
UNIT 21 RISE OF URBAN ECONOMY TRADE & COMMERCE

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21.0 OBJECTIVES

In this Unit, you will study the development of urban economy and expansion of trade during the 13th-14th centuries. After reading this Unit, you should be able to learn that in the Delhi Sultanate three interrelated developments occurred :

- a considerable increase in the size and possibly in the number of towns,
- a marked rise in craft production, and
- a corresponding expansion in commerce.

21.1 INTRODUCTION

The available evidence suggest that the urban economy on the eve of the Ghori conquest was on a low ebb. The towns were fewer in number and smaller in size in the centuries preceding the establishment of the Delhi Sultanate. D.D.Kosambi shows that even the capital was a camp city on the move. The higher ruling class wandered from place to place along with the army while the lower ruling class was almost completely ruralized. This view of urban decline has been supported by R.S. Sharma who has convincingly reasserted his theory of urban decay with the help of enormous archaeological data painstakingly collected.

This theory of decay of towns is further corroborated by the evidence of sluggish trade. The near complete disappearance of gold and silver currencies and the almost total absence of foreign coins in the Indian coin-hoards of the period are indicators that the foreign trade was at a very low scale. Moreover, the fact that not even the coins of various regional dynasties are found in the coin-hoards of other regions suggests that inland commerce was not widespread. All this scenario changed almost immediately with the establishment of the Delhi Sultanate. The archaeological and numismatic evidence corroborate the literary evidence of growth of towns and increase in commerce. This led Muhammad Habib to postulate a theory of 'Urban Revolution' as mentioned earlier in Unit 19.

21.2 GROWTH OF TOWNS

Before discussing the evidence of increase in number and size of towns, we must first understand what we mean by town. There are two simple definitions of a town : (a) the usual modern definition of a settlement of 5000 or above, and (b) a settlement where an overwhelming majority of population (say above 70%) is engaged in occupations other than agriculture. The two definitions are not mutually exclusive but

While the archaeological evidence available for earlier period is not forthcoming from the 13th-14th centuries owing to the much less attention paid to medieval archaeology, the literary evidences testify growth of urban centres. Some major towns mentioned in the contemporary sources are Delhi (the capital), Multan, Anhilwara (Patan), Cambay, Kara, Lakhnauti and Daulatabad (Deogiri). Lahore was a big town but decayed after the Mongol invasion in the 13th century. However, in the 14th century it flourished again. While not even a guesstimate of the population of any town is available in our sources there are reliable indications to assume that at least some of these were cities big enough by contemporary standards. Ibn Battuta, who visited Delhi in 1330, describes it as of enormous extent and population, the largest city in the Islamic East in spite of the fact that Muhammad Tughluq had shifted much of its population to Daulatabad. He describes the latter too, as large enough to rival Delhi in size. Some new towns were established during the period, such as Jhain (Chhain) in Eastern Rajasthan that was named 'Shahr Nau' during Alauddin Khalji's reign (1296-1316).

Factors for Urban Expansion

The strength of the invader, of course, lay in combination and not in dispersal in an unfamiliar land and, thus, in initial stages, it was but natural for the members of the ruling class to prefer to stay at their **iqta** headquarters along with their cavalry. These **iqta** headquarters having the concentration of cavalry, its hangers – on and the retinue and household of the **muqti** thus emerged in the early phase as camp cities. Most of the 13th century towns are in fact defined as **iqta** headquarters in our sources; for example, Hansi, Kara, Anhilwara, etc. These towns were to be fed and provided for. In the beginning, the troops had to go for realising **kharaj/mal** by plundering the surrounding villages; but gradually by the 14th century, as pointed out by Moreland, cash nexus developed. The revenue was realised in cash from the peasants who were thus forced to sell their produce at the side of the field. The merchants catered to the needs of towns giving rise to what we will discuss below as 'induced trade'.

