Indigo Trade of India in Seventeenth Century

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Indigo is a natural dyestuff, blue in colour which was traditionally associated with India, where it was grown and used, hence the name Indigo. Indigo is the common name used by the artists, clothing manufacturers, and others who used the cloths in work productions. Indigo is the modern English name for the pigment, however there are several names by which Indigo was reffered in the ancient times like N-tinkon in Egypt, Indikon in Greece. In China the pigment yielding plant are called Ian Coa, in Japan ai, Seitai and Aibana, and in pre-Coloumbain Mexico Mattalli, Texotti, Oxoxvic, and Pitzahoac, in India Indigo is called Nili or Neel in Hindi. Indigo was known to the ancients of Asia, Egypt, Greece, Rome, Britain, and Peru. Indigo word is derived from Greek word "Indikon" means obtained from India.

Trade routes and Inland trade of Indigo in Medieval India

The merchandise passing the land frontiers of India was of small importance at this period; the routes open to trade were few, and long intervals elapsed between the passage of successive caravans. According to English traveler in Medieval India, William Fitch, mentioned that he departed from Agra for Lahore to recover the debts, and for his daily expenses he carried

¹ http://www.sewanee.edu/chem/chem and art/detail_pages/pigments, downloaded 9/22/2004

² Ibid.

³ http://www.sewanee.edu/chem/chem and art/detail_pages/pigments, downloaded 9/22/2004

⁴ Encyclopaedia Britannica electronic version at http://www.britannica.com/nobel/micro/289_85.html dated 9/22/2004

twelve carts laiden with Indigo with him in hope of good price in Lahore, so that he could make profit out of Indigo.⁵ The place he passed, on the coarse of Lahore were Rownocta (near Agra), Gosain, Akbarpore, Hodal (Haryana), palwal (Haryana), Faridabad (Haryana), Delhi, Narela, Ganger, Panipat, Karnal, Thaneshwar, Ambala, Sirhind.⁶

There might be about 10,000, or even 20,000, pack oxen moving six or eight miles a day, and as each animal would carry something like 3 cwt. ⁷ the total load would be from 1500 tons upwards. This is undoubtedly a large amount, being equivalent to the weight which, could be carried by three or four ordinary goods trains at the present day, but such movements were not frequent; it is obvious that such large herds could be provided with fodder and water only during a few months of each year, and if we take their speed into account, we shall find that an entire season's traffic would be equivalent to an amount which a railway could carry over an equal distance in less than a week. India had thus developed a system of internal transit which, like her sea-going trade, was a remarkable achievement for the period.

The seasons dominated the land routes also; traffic was practically at a standstill during the rains, and was reduced to small limits during the hot weather, when fodder and water were difficult to get, so that we find that there were four hot and four wet months, in which time there is no travelling and therefore unfit for commerce.⁸ There were four alternative routes from Surat to Agra due to weather. Another English traveler, Nicholas Withington carried large amount of Indigo with him on route to Surat from Agra, a popular route in Medieval India for trade

⁵ Fintch, Willaim, Early Travels in India (1583-1619 A.D), edited by Foster, William, S.Chand & Co., New Delhi, 1968, pp. 157-158.

⁶ Ibid.

⁷ Moreland, W.H. India at the death of Akbar, An economic survey, Atma ram and sons, New Delhi, 1962, pp.226.
⁸ Ibid.

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purposes. Usually businessmen carried huge amount of Indigo with them to handed over it to another agent who sell this Indigo to the Arab countries by the means of sea-bourne trade as Surat was big port of that time. Another route was from Agra to Sind which headed for Lahore and middle-east was also favourite and lot of Indigo trade was also done on this route too.

Besides these sea-routes, there were two main land-routes for export trade. They lay from Lahore to Kabul and beyond, and from Multan to Kandhar and beyond. But the sea-routes, which were comparatively secure and advantageous, were more frequently used than the land-routes, ¹¹ while textiles and indigo were the most important commodities on the Indus. Bengal, on the other hand, had an important trade in produce. ¹² Provisions of superior quality were moved in the direction of Agra. ¹³ At the close of the sixteenth century forces were just coming into existence which subsequently led to a marked rise in the prices of various staples, and to a large development of trade.

