CHAPTER - V

TRADE

Trade constitutes a significant concomitant link in the growth of ports which primarily serve as nodes of commerce. Its influence - either positive or negative - is very expansive. It has generally been observed that trends both in terms of sudden fluctuations as well as depreciating returns have a far reaching impact on the economy of any society. The level to which the Goan commerce in the course of the century underwent transformation in terms of its composition and an analysis of the degree of participation by different social groups forms the fundamental crux of this chapter.

The concept of commerce pertaining to this period has been analysed in detail by several renowned historians. Many hypotheses have been postulated. These theories mainly examine the relationship between the agrarian state and the peddling trade. The business in expensive commodities, for example, is presumed to have been conducted by people who 'peddled' their own merchandise. On the other hand, a second opinion suggests that the Portuguese system, as it evolved over the decades, developed into comparatively more of a distributive form, without much participation in production. Furthermore, an alternative assumption considers the components of the then existent intra Asian transactions to be predominantly in the form of bulk goods rather than in luxuries [11].

Trade had consistently played a pivotal role in the total development of Goa. Wider networks were established as links with other zones along the coast and Asian countries were extended during the century. The conjunction with
the corresponding tracts contributed substantially in not only extending the business activities but also assisted in the furtherance of the city’s urbanism. Moreover with the Portuguese conquest, Goa for the first time entered into direct contact with the European market. The move was pre-empted due to the fusion of two main factors: the establishment of a straight link and, the evolution of a nascent form of Portuguese entrepreneurship. The entire procedure was organized so as to encourage the incoming of highly demand oriented items to Goa. These were then transported to others possessing large consumer markets. The period therefore was witness to the stretching of the destinations and progression of an entree into several trading networks.

The chapter emphasizing on the character and the major constituents of Goan trade focuses on two imperative sub sections. It incorporates the varied dimensions of its interchange and the classes involved at all levels. The first portion stressing on the purview of internal commerce would include the local, coastal and interregional transactions. The local aspect is composed of bazaars conducted within the limits of the city to serve the needs of the resident population. The latter was also catered to on a slightly larger scale by the surrounding regions of Salsette and Bardez. The interregional aspect incorporates the financial accretion accruing from both the eastern and the western coasts in addition to other areas.

It involves a study of the contacts with the Kanara region, Gujarat, Bengal, Cochin, Cananore, Barcelor, Batacala, Bassein and Pulicat. External trade on the other hand is of three widely classified regions. Intra-Asian trade deals primarily with Ormuz which maintained regular traffic with Goa. Other areas discussed are Basra, Macao and Japan. Indo African trade forming an extension concerns the transactions primarily with Macao, Mozambique and Mombaca, among other countries while Indo European trade implies the
extensive modulation that came about with the direct contact with Portugal.

A natural subsequent corollary in this analysis is a comprehension of the composition of the commodities exported and the role of those exclusive ports which extensively fostered Goa's prosperity. The concepts of cañilas and cartazes - the two mechanisms introduced by the Portuguese are also elucidated.

The second section of the chapter is regarding the roles of the different social strata. Being an economically lucrative profession, trade attracted and encompassed a wide spectrum of classes at two distinct levels. The Royal and the State's concurrence, for instance, was at a higher plane while the other more broad based section affecting a wider gamut of people was on a comparatively lesser scale. To elaborate, it was firstly the King's Royal monopoly, the Estado da India's official trade and, secondly the involvement of the company officials, the casados, the fidalgos, the banias of Cambay, the Armenians and the local traders. A few foreigners also entered the enterprise towards the end of the sixteenth century. It was an aftermath of the Government's policy of encouraging large scale investment and participation in the Goan trade.

To begin with, in order to have a better comprehension of the method of operation of the entire mechanism, it would perhaps be beneficial to identify the then contemporaneous forms of markets. The prevalent Indian types dating to this period can be broadly classified into four major types. These were:

a. The emporia for the long distance trade. They incorporated those involved in both the overland and the overseas expeditions.
b. Small scale bazaars: These could generally be located in regions where the commodities put up for sale were primarily accumulated from the immediate hinterland to meet the local consumption. They also incorporated mandis.

c. Periodic fairs conducted on a regular basis, had to specifically deal with the hawking of commodities that were in constant demand.

d. The presence of the truly "isolated" rural markets. In these centres, the commodities marketed were entirely indigenous, with no contact or influence whatsoever with the external world.

