Diu was also an important port where ships with sugar from Bhatkal halted. Also Gujarat had trade links with Bera, Barkar, Udipuram and Mangalore ports,⁴³ which was also belonged to Karnataka. Rice was one of the chief products which was imported by the merchants from the Kanara coast. Thus one could find that many small boats made about.

three to four trips to Mangalore, Honavar, Barcelor and took rice⁴⁴ to Goa. They carried passengers who were mainly merchants. They were guarded by the Portuguese fleets, which were surveilling the Arabian sea.

Gujarat Trade With The Malabar Coast

The trade between the coasts of Gujarat and Malabar was most important as far as volume and exchange of commodities were concerned. Infact Vasco da Gama was piloted from Mozambique to Melinde by a Gujarati merchant from where he was further guided⁴⁵ to Calicut on the Malabar coast. Here the Portuguese found a lot of Gujarati merchants buying pepper and other commodities⁴⁶ like betelnut and coconuts.

Gandhar, in Gujarat was used as a base for buying goods from Malabar, since Cambay was not accessible due to the silting of its Gulf. Apart from coconuts, cardamom, ivory, elephants, sugar, blackwood and spices were brought to Gandhar. In return cotton textiles, wheat, cornelian, horses and grains were taken from Diu.⁴⁷ Thus at Diu arecanut, cloves, wax, ginger, chillies, nutmegs, cinnamon, blackwood, iron and silk were unloaded. These goods⁴⁸ were mainly brought from the ports of Malacca and China. Apart from the above ports in Gujarat Gogha, Bassein and Dhanu were the other port-towns where goods were brought from the Malabar coast.

The contacts between Malabar and Gujarat were so intimate⁴⁹ that there were Gujarati agencies found, especially in Calicut. As Diu was the focal point in Gujarat, Calicut was the centre on

the Malabar coast from where goods were bought and sold, by the various merchants. Since the Gujarati merchants covered a vast area from Malacca upto Aden they had to supply the goods according to the needs of the various places involved. Apart from acquiring an interest in coastal trade, the Malabar^{is} and Gujaratis were very close to each other.

In their common interest for trade they even jointly ventured to oust the Portuguese from India. For this they sought the help of the ruler of Cairo to wage the first naval battle in the Indian Ocean of which mention is made elsewhere.

Thus from the beginning of the sixteenth century itself the Portuguese had established themselves firmly in Malabar. So they had to abide by the Portuguese system of trade. It was under this system that the rice trade between Gujarat and Malabar coast was famous.⁵⁰ Thus there was a so-called 'revival' of trade in 1580, when food grains from Daman and medicines from Cambay were exported from the Malabar coast.⁵¹ Another important thing was that by now the Malabari merchants had mostly become pirates, as the whole system of trade between Gujarat and Malabar was monopolized by the Portuguese.⁵²

Konkan Coast And Gujarati Coast.

Lying to the south of Gujarat the Konkan region was important and had a strip of alluvial land along the coast line. Ports like Diu and Cambay in Gujarat supplied merchandise to

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Dabul and Chaul on the Konkan coast. These Konkan ports acted as entrepots between Gujarat and Malabar. For example, copper was brought by the Malabari merchants to Chaul from where the Gujarati merchants purchased it and reexported it to the West Asian countries and the African coast. Likewise goods from the latter regions were brought to Gujarat from whence they were transferred to the Konkan ports. ⁵⁴ Silk and horses were the chief items. Before venturing on to the Arabian and African countries the merchants of Chaul and Dabul halted at Diu. This was because ⁵⁵ of the heavy foreign trade which was conducted in Diu. So the merchants felt that if they found a better market for their goods in Diu they did not have to go as far as West Asia for the sale of their goods. Ships were found frequently at Dabul from Cambay, from where betel leaves were purchased. Horses were also exported ⁵⁶ from Cambay.

As in Malabar so also in the Konkan coast the Portuguese interference gave a death blow to the peaceful trade conducted by the local merchants. ⁵⁷ When Chaul was taken by the Portuguese the Gujaratis felt the effect. This was further enhanced when the ⁵⁸ Portuguese set a naval base at Goa.

Domestic Trade Within Gujarat

Apart from the coastal trade there was trade conducted within Gujarat. Naturally, in order to keep pace with the growing external trade, the various parts in Gujarat had to rise to the demands felt. Obviously the products were not got from one

particular area. They had to be brought from different regions and then exported to other parts of India and the world at large. Similarly goods which were imported in Gujarat had to be redistributed and sent to the places where they were needed.