Trade dynamics of Indigo trade with reference to Western World and European Countries

THERE is ample evidence to show that the indigo industry was one of the premier industries of the country during the 17th century. With the advent of the English and the Dutch into the country, the demand and importance of the indigo enhanced many times and it became an important item of international trade. Despite various hazards like natural calamities, the monopolistic attitude of the Emperor, the role of the middle men and the rivalry between the

¹¹ Shrivastava, A.I, The Mughal Empire, (1526-1803), Shiva lal Agarwala & co., Agra, 1975, pp229

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⁹ Withington, Nicholas , Early Travels in India (1583-1619 A.D), edited by Foster, William, S.Chand & Co. , New Delhi, 1968, pp. 222-223.

¹⁰ Ibid., pp. 218.

¹² Moreland, W.H. India at the death of Akbar, An economic survey, Atma ram and sons, New Delhi, 1962, pp.228 lbid.

Europeans, it remained a popular export item due to its many uses. Finch, on August 30, 1609, mentioned three varieties of indigo produced during that time. The first and the foremost variety was from Bayana (near Agra) and sold at 40 to 60 Mahmudis¹⁴ per maund. Sarkhej (near Ahmedabad) was sold at the rate of 25 to 30 Mahmudis per maund and that from Jambusar (between Cambay and Surat) was sold at 15 to 20 Mahmudis per maund. Marco Polo, a veteran traveller, who visited India during the latter part of the 13th century, noted "that at colium they make an abundant quantity of very fine indigo. This is made of a certain herb which is gathered and (after the roots have been removed) is put into great vessels upon which they pour water and then leave it till the whole of the plant is decomposed".

India's foreign commerce consisted of what we should now call an exceedingly small volume of comparatively expensive goods, but in order to form a just idea of its value it is necessary to discriminate between the prices of commodities before and after transport. The addition to export prices required to cover the cost and risk of transport was very great, and the essence of the business was to deal in those commodities in which the difference in prices afforded an adequate margin, a margin very much wider than any modern merchant can hope to secure.

The annual needs of Europe in spices, indigo, and raw silk could be obtained in the East Indies for about £ 51 1,000, while if the same quantities were purchased at Aleppo they would have cost; £1,465,000, or, in other words, that the value would almost have trebled between the Indies and Aleppo; and further on he gives figures to prove that goods bought in India for

¹⁴ A popular coin current in Gujarat, equivalent to 2/3 of a rupee

¹⁵ Finch, William, The Early travels of India 1583-1619 A.D), edited by Foster, William, S.Chand & Co., New Delhi, 1968, pp. 152-154.

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£100,000 and brought to England by sea would be worth over £ 492,000 on arrival. 16 Such figures as these help us to understand the way in which merchants estimated their profits; we read of goods being disposed of "at four for one," or even higher proportions; and it is not unreasonable to conclude that successful business in the Indian seas meant at least a doubling or trebling of the price paid at the point-where -goods were taken on board, while an even larger factor might be essential in the case of distant voyages. It must not, however, be assumed that these high profits on the turnover meant a high average rate of profit on the business. A merchant looked for a price of perhaps four for one if his venture was successful, but this return covered outlay, interest, and risk of loss. The items of outlay and interest were high because of the time occupied in transit; the risks from weather, enemies, and pirates were literally enormous, and in the case of the longer voyages a large proportion of the capital invested brought no return at all. We have seen that in the course of ten years sixteen carracks out of thirty-three were lost between India and Portugal, so that, taking hulls as well as cargo into account, more than half the original value of the exports disappeared. On the route from India to Japan, owners were satisfied if two ships out of three completed the outward voyage, and losses were equally frequent on the homeward journey, so that out of nine vessels starting on the three years' enterprise, four might be expected to return.

In the Seventeenth century Indigo had been extensively exported to Europe from India, but the competition from West Indies producers later drove it out of the European markets, and Indigo

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¹⁶ Moreland, W.H. India at the death of Akbar, An economic survey, Atma ram and sons, New Delhi, 1962, pp.222

which was produced in Northern India in this duration was chiefly sent to the middle East.¹⁷ The Dutch factors who reached Surat in 1601 A.D, signify that Indigo was the most important local product and a Dutchman van Deynsen was arranging to buy indigo in the year 1607 A.D due to its importance and soon they released its importance and it can play a pivotal role in commercial activities.¹⁸ The report sent home from Surat by William Finch in 1609 A.D gives indigo the place of honor among possible exports.¹⁹ The instructions sent out from England by successive fleets furnish ample proof that at this time the English Company relied more on Indigo than on anything else for the development of the Indian trade. In Sir Thomas Roe's phrase, it was the "prime commodity."²⁰