The port towns as classified in the first category were oriented mainly to cater to the demands of international trade. The smaller urban centres whose top priority was the accumulation of the goods from their immediate vicinity / hinterland, disseminated the same through the neighboring and distant markets [21].

In this context, it is also pertinent to examine the extent to which the above elaborated model could have prevailed in Goa. As stated, the first issue to be discussed in this format is internal trade. It incorporates the local market i.e., the daily marts constantly organized through the city as well as the incessant traffic from the immediate regions. Trade with the ports on either side as well as other regions is also within the purview of the section.

**LOCAL/MICRO TRADE:**

It constitutes the foundation for the understanding of trends and repercussions
occurring on an extensive scale. After all, irrespective of the magnitude of external commerce, any economy can survive solely on the basis of its regular and routine commercial activity which is usually geared for local consumption. Moreover, these rural markets are significant as they are the prime indicators of intralocal trade.

As far as the production of extremely basic articles is concerned, Goa was reasonably equipped. Green vegetables, coconuts, coconut oil and fish - all commodities of day to day requirements - were indigenously procured through the cultivation and maintenance of kitchen gardens and palm groves attended by slaves. In addition to these, another locally manufactured product was the distilled palm arrack. One of the most popular native drinks, it was marketed at major outlets within the confines of the city. The remaining surplus if any, could have been sent to other regions. Tobacco a habit forming crop having immense commercial value, was introduced by the Portuguese within the early decades of the sixteenth century itself. As its popularity grew, it evolved into a commodity having high internal demand.

**DAILY MARKETS:**

These were conducted at important landmarks on a regular basis. They proved to be of immense value as all multifarious forms of merchandise - whatever the range - were made available through them.

The fish bazaar was a mart catering to a regular clientele. Its survival was guaranteed due to Goa's existence as a port and the large scale participation of the natives who considered fishing their vocation. Also known as the quay of St.Catharine, it was located in the vicinity of the Royal hospital.
The Bazaar Grande another market, was conducted on the quay in proximity to the Viceroy's palace. It was open to the public on a constant basis. The components put up for sale were predominantly Indian in origin. The Pelourinho velho was situated close to the big mart organized on the Rua Direita. Edible commodities and fruits were the main objects on display. It also functioned as the baratilha during the late evening hours when stolen items were available at exceedingly low costs.

The largest market was arranged on either side of the Rua Direita. The miscellaneous nature and the easy procurability of the commodities on the street testify to the extensive trade contacts established and maintained with diverse regions and countries. Goods including Persian rugs, colored cotton textiles native of Cambay, Chinese porcelain, Portuguese woolen fabrics, pearls of the Fishery Coast and the Persian Gulf, nutmegs and cloves originally of the Moluccas, ginger and pepper from the Malabar, Arabian horses, African slaves, and a wide range of jewels and sweet gums were hawked. Business was conducted on all week days excepting sundays which were declared holidays. The street was also notified as the Rua dos leilões since it was the main centre for conducting auctions. Slaves constituted a predominant proportion of the items which were daily sold. Their large scale purchases serve to exemplify a wide demand and a corresponding abundant availability at very minimal rates.

In fact they served as social parameters as they were testimony to a person's status. Whoever owned a larger number was rated to be at a comparatively higher level within the then existent class hierarchy.

While the above mentioned markets sold a variety of products ranging from the necessities to luxuries, some goods were also transported from the
immediate neighboring regions. When Afonso de Albuquerque conquered Goa, he was well aware of the latter's existence as potential avenues capable of supplying abundant necessities. Their proximity served to guarantee the regular flow of food supplies that were neither cultivated locally or obtainable in the bazaars.

Milk, eggs, etc., from the adjoining fertile regions of Salsette and Bardez reflect on the continuous movement of basic commodities to the towns. These arrived in a variety of forms: by head, on cattle backs, and, in boats [8]. The cotias on the other hand contained a variety of commodities: Fish, fruits including the jackfruits, the melons, vegetables such as the cucumber, and jangadas of palm leaves, hay and firewood were regularly transported. The entire phenomenon was so extensive and well organized that Gonçalo Rodrigues, a Jesuit, has stated and elaborated about the wheat, rice and other merchandise arriving even from Balaghat [9]. Supplementary to food material, other forms of merchandise were also imported on occasions. The christians for example, utilised the easily available clay pottery for their multifarious activities. Though marketed in the city of Goa, it was in actuality, a product of Bardez. A small section of the people who were comparatively more prosperous, could also acquire Chinese cookware from places as distant as Macao due to the diverse contacts. The natives on the other hand, not being so economically well off, compromised and adjusted with leaves for their routine as it had proved to be a comparatively less expensive proposition [10].