The ruling class coming from a different cultural milieu had needs of leisure and comforts of a different type; they wanted songs in Persian and dances of a different style, books, silk to wear and arcuate light architecture (not the stone edifices). Out of the resources that were indeed enormous by contemporary standards at its command, the new rulers naturally wanted to get luxuries and comforts of their taste which encouraged immigration from Islamic culture area. These immigrants were not only soldiers, but craftsman, artisans, singers, musicians, dancers, poets, physicians, astrologers and servicemen as described by Isami. The immigrant master-craftsman most probably introduced new techniques and articles of technology (you will read the details in Unit 22). In due course, Indian artisans must have learnt the new crafts.

Check Your Progress 1

1) Enumerate the factors responsible for rise of towns during the 13th-14th centuries.

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- 2) Mark the following statements true (✓) or false (✗):
- a) The pre-1200 coin-boards do not usually contain foreign coins.
 - b) Lahore remained a big town during the Delhi Sultanate.

21.3 URBAN MANUFACTURES

It seems that the urban craft production received a twofold impetus with the establishment of the Delhi Sultanate. First, the Sultanate ruling class remained town-centered and spent the enormous resources it appropriated in the form of land revenue mainly in towns, either on buying services or procuring manufacturers. Even the money spent on the service sector partly went to help the urban craft sector through multiplier effect. While the nobility created demand for high-priced skill-intensive luxury items, its hangers-on in all likelihood created a mass market for ordinary artisanal product.

The second factor that contributed to urban manufacturers was the introduction of a number of technological devices that reached India with the invaders. (You will learn about them in detail in the next Unit). In the luxury sector, silk weaving expanded and carpet-weaving came from Persia. The other notable urban manufacture was papermaking. Perhaps a major sector of urban employment was building industry. Barani says that Alauddin Khalji employed 70,000 craftsmen for his buildings.

One may well be justified in saying that there was considerably more masonry per acre of occupied space in the towns of 1400 than in those of 1200.

Organization of Production

It is indeed important to know how production was organized. Whether the town artisans carried out production under the 'domestic system', that is, they owned their tools, raw material and the end product and also sold their product themselves; in other words, whether they were self employed or while tools were their own and they worked at their homes, raw material was provided to them by the merchants, that is whether they worked under the 'putting-out system'. The contemporary sources shed little light on these aspects. One can, however, legitimately assume that since the tools of production even after the introduction of new devices were still simple and mainly of wood and little of iron should have remained cheap. The artisan was thus master of his own tools, though varied forms of labour organization seem to be prevalent. Certain artisans hawked or hired out their services such as cotton-carder who with a bow-string on his shoulder, went door to door selling his services as is evident from the account given in **Khair-ul Majalis**. Spinning was done usually by women staying at their homes. The weavers too usually worked at their own looms at home weaving cloth for sale, out of the yarn bought or spun by themselves. They also worked on wages to weave yarn supplied to them by customers. But if the raw material was expensive such as silk or gold or silver thread, etc. and the products were luxury items, the craftsmen were to work in **karkhanas** under supervision. We have definite information about the Sultans and high nobles maintaining these **karkhanas** where the production was to cater to their own needs and contrary to D.D. Kosambi's assumption was not for market. Shahabuddin al Umari records in his **Masalik-ul Absar** that in Muhammad Tughluq's **karkhanas** at Delhi, four thousand silk workers worked as embroiderers. According to Afif, Feroz Tughluq's **karkhanas** produced cloth and carpets in a big way. While there is no suggestion in our sources, we may only conjecture that perhaps merchants also maintained **karkhanas** where production was for sale.

Check Your Progress 2

- 1) Discuss the factors that contributed to the expansion of urban manufactures during the 13th-14th centuries.

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2) Briefly discuss the various forms of labour organisation in urban centres.
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21.4 TRADE AND COMMERCE

We have seen that there emerged some considerably big flourishing towns as well as numerous townships during the 13-14th centuries. These towns naturally needed to be fed and supplied raw material for craft production. At the same time, there was growing practice of land revenue realization in cash. By the time of Alauddin Khalji, the cash-nexus came to be well developed and the ruling class tended to claim almost the entire peasant surplus by attempting to reduce the share of rural intermediaries, as we have seen in the previous Unit.

