

INDIAN TRADE - Ancient Period

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Overview

India was part of inter-regional trade from at least the time of the Indus Valley civilisation in the third millennium BCE. By 100 CE, overland and maritime routes had connected Indian traders and goods with Roman, Greek and Persian empires. Later maritime routes linked them with China and Southeast Asia, but trade across the Indian Ocean to Africa and the Middle East remained the most lucrative. The arrival of British, French and Dutch ships during the colonial era pushed India into the very centre of global trade. In general, India enjoyed a healthy balance of trade, due to the foreign demand for such commodities as sugar, spices, indigo and cotton.

Indus Valley Civilisation

Internal trade Food, raw materials and manufactured goods were traded between villages, regional markets and urban centres within the IVC area. Harappa had an open-plan market for stalls, surrounded by workshops where shell, copper and agate artefacts were produced. Fascinating new analyses of grain deposits (phytoliths) suggest that rural farmers shifted from growing a single crop for local consumption to a variety of crops that were processed for trade with the regional centres. It is thought that this shift occurred because of commercial demands from powerful merchants in the cities.

External trade External trade was crucial to the IVC economy. Lapis lazuli, tin, gold, silver and fine woollen textiles came from Central Asia, West Asia and Afghanistan. To these regions, the IVC exported mainly cereal grains, livestock and cotton textiles. Trade with Mesopotamia is demonstrated by the fact that shell bangles, carnelian beads and numerous Indus Valley seals have been found in ancient Near Eastern cities.

Classical Period

Mauryan Empire The Mauryan Empire rested on the development of an extensive network of internal trade routes with regular resting places. In particular, routes reached to the far northwest, where trade continued through to Persia and Greece, who became major trading partners with India under the Mauryas. Much of this domestic trade utilised rivers, especially the Ganges and the Godavari. Maritime trade extended to the Malay Peninsula into Southeast Asia, exporting luxury items such as silk and textiles, spices and exotic foods. The Mauryas also created a special department for the construction of roads.

Gupta Empire The modernising urban economy that flourished under the Mauryas developed even further under the Guptas (320-c. 550 CE). The Mauryan state instituted a single currency across India to facilitate trade, while the Gupta rulers improved roads and extended trade routes so that even interior areas had access to commercial centres and seaports. This sophisticated transport system enabled the Gupta rulers to collect land tax and import duties.

Arikamedu Archaeologists have excavated a large trading centre at Arikamedu near modern Pondicherry, south of Madras. Along with a hoard of Roman coins, they found residential quarters, warehouses, docks and fortifications. Other sites have been found along the east coast and west coast, suggesting a network of linked trading outposts.