INTER REGIONAL TRADE:

The section is an elucidation of the commercial contacts with the Kanara region, Bijapur, Vijayanagar, Chaul, Diu, Gujarat, Cochin, Cananore, Bengal.
the Coromandal and Pulikat - all of which had an immense bearing on the Goan economy.

Rice constituted the mainstay of the commodities of exchange. It had a very significant economic role in the sense that it contributed to the very existence of Goa. The latter as such, irrespective of the local paddy cultivation, was a rice deficit area relying overwhelmingly on imports to offset its shortage. Although some quantities arrived even from Bijapur and Cananore, the major proportion supplied by the Kanara region satiated the city's demands. The trade with this area was targeted mainly for the fulfillment of this objective. With the dependence increasing over the years, the State realized the necessity of safeguarding it.

Stringent official regulations were therefore enacted for confining and preservation of the same to the city. It is clearly corroborated by the revised charter of privileges passed in 1559 which lucidly exemplified that vessels transporting essential commodities and supplies to Goa could not, under any circumstance, be diverted to other ports. The rule was to be relaxed and the local demand could be overridden only when the emergency needs of other Portuguese colonies necessitated it so \[11\]. Indirect measures were also undertaken to reinforce the same goal. In 1569 for example, the Camara had consented to an enhancement of 1% in Goa's customs duties. The amount was to be utilised to preserve the food convoys entering the town. The move was considered expedient in view of the augmentation in the resultant supplementary revenue \[12\]. All these propositions basically reflect the influence of the rice trade on the economy of the part.

In addition to supplying rice, the Kanara region provided other commodities which served as necessary accessories in the construction activities. It supplied
the teak and timber for the building works in the shipyard \cite{13}. As can be visualized, the Kanara region was therefore one of great potential. Though it contributed tremendously towards the furtherance of Goa's existence, the Portuguese were not particularly far-sighted in availing of its inherent diverse economic resources. Despite its locational proximity, they could not exercise even a minimum degree of control over its pepper production or divert it to suit their purposes. The adoption of such a step would have proved to be financially very lucrative as the pepper native to this territory was of a comparatively superior quality than that cultivated at and available from Cochin. Moreover, due to the immense geographical distance between the latter and Goa, the entire procedure of transportation by ships - a rather expensive and cumbersome process - could have been avoided \cite{14}. One can therefore surmise that though the Portuguese were aware of its innate natural resources, they were not very successful in tapping the potential to the maximum possible extent.

The other sources of regular trade were Bijapur and Vijayanagar. The Portuguese relations with these states remained amicable for three major factors. The first was the political aspect. Both these kingdoms were powerful. Their affluence, especially during the early decades of the sixteenth century, was so expansive that the Portuguese were practically unable to extend into the hinterland. In a period which also has the initial phase of the establishment of Portuguese control along the coastline, the exigency of the times decreed the necessity to create an environment of cordiality and understanding with its immediate powers. The second motive was more economic in the sense that Goa depended, especially on Bijapur for constant supplies of cotton cloth, food etc. The latter also served as a transit zone for the transportation of the precious stones from the mines of Golconda \cite{15}. The most compelling cause for the fostering of harmonious relations was however the horse trade.
In fact, the issue becomes all the more relevant since supplementary to its strategic location, the Portuguese had been attracted to the port mainly due to its involvement as a preponderant outlet for the entry of horses. They had considered the conquest and the subsequent exclusive concentration of this commerce to herald and guarantee an era of prosperity. Moreover, the fillip linked to it was highly motivated as it had proved to be a safe and rich source of revenue even for the King. The issue became commercially so significant that on occasions Afonso de Albuquerque was inclined to use these horses as bait to lure caravans transporting items which were in demand to Goa \[16\]. Money was also released by the factor at Goa to ensure their proper maintenance \[17\].