Thus one could find that Champaneer was a centre from where luxury goods brought from Surat, Cambay and Diu were available. These merchants' goods from Cambay travelled upto Limdora to purchase different objects made from the cornelian and other stones.⁵⁹ Another important item was food-grains. During the time of famines or war food had to be supplied to the victims. For this the banjaras were employed. For example, during the conflict between Bahadur Shah and Humayun the banjaras supplied food to the army of the former.⁶⁰

Apart from this, local markets were organized by the respective rulers. During the time of Mahmud II (1536-54), Muhammadabad was established. In the new capital bazaars were constructed on both sides of the streets.⁶¹ So also in Cambay,⁶² the city was well laid out with squares which were open. Probably these squares were used for the local markets. As there are no direct references given regarding the local fairs or markets, it can be presumed that due to the mixed population of both the Hindus and Muslims, there would have been a lot of festivities. It may be assumed that during these festivals and celebrations merchants brought their merchandise for sale. Also the cities were surrounded with walls and had puris. Each pura

had a market, mosque and buildings. These markets or bazaars were filled with goods and valuables which were very rare. ⁶³

Another important feature of the sixteenth century was the highway robbery conducted mostly by the Rajput and Kolis. ⁶⁴ Due to the Muslim onslaught on Gujarat they had to seek other ways of earning their livelihood. Thus, as a result of living in deprivation they attacked and robbed merchants. Thus in order to protect themselves, merchants travelled with the pattars who were the brahmins. The pattars were esteemed brahmins and were said to be descendants of the earlier kings of Cambay. They were respected by all as they did not eat meat and were vegetarians. ⁶⁵ The highway robbers considered it a sin to attack these pattars.

Merchants

Several persons from different groups in Gujarat participated in the trade, whether it was external or maritime trade or internal and domestic trade. Thus one could find that the merchants of the ports in Gujarat were either Hindus, Jains or Muslims originating from outside Gujarat but now residents here. The dominant merchants in all trade matter in the society were the vanias. ⁶⁶ They were of two different categories. One group consisted of the flesh-eaters and the other group consisted of the Jains who were considered Brahmins by the European writers of that period, and did not eat flesh. The ubiquitous character of the merchant class in Gujarat could be attributed to the contact it had with other nations and continents.

The Jains were very pious and dedicated a chunk of their wealth towards the well-being of humanity. They also had sympathy for the animals and birds. They would not kill any animal or insect or for that matter any living being. They even constructed hospitals-pinjrapole for the animals and birds.⁶⁷ This could be one of the reasons for them to become traders instead of warriors. The other people extorted the money of the pious Jains. The Muslims played upon the soft nature of the Jains to extract money from them.⁶⁸ They would threaten to kill animals like rats and snakes in front of them and the Jains out of sympathy for living beings would offer money for not killing the animals.

Earlier these merchants had a fixed role of distributing goods which were either imported by them or others. But as trade and commerce flourished they became the comprador agents of the foreign trading companies. The term vania was used sometimes to include not only the members of the jati called vaisyas by varna, but also jains and even people belonging to other religions, but following the same profession and trade. The Hindu traders were vaisyas by varna and were known as vanias.

Muslim merchants both of local and foreign origin were found involving themselves in trade in the urban centres of the coastal region. The local muslim converts were apparently of less importance, with the partial exception of the bohras and khojas. The bohras were formerly the Pallivala brahmins who were later converted to Islam.⁶⁹ They were split into two groups. One group

consisted of the sunni muslims who were the peasants. Another group consisted of the Ismaili shias who were the traders. The khojas which literally means 'honourable cometh' were descendants of the luhanas who were converted to Islam in the twelfth century by a shia preacher called Nur Satgur or Nur-ud-din.⁷⁰ The first converts were a gardener and his wife who were called Kaka Akela and Kaka Akeli. The khojas were also from the sect of the Ismaili shia. Both the khojas and bohras being from the Hindu sect, retained some of the characteristics, especially in religious matters and in matters of inheritance. In fact, the sacred book of the khojas depicts the nine incarnation of Vishnu. The memons were also converts from the Luhanas of Thatha and Sind. They⁷¹ were known as the Halai Kutchi and Surati memons.

The participation of the Gujarat nobility in trade, during this period was a new phenomenon, especially as far as maritime trade was concerned. One such person was Malik Gopi who was a brahmin and rose to the rank of a noble in the Gujarat Sultanate as discussed earlier.