Both these factors were conducive to the development of inland trade. To pay the land revenue in cash, the peasantry was forced to sell its surplus produce while merchants had a market in newly emerged towns for agricultural products. This trade resulting from the compulsions of land revenue system is termed as 'induced trade'

21.4.1 Inland Trade

The inland trade developed at two levels : (a) the short distance village-town trade in commodities of bulk, and (b) long distance inter-town trade in high value goods. The village-town trade, as already explained, was a natural consequence of the emergence of towns and realization of land revenue in cash. The urban centres were dependent for supply of food grains and raw material for manufactures from the surrounding villages whereas the villages had to sell the agricultural products to receive cash for meeting the land revenue demand. The peculiar nature of this trade was the one-way flow of commodities. While the towns received grains and raw material from the villages in the vicinity, they had no need to send their products in exchange to the villages which were by and large self-sufficient. This one-way trade was owing to the land revenue demand imposed upon villages which naturally led to a continuous drain on rural sector and made the towns dependent on villages. The turnover of this trade was high in terms of volume but was low in terms of value. The commodities were food grains, that is wheat, rice, gram, sugarcane, etc. and raw material like cotton for urban manufactures.

The inter-town trade was mainly in luxury articles and was thus a high value trade. The manufactures of one town were taken to another : for example Barani reports that Delhi, the capital itself, received distilled wines from Kol (Aligarh) and Meerut, muslin (fine cloth) from Devagiri and striped cloth from Lakhnauti (Bengal) while, according to Ibn Battuta, ordinary cloth came from Awadh and betel-leaf from Malwa (twenty-four days journey from Delhi). Candy sugar was supplied to Multan from Delhi and Lahore and ghi from Sirsa (in Haryana).

The long distance inter-town trade also carried goods coming from other countries

exit-points. Multan was perhaps the great entrepot for overland foreign trade and served as a centre of re-export, while Gujarat port towns such as Broach and Cambay were exchange centres for overseas trade

21.4.2 Foreign Trade : Seaborne and Overland

During the Sultanate period, overland and overseas trade were in a flourishing state.

Seaborne Trade

The Khalji annexation of Gujarat must have enlarged trade relations between the Delhi Sultanate and the Persian Gulf and the Red Sea. Gujarat was connected with the Persian Gulf as well as the Red Sea. Hormuz and Basra were the chief ports for the ships passing through the Persian Gulf, while the ports of Aden, Mocha and Jeddah along the Red Sea were important for Gujarat. Through these ports, commodities moved on to Damascus and Aleppo, on the one hand, and Alexandria on the other. Aleppo and Alexandria opened up to the Mediterranean Sea with linkages to Europe. Merchandise of Gujarat were also carried towards the East – the port of Malacca situated at the Malacca straits and Bantam and Achin in the Indonesian archipelago.

A European traveller Tome Pires, who came to India in the first decade of the 16th century, comments on the trade of Cambay as follows :

“Cambay chiefly stretches out two arms : with her right arm she reaches out towards Aden, with the other towards Malacca....”

Pires further says :

“Malacca cannot live without Cambay, nor Cambay without Malacca, if they are to be very rich and very prosperous. If Cambay were cut-off from trading with Malacca, it could not live, for it would have no outlet for its merchandise.”

The main export from Gujarat to Malacca was the coloured cloths manufactured in Cambay and other Gujarat towns. These cloths were in demand in these places. In exchange, the Gujarati merchants came back with spices grown there. This pattern of “spices for coloured cloths” continued even after the Portuguese advent in the Asian waters.

Varthema, an Italian traveller, who came to India during the first decade of the 16th century, says that about 300 ships (annually?) of different countries come and go from Cambay. He adds that about 400 “Turkish” merchants resided at Diu.

The Il Khanid court historian Wassaf reports that 10,000 horses were annually exported to Ma'bar and Cambay from Persia. The Broach coin-hoards (see Unit 19) containing the coins of the Delhi Sultans along with the gold and silver coins of Egypt, Syria, Yeman, Persia, Genoa, Armenia and Venice further testifies to largescale overseas trade.

The ports of Bengal had trading relations with China, Malacca and Far East. Textiles, sugar and silk fabrics were the most important commodities exported from Bengal. Varthema noted that about fifty ships carried these commodities annually to many places, including Persia. Bengal imported salt from Hormuz and sea-shells from the Maldive islands. The latter were used as coins in Bengal, Orissa and Bihar.