The compulsion to protect the trade was more economic in nature as its contribution towards the total revenue proved to be stupendous. According to Georg Schurhammer, around the mid sixteenth century, i.e., 1554, each horse brought in a duty of 42 gold pardaus. During the earlier decades, in the years 1513 - 14 its share in terms of the customs revenues, was valued at 500 cruzados. In 1523 the quantity accelerated and was estimated to be around 18,000 cruzados. The 1540’s witnessed an enhancement to a level of 65,000 cruzados \[18\]. The incoming revenue later experienced a slump when the Portuguese in an endeavor to diversify the trade, permitted the entry of horses through other ports. This development coincided with the radical transformation of the political arena which witnessed the downfall of the Vijayanagar empire.

It can therefore be surmised that the Portuguese were compelled to maintain benignant contacts with Bijapur as well as Vijayanagar. The move was mutual as both the powers were also inclined to establish friendship and maintain an atmosphere of cordiality in order to gauge the benefits from the
Geographical proximity also played a major role in this aspect. Bijapur for example, was located so close that the overland journey to Goa took a maximum period of eight days even during the sixteenth century [19]. Though commercial links were well established with this region, some incipient hindrances prohibited the Portuguese from being directly involved in the horse trade with Bijapur. A major detrimental factor was in its being an Islamic state. Religious sanction from the Portuguese side was not favorable initially. The papal bulls had negated the selling of horses to Muslims. Matters however underwent a radical transmutation when the Portuguese became politically farsighted to realise that large amounts as revenue were being forfeited due to the official policy of dogmatism. Remedial steps were taken to rectify the situation and an agreement signed between Antonio de Noronha and the Adil Shah permitted the traders to go to Bijapur for the acquisition of planks, sails and other commodities [21]. It was followed by another decree which, from 1573, allowed the Bijapur merchants to enter and conduct transactions in Goa [22].

In an attempt to usher in an environment of friendship and mutual understanding, a number of treaties came to be signed between the two powers. According to the clauses of one settlement, the Adil Shah Bijapur was not only entitled to receive six free cartazes on an annual basis but also permitted to import duty free horses for a fixed period of twenty five years. He could acquire commodities worth 6,000 paradas without paying any duty whatsoever. The Portuguese on the other hand, had the prerogative to capture any ship travelling without cartazes in the vicinity of Bijapur. The Adil Shah was promised half of whatever was found aboard such a ship [24]. In return for all the above mentioned concessions, Bijapur had the obligation of conceding...
to some conditions. The ruler had to provide free pepper cargoes at moderate rates to the Portuguese ships of the Carreira. Despite all these measures the Portuguese were not particularly inclined in intensifying the trade links with Bijapur. The cause for commercial disinterest even in the pre 1565 period was more local in nature. In spite of the proximity which could have facilitated easy transportation of merchandise, the indigenous Kanarese and the Deccan shopkeepers / merchants within the port town showed a greater preference for wares arriving from regions like Gujarat, Bengal and China as these had a comparatively larger market.

The Vijayanagar empire had always been enthusiastic about developing a link with the Portuguese at Goa; commercial exigency prompted a broad level of understanding between the two powers. To establish political contact and strengthen diplomatic ties, a number of emissaries were regularly sent by the Portuguese. The first concrete development was the official acceptance of the Portuguese ambassador Ruy de Mello at the court of Vijayanagar. The King also authorised the latter to occupy the mainland areas. The measure led to the extension of territories under the Portuguese jurisdiction. Agreements signed with this kingdom enabled the hindu ruler to possess a monopoly of the Goan horse trade. According to the provisions of a treaty, all the horses embarking at Goa were for the exclusive use of the King. The friends of the Portuguese were to be considered allies of the King of Vijayanagar and their enemy was his enemy. Merchants trading on the kingdom's coast were bound to transport their merchandise only to those ports having Portuguese factors. Commodities were to be purchased solely from the Portuguese. No fleet of Bijapur could be permitted to disembark at any port of the Vijayanagar empire. The stipulations were insistent to such an extent that the King was forbidden from importing even saltpetre and iron from its neighbors. Horses were a constant feature of traffic to this kingdom. A document refers
to the release of 50 pardaus to Cristovão Figuerido who was responsible for the transportation of 41 horses to Vijayanagar \textsuperscript{25}. He is again mentioned to have received 500 gold pardaus from the factor at Goa for a similar transaction \textsuperscript{26}. He is further compensated by 20 pardaus for his participation in transferring the horses \textsuperscript{27}.