Thus a good number of the merchants on account of the capital they accumulated wielded great influence. The rulers needed their help in their endeavors. Thus Malik Gopi as a rich merchant of his time in Gujarat acted as a 'kingmaker'. He was chiefly instrumental in placing Muzaffar Shah II on the throne. Therefore the Sultan had to take into account the suggestions given by Malik Gopi. Similarly, Khwaja Safar entered Gujarat

primarily as a trader and rose to the high position of a noble and became the commander-in-chief in Gujarat organizing a stiff resistance to the Portuguese. Thus caste distinctions as well as professional groupings gave way to mercantile interests. Even the Brahmins were involved in trade which, according to their caste restrictions, was of the vaisyas, an inferior caste. Similarly slaves as well as people of low origin reached the high pinnacle of political administration. All this could be accounted for in the light of the importance attached to trade and commerce which constituted the life and blood of the sixteenth century Gujarat.

Thus the role of the merchants or the rise of the 'middle class' was an important phenomenon. They were different from others and had grown as a result of trade. People from all walks of life mingled to form the merchant class. They had established themselves between the two extremes of production and consumption. Goods that were produced had to, in some way, reach the place where they were needed. So for this some people took it in their stride to transport these goods to their destination. Slowly one could see the role of these middlemen increasing as the demand for the goods also increased. Taking advantage of the situation, these men began to make a profession out of it by being the sole medium of connection between the producers and consumers. In the case of the Gujarati merchants they played a very important role in the trade activities between Gujarat and South - East Asia and Gujarat and West Asia. African coast and

the European countries. In other words they were the 'comprador agents' and collaborators. They were the agents of the European merchants such as the Venetians and Genoans.

The trade conducted in Gujarat, especially the external trade, was a long - distance one. It involved a number of commodities of exchange. Probably it was only as a stop-over and for the necessity of collecting some more items that the Gujaratis visited the Malabar coasts and the Maldives in the course of their commercial voyage. Presumably even despite the Portuguese monopoly, trade continued unabated, though the merchants had to take the passes from the Portuguese. The cases of Malik Gopi and Amir Gopi are clear examples of Gujarati merchants taking cartazes from the Portuguese and sending their ships laden with commodities to the South-East Asian countries.⁷² There were also instances of merchants breaking the Portuguese monopoly and sending their ships without obtaining passes from the latter. So in all the treaties which were concluded with the Sultans of Gujarat the Portuguese insisted that the Gujarati merchants should take cartazes from the Portuguese officials.⁷³

Finance, Banking And Money

In tune with the increasing trade conducted by the merchant class as well as the production made by the craftsmen, there arose a demand for financiers. They were titled as shroffs.⁷⁴ They issued hundies which could either be used as short term capital

or letters of credit to distant places. Another kind of account was the mudis. These were scriptural (or written) proofs of

business account. Money was lent on longer terms to princes, nobles and officials. Though these shroffs were few in number, still they wielded a lot of power in Gujarat in the sixteenth century. Then there was the shahbandar who was generally a nagar brahman and hence was known as nagar sheth. He was an intermediary between the ruler and the merchants. Apart from this he was also in-charge of the daftars or public account. He lent money to the various princes and traders. He was called the 'captain of the baneas' by the Portuguese and served as procurator in all matters concerned with society. He had a broad outlook on everything due to the exposure he had to the outer world. The shahbandars were united among themselves, though they belonged to different walks of life, with regard to caste and creed. They were the centre of monetary policy who achieved control of determining weights and measures and played an important role in exercising judicial powers.

The nature of trade was a complex one. Thus there was the so-called 'barter' system as well as the exchange of money and currency in circulation. Several kinds of coins were found in the sixteenth century. Madrafaxao or muzaffarshahi was in circulation. Mahmudi was another denomination in Gujarat which was introduced by Sultan Mahmud Begada during his reign. It was a silver coin and was minted in Ahmedabad and Mustafabad.

The currency used in the business transactions was called as kanga, laryn, fedea, galalea to name a few. Money was imported from various sources for the external and internal trade conducted in Gujarat. ⁷⁸ The Portuguese not satisfied with the local coins and also due to the increase in trade and demands of the administrative machinery had to introduce new coins in India. Affonso de Albuquerque after consulting all his officials, invited goldsmiths to make some coins as samples. The coin bearing the insignia of a sphere on the one side, and the cross of the Christ on the other side was called cruzados. It was equal to 480 reis in value.