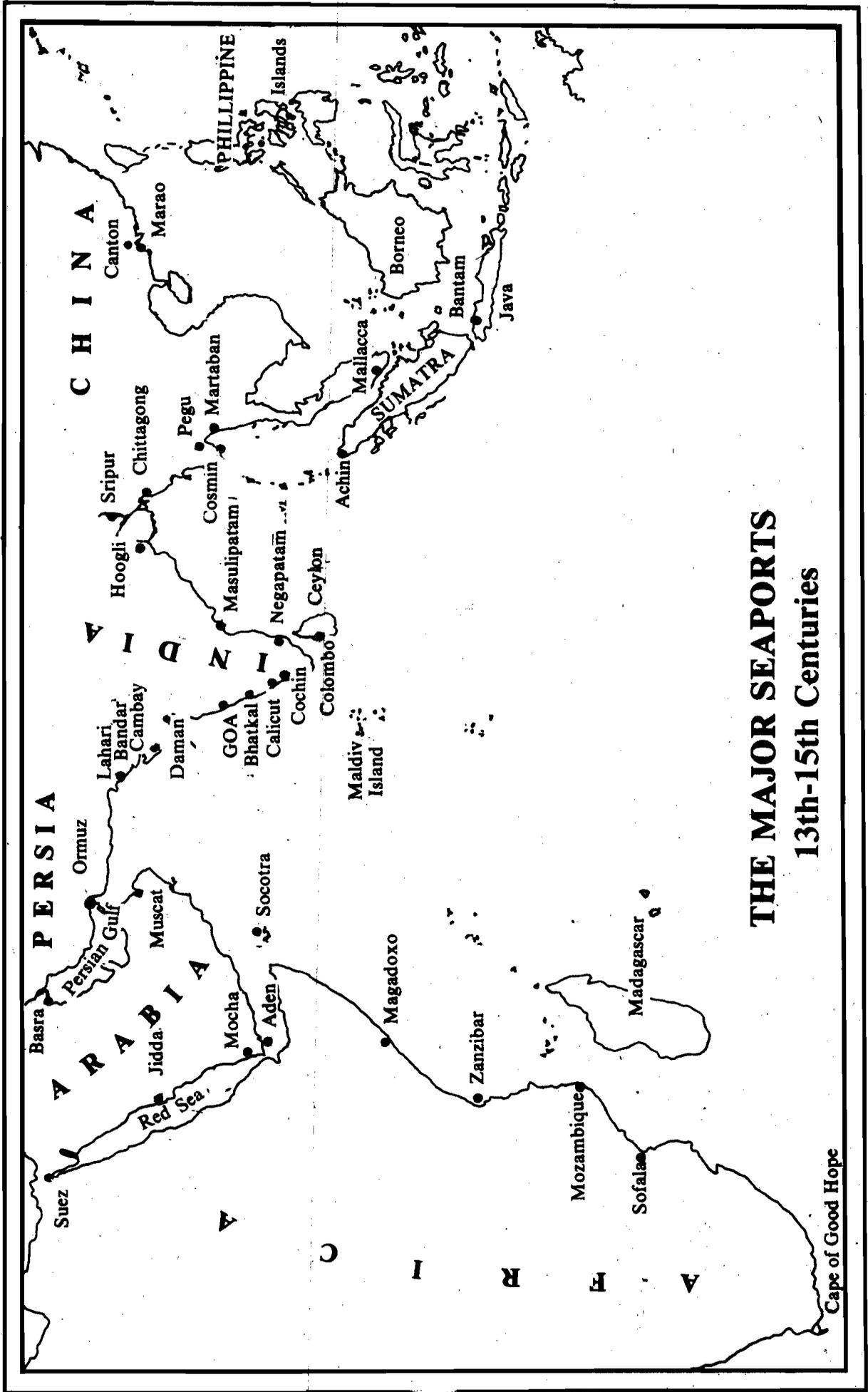
Sindh was yet another region from where seaborne trade was carried on. Its most well-known port was Daibul. This region had developed close commercial relations with the Persian Gulf ports more than the Red Sea zone. Sindh exported special cloths and dairy products. Smoked-fish, too, was its speciality.