Agreements were signed as they were equanimously beneficial to both the parties concerned. While commercial transactions were definitely conducted on a large scale, the fluctuations in the demand and trade in horses, were directly influenced by the fortunes of both the kingdoms.

The decline in the power of the Vijayanagar empire following the Battle of Tallikota for example, implied the loss of a substantially large market which included horses and a proportion of Middle eastern and European imports. According to the Portuguese historian Diogo de Couto, the economic consequences were so long lasting and had such a deep impact that, profitable trade not only got terminated but a subsequent debasement of coinage occurred even in the distant Goa \textsuperscript{28}. The slump as stated above, was later counterbalanced by diverting the horses to other ports as well. Chaul, for example, benefited from the State liberalization policy and stood to gain an approximate sum of 12,000 cruzados. It was however understood that in times of any immediate local requirement, horses would have to be dispatched from Chaul to Goa. On one occasion, fifty horses were sent to the latter part to meet an emergency \textsuperscript{29}. Other commodities of exchange were corals. The \textit{Vedor da Fazenda} is reported to have ordered the factor at Goa to send to Pero Goes, the factor at Chaul, 15 quintals of coral \textsuperscript{30}. Demand for corals must have continued as a similar quantity was transferred even in the following month \textsuperscript{31}. Commercial links were maintained even with Diu. The \textit{almoxarife} of the maintenance of Goa, Gomes Freire, received from
Gaspar Paes the factor at Diu, 210 bundles of trigo for its local consumption [32].

Gujarat was another significant potential source with a vast ranging influence. From the time of Afonso de Albuquerque itself it had been evident that the returns derived from this port's links with even Cochin and Malacca were very crucial to the revenues of the entire Portuguese India. The commercial aspect, always economically relevant, acquired greater validity during the latter half of the sixteenth century when the situation attained a critical juncture due to the political vicissitudes in the form of the disintegration and downfall of the Vijayanagar empire following the Battle of Tallikota. The subsequent decline in the demand for horses (on a comparative basis) implying a drastic reduction in the accruing revenues, created the necessity to explore an alternative trade outlet. The avenue was realized to be in Gujarat, an economically viable source. Commerce was initiated and it slowly began to form a larger proportion of the total Goan transactions. Constant endeavors were made to nurture it and over a period of time, of the twelve customary routes sailing from the latter, maximum capital was invested in its ventures [33]. It supplied a number of commodities. Every year, Portugal's coastal fleets from Goa visited the port to accumulate immense quantities of the manufactured merchandise especially cloths. The demand and preference for the latter's products accelerated greatly and over a period of time, the Portuguese became markedly scornful of all items from Bijapur. This was especially in the case of its cotton cloth which was rated qualitatively inferior [34]. The depreciating returns from trade with the Vijayanagar empire were thus offset due to the discovery of an alternative source in Gujarat.

The Cochin - Goa route was intra beneficial as well as lucrative since commodities of a diverse nature required by both the settlements were
constantly exchanged. Large quantities of pepper to be dispatched to Portugal were available at and transported from Cochin. A message in this direction had been transmitted by the King D. Manoel to the local factor. According to it, Manuel de Sousa, the alcaide mor at Goa, was to be granted 56,172 reis for the purchase of 6 quintals, 2 arrobas and 6 arreiteis of pepper which would then be transported in the name of the Lord. Another important commodity of exchange was cobre that was to be utilised in the Mint at Goa. Detailed references regarding its continuous transfer have already been made. To meet the indigenous demand, the factor was in receipt of multifarious merchandise including 100 quintals of vermelhão.

The factor at Cochin in return received cairo, salitre, iron, cravo etc. He is stated to have procured 200 quintals of the cairo das ilhas. Refined salitre amounting to 27 quintals and 274 quintals of iron are also recorded to have been transferred. Fernando de Almeida of Cochin is again mentioned for procuring 137 quintals of cairo of the island as well as 97 and a half quintals and 22 arreiteis of iron on the behalf of Jorge Dias. At a later date, Jorge Vaz who occupied a similar administrative position at Cochin, received 201 quintals and 2 arrobas of iron native of Batecala. The factor at Cochin is also stated to have acquired a variety of commodities which included 3 quintals and 1 arroba of cleaned cravo and 1 arroba and 26 arreiteis of canela etc. Another reference mentions the transfer of 93 quintals, 3 arrobas and 12 arreiteis of