The nature of trade lay in the exchange of goods which were mutually wanted by the various regions involved in trade. For example, pepper was the most sought after commodity of the people from the European countries. Malabar was considered the fountain head for the production of pepper. The Gujarati merchants bought pepper from Malabar coast and exported it to the West Asian and European countries. Similarly from the South-East Asian countries the Gujarati merchants collected mace, nutmeg, seedpearls, benzoin, porcelain etc., which were brought to the coast of Malabar. The Gujarati merchants collected these goods and in return they sold gold and ivory which were got from the African coast. Also, for example, if the cotton fabrics which were exported from Gujarat were not sufficient then other commodities were fetched according to the needs of the various centres. Likewise copper was collected from the African coast and

the West Asian areas to supply for the needs of the centres in the west coast of India and the South East Asia.

Merchant Guild

The guilds of the merchants in Gujarat was called the mahajan. It represented the merchant class mainly which was predominantly an occupational body and represented people who were engaged in a particular occupation. Thus the sheth who was the head of the merchant guild, represented all local guilds in legal matters at the court or in dealing with the other localities or corporations. The organizations co-ordinated the workings of the guild. Apart from looking after the economic interest of the city, the mahajan ruled the city traders and organized the economic life of the merchants.

The agency of the mahajans which was represented by the rich men exercised and perpetuated their control over the individual and the community. Since all their decisions were supposed to be taken in the interests of the public everybody was expected to obey them.

The title of the head of the mahajan was the sheth, whose post was hereditary. His authority was chiefly to fix trade holidays, enforce their observations and collect and make use of common funds, also generally to take cognizance of any matter which concerned the members of the trade. They also had the power to fix the wages, the price of articles and to control the rate

of production. Thus this avoided unhealthy competition, and proper distribution of work was followed lest any single individual should solely enjoy the benefits. Another important duty of the mahajan was to settle disputes.

As a spokesman of the group, the sheth was treated by the state as an intermediary between his community and the state. In some cases he was used as an agent to collect custom-duties and other various taxes. It was in this capacity that the shahbandar was known in Gujarat in the sixteenth century.

The social base of the mahajan being broad they catered not only to the Hindu population but also the non-Hindus who were the members of the guild. The mahajan and the sheths had a regular income from fines, lands and other investments, percentages on bills and exchanges and from deals of specific goods.. Thus the mahajan or trade guild was set up in order to stabilize and smoothen the work of the merchant class.

Increase in the production of commodities was an important factor of external trade. That is to say, as trade with West Asia, African coast and the South-East Asia Gujarat increase and the production of her commodities too had to. For example, cotton and indigo were produced in large quantities in Gujarat because they had a market outside India, and South East Asia mainly depended on India for these commodities. Some of the articles though not essential here in India in particular found markets outside India for its consumption. Likewise textiles, indigo,

coconut, lac and wax, found their way to the West Asian countries from Gujarat. So, as the demand for particular products grew so also the production of the commodities increased, as a result of which the economy of Gujarat grew.

One could generalize that the trade in the sixteenth century was not just a peddling trade. In spite of the Portuguese monopoly the Gujarat trade flourished. By the acquisition of some of the territories by the Portuguese the external trade of Gujarat may have received a temporary setback. But this cannot be considered a serious matter, since the Portuguese were issuing cartazes to all the merchants who were interested in continuing the trade. Also the payment for these cartazes was very nominal i.e., one tanga per ship was charged. It is also evident that the Portuguese could not control the trade in the Indian Ocean to the degree they professed to do.

Thus one could say that external trade in the sixteenth century Gujarat brought in a lot of revenue to the Sultans. It was a long-distance trade and consisted of a number of commodities. The economic growth of Gujarat could be ascribed to trade. The South-East Asian trade was an essential support for the trade being conducted with West Asia and the other countries. Thus we may say that the Gujaratis turned out to be agents of the European merchants, and the trade was quite profitable, since the Mediterranean commodities were exchanged for the Indian goods. The Gujarati merchants were an important medium since the

oriental spice reached upto the European countries. The development of class consciousness and class formation were soon coming into prominence. Religion and caste system were given a backseat and profession in the garb of trade and commerce came into existence. Thus several aspects of economy were developed and the ones which were already prevalent increased to the highest degree possible, in Gujarat, due to the external trade conducted with the other countries. Also urbanization was another important result of external trade and has been dealt with in a separate chapter.

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