In the seventeenth century Indigo was widely grown in India, and production at various places like Sind, Gujarat, in the Deccan, and along the East Coast, but as a rule the product was intended for local consumption, and exporters at first recognized only two commercial descriptions—Sarkhej and Lahori.²¹ The town of Sarkhej, which lies a few miles from Ahmadabad, the chief market of Gujarat, was then an important centre of production, much of its produce being exported to the Persian Gulf.²² Some of the indigo known as Lahori came from the Gangetic duab, but most of it was the produce of a small tract of country near Bayana, or Bayana, lying about fifty miles south-west of Agra, it had for long been exported by the overland

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¹⁷ Chaudhuri, K.N, edited, The Economic development of India under the East India company, 1614-1858, Cambridge University press, London, 1971, pp. 32

¹⁸ Moreland, W.H, From Akbar to Aurangzeb, A study in Indian Economic History, Munshiram Manoharlal, New Delhi, 1972, pp. 109

¹⁹ Ibid., pp. 109

²⁰ Ibid., pp. 109

²¹ Bakshi, S.R, & Sharma, S.K, The Great Mughals, Aurangzeb, Vol. 6, Deep and Deep publications, New Delhi, 1999, pp. 360; Moreland, W.H, From Akbar to Aurangzeb, A study in Indian Economic History, Munshiram Manoharlal, New Delhi, 1972, pp. 109

²² Ibid., pp. 360

route, and had acquired the name of Lahori in the Aleppo market from the fact that the caravans were made up in Lahore. The indigo produced at Bayana was considered to be comparatively pure, and it is often spoken of as "round" from the fact that it was made up in balls. The Sarkhei product was prepared in the form of cakes, and called "flat"; its distinguishing feature was an admixture of sand, so that about three pounds of Sarkhej were equivalent to two of Lahori. Lahori commanded the higher price in Europe, but it cost more to put on the market, and the variation in Indian prices was the principal factor in determining the quantity of each brand to be exported in any particular year.²³ From the development of the export traffic as a whole, indigo is fairly entitled to the first place.

Portuguese also started to trade in Indigo, though in small quantities because their prime article was pepper. In European countries too a blue dye was required by the woolen industry, which occupied so prominent a position in that region, and originally the need was met by the use of woad, but towards the close of the sixteenth century woad was giving place to indigo, and the struggle between the two dyes resolved itself largely into a question of the price at which the Indian product could be obtained. Indigo were mainly used in the western Mediterranean area. The Portuguese carried indigo to Lisbon in moderate quantities, and the prospects of the trade were such as to induce the king of Spain to monopolize it in the year 1587 A.D, show that the export was only 20 cwt. in 1602 A.D and 940 cwt. in the following year.²⁴ Indigo was the commodity chiefly sought by the European in first place due to its color and need for dyeing cloths.

²³ Moreland, W.H, From Akbar to Aurangzeb, A study in Indian Economic History, Munshiram Manoharlal, New Delhi, 1972, pp. 109-110

Ibid., pp. 108

Indigo exports were marked by the fluctuations because of its demand in Europe and its produce in India was not directly proportional in the seventeenth century, due to lack of proper infrastructure for Indigo cultivation which later adopted by the English planters. Indigo was mostly imported by Britain while cotton and opium mostly sent to China.²⁵ The market for indigo was highly unstable one, since it was an industrial raw material for which the elasticity for demand was very low and fluctuating one. However the expansion of the textile industry in England in the Eighteenth and early Nineteenth century also led to a secular growth in the demand for the Indian Dye. 26 Bleaching and dyeing of textiles was done by the Indigo dye that's why it was considered as the industrial raw product and without it, whiteness on the cotton cloth can not be achieved very accurately, thus its importance was more in European countries.²⁷ Actual revival of Indigo trade in India was dated from 1780's when the French Wars and the slave revolt in the West Indies began to reduce the supplies of Indigo to the Europe which was big threat for Indian produced Indigo.²⁸ The foreigners, who took great interest in trading with India, were mainly English, French, Portuguese and Dutch, among whom the English were most actively involved. All the goods imported or exported by these traders were liable to pay a tax known as custom duty which was realised by imperial officer and formed a significant source of income to the Royal treasury.