Coastal Trade

It was natural for the coastal trade to flourish right from Sindh to Bengal, touching Gujarat, Malabar and Coromandel coasts in between. This provided an opportunity for exchange of regional products along the coastal line distinct from inland inter-regional trade.

Overland Trade

Multan was the major trading centre for overland trade. India was connected to the Central Asia, Afghanistan and Persia through the Multan-Quetta route. But, on account of repeated Mongol turmoil in Central Asia and Persia this route was less



THE MAJOR SEAPORTS 13th-15th Centuries

Imports and Exports

The two principal items of import were : (a) **horses** – that were always in demand for cavalry since superior horses were not bred in India and Indian climate was not well-suited to Arabian and Central Asian horses. They were primarily imported from Zofar (Yemen), Kis, Hormuz, Aden and Persia; (b) **precious metals** viz. gold and silver, especially silver that was not at all mined in India but for which there was a high demand not only for metallic currency but also for fashioning luxury items. Brocade and silk stuffs were imported from Alexandria, Iraq and China. Gujarat was the major centre from where the luxury articles from Europe used to enter.

The Sultanate India mainly exported grain and textiles. Some of the Persian Gulf regions totally depended on India for their food supply. Besides, slaves were exported to Central Asia and indigo to Persia along with numerous other commodities. Precious stones like agates were exported from Cambay.

The Portuguese Advent

In spite of brisk trading activities, Indian merchants' share in the overseas trade was negligible. Only a small section of Gujarati Banias, Chettis of the South and domicile Indian Muslims used to take part in this large trading activity. Trade was mainly in the hands of the Arab Merchants. With the landing of the Portuguese at Calicut in A.D. 1498 after the rounding of the Cape of Good Hope, a new dimension was added to the Indian seaborne trade, that is, the 'element of force'. On account of better ships armed with cannons, the Portuguese soon imposed their commercial hegemony over the trading world of Asia, including the Indian seas, especially in Western part. This curtailed the Arabs' share of the Indian trade, though they survived in the Eastern part, especially at Malacca along with the Indian merchants.

The Portuguese took Goa in 1510 which became their headquarters, Malacca fell in their hands in 1511. Hormuz in 1515; and Bassein and Diu in 1534 and 1537 respectively. Goa, under their patronage, soon developed as a major centre for import and export. The Portuguese well understood the strategic importance of Goa, which in their opinion, was essential to the maintenance of their position in India. But the Portuguese possession of Goa was unfavourable to other Western Indian ports. Tome Pires had rightly observed that the Muslim rulers of the Deccan and Gujarat had "a bad neighbour in Goa". Many ports on the west coast fell into decay during the hundred years of the Portuguese domination in the Indian waters. This happened as a result of the aggressive policies of the Portuguese :

- i) they controlled the sea-routes,
- ii) controlled the type and volume of cargo carried by other merchants, and
- iii) they introduced the system of issuing **cartaz** (from Persian **qirta** = paper sheet) which was a kind of permit to ply ships in the Asian waters without which the ships were liable to be confiscated and the cargo plundered. A fee was charged for issuing a **cartaz**. No wonder, then, all these policies adversely affected the seaborne carrying trade of the Indians as well as of the Arabs.

21.4.3 Commercial Classes

Two types of merchants are mentioned in the sources of the Delhi Sultanate : the **karwanis** or **nayaks** and **Multanis**. The merchants specialising in carrying grains were designated by Barani as **karwanis** (a Persian word meaning those who moved together in large numbers). The contemporary mystic, Nasiruddin (Chiragh Delhi) calls them **nayaks** and describes them as those "who bring food grains from different parts to the city (Delhi) — some with ten thousand laden bullocks, some with twenty thousand". It can be said with a degree of certainty that these **karwanis** were the **banjaras** of succeeding centuries. As is clear from the Mughal sources, these were organised in groups and their headman called **nayak**.