There were many famous centres of overseas trade in Northern India which included—Dacca. Chitgaon, Balasore, Hugli, Orissa, Surat, Bharoach and Ahmedabad. The goods imported and exported, were mainly silk, cotton, spices, metals, silver and Indigo.²⁹ While taking to and from India they had to pay the custom fee which was fixed for English as 3.5 percent (which later was

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²⁵ Chaudhuri, K.N, edited, The Economic development of India under the East India company, 1614-1858, Cambridge University press, London, 1971, pp. 31

²⁶ Chaudhuri, K.N, edited, The Economic development of India under the East India company, 1614-1858, Cambridge University press, London, 1971,pp. 31

²⁷ Bakshi, S.R, & Sharma, S.K, The Great Mughals, Aurangzeb, Vol. 6, Deep and Deep publications, New Delhi, 1999, pp. 339

²⁸ Chaudhuri, K.N, edited, The Economic development of India under the East India company, 1614-1858, Cambridge University press, London, 1971, pp .32

²⁹ Bakshi, S.R, & Sharma, S.K, The Great Mughals, Aurangzeb, Vol. 6, Deep and Deep publications, New Delhi, 1999, pp. 316

reduced to 1 percent) and for Hindus 5 percent. Muslims were ultimately totally exempted from paying the custom.³⁰

Different sources have mentioned different rates of custom but it may be concluded that, in general, the Hindu traders had to pay 5 percent, the European 3.5 percent and that the Muslim could import and export articles of trade without paying the custom duty. Use of indigo was prohibited in England during the first half of the seventeenth century, and it appears to be negatives by the fact that patents for processes involving its use were being granted at this time. Mr. William Foster conjectures that the statement may have arisen out of confusion between indigo and another dye, logwood, the use of which was in fact prohibited by Parliament.³¹

The consumption of indigo in Western Europe was mainly a question of price. Bayana Indigo prices were highest in the London at around £ 6, from 1606 to 1638 A.D., but drops out in 1646 A.D. The drop about 1646 A.D. was attributable to the disturbance of the market caused by the civil war in England, excluding this period, it will be seen that the effect of the direct trade was to reduce the price of Bayana indigo by 25 per cent or more, with a somewhat smaller proportionate reduction in the case of Sarkhej, and the difference sufficed to produce a large increase in consumption. Sarkhej Indigo was priced below the Bayana Indigo due to its quality and least prices were offered fro the Coromandel yielded Indigo at around £ 1.5.³² The direct imports to Lisbon in. 1602 A.D and 1603 A.D were, 20 and 940 cwt. respectively. In 1619 the imports to London exceeded 4300 cwt., while over 1000 cwt. reached Amsterdam in that year from the East Coast. In the next decade the English ships carried less, the standard of the years 1625-28 A.D being from 2000 to 3000 cwt., but by this time the Dutch were busy at Surat as

³⁰ Bakshi, S.R, & Sharma, S.K, The Great Mughals, Aurangzeb, Vol. 6, Deep and Deep publications, New Delhi, 1999, pp. 316

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³¹ William Foster, Early travels of India; Journal, Royal Society of Arts, LXVI. 362; Moreland, W.H, From Akbar to Aurangzeb, A study in Indian Economic History, Munshiram Manoharlal, New Delhi, 1972, pp. 108

³² Moreland, W.H, From Akbar to Aurangzeb, A study in Indian Economic History, Munshiram Manoharlal, New Delhi, 1972, pp. 111

well as Masulipatam, and, though figures for their trade are not available, it is probable that on the whole there was an increase rather than a reduction in the total quantity exported.³³ Passing over the years when the trade of Gujarat was disorganized owing to the famine, we find that at the end of the next decade English exports show a further fall, showing 1480 cwt. for 1638-39 A.D, and barely 1000 cwt. for 1640-41 A.D; but here again the fall in English trade was more than counterbalanced by the expansion of the Dutch. The figures of their trade during those particular seasons are not available, but their indent for 1639 A.D was 3400 cwt.; in the calendar year 1641 A.D they exported to Batavia over 4300 cwt.; and in 1642 A.D they handled the remarkable quantity of over 8000 cwt..

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