The other important group of merchants mentioned in our sources was that of the **Multanis**. Barani says that the long distance trade was in the hands of these merchants. They were engaged in usury and commerce (**sud o sauda**). It appears that the **sahas** and **Multanis** were rich enough to give loans even to nobles, who, according to Barani, were generally in need of cash. The **sahas** and **Multanis** were generally Hindu, but at least some Muslims also were among the Multani merchants:

merchant). Besides these well defined merchant groups, others who had so chosen could take to trade : thus a **sufi** (mystic) from Bihar became a slave-merchant trading between Delhi and Ghazni, and a number of pious men from Central Asia came to Delhi and became merchants.

Another important commercial class that emerged during the Sultanate period was that of the **dallals** (brokers). They worked as a link between the buyer and the seller and took commission from both the parties. Barani says that they were the 'masters of market' (**hakiman bazar**) : they were instrumental in raising prices in the market. Alauddin Khalji used to consult them about the cost of production of every article in the market in order to fix prices. The reference to 'Chief' brokers (**mihtran-i dallalan**) by Barani also suggests a somewhat well established guild of brokers, though the details are lacking. However, during Alauddin Khalji's reign these 'Chief' brokers were severely dealt with. But by Feroz Tughluq's reign, they seem to have regained their position. Feroz Tughluq had abolished **dalalat-i bazarha** (a tax on broker's licence; a cess on brokers). Besides, even if a deal between the buyer and the seller failed to materialize, the brokers were not supposed to return the commission money. This also shows that during the Tughluqs 'brokerage' became a fairly well-established institution.

Sarrafs were yet another mercantile group whose economic role was no less important than the brokers. As money changers, they were most sought after by the merchants, especially the foreign ones who came to India with their native coins. The **sarrafs** tested the metallic purity of the coins (indigenous and foreign) and established the exchange-ratio. They also issued bills of exchange (Hindi: **hundi**; Persian: **suftaja**) or letters of credit, thereby acting as "bankers". The introduction of paper by the Turks into India accelerated the institution of bill of exchange. For all these troubles, the **sarraf** naturally charged his commission.

Thus, both the brokers and the **sarrafs** occupied pivotal position in the commercial world of their period; they were the custodians of several basic economic institutions. Indeed, no merchant could have dispensed with their services.

21.4.4 Transport

It appears that the goods were transported both by pack animals and on bullock-carts. Perhaps the share of the pack animals was more than the latter. Ibn Battuta mentions 30,000 **mans** of grains being transported on the backs of 3,000 bullocks from Amroha to Delhi. Bullock-carts were also used, according to Afif, for carrying passengers on payment. The pack-oxen were of course a cheap mode of transport travelling slowly, grazing as they went and moving in large herds, thus reducing the cost of transport specially along the desert routes. Ibn Battuta describes that highways ran through the empire marked by minarets spaced at set distances. On the testimony of Shahabuddin al Umari, the author of the **Masalik ul Absar**, we may infer that efforts were made to create conditions conducive to trade. Inns were built at each stage (**manzil**). In Bengal, Iwaz Khalji built long embankments to safeguard from floods. Boats were employed for riverine routes to carry bulk goods, while large ships used for seaborne trade.

Check Your Progress 3

1) Write notes on:

a) **Banjaras**

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b) **Multanis**

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and functions of the existing commercial classes – the **karwanians**, **Multanis**, brokers and **sarrafs**. You have also read, in spite of the brisk trading activities, Indian merchants' participation was negligible and the overseas trade was almost monopolised by the Arab merchants. During the closing years of our period of study, a new factor the 'Portuguese' was also introduced with the discovery of new route via Cape of Good Hope that gradually transformed India's trading relations with the world in the coming year.

21.6 KEY WORDS

Domestic Production : Production in which tools as well as raw materials were owned by the artisans

Entrepot : Trading centre/port for import and exports

Mal : Land revenue

Putting-out system : Production in which the tools were owned by the artisans but cash was supplied by the merchants

21.7 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress 1

- 1) See Sub-sec. 21.2.1
- 2) (a) ✓ (b) × (c) ✓

Check Your Progress 2

- 1) See Sec. 21.3
- 2) See Sub-sec. 21.3.2

Check Your Progress 3

- 1) See Sec. 21.4
- 2) See Sub-sec. 21.4.1
- 3) See Sub-sec. 21.4.4.
- 4) See Sub-sec. 21.4.1, 21.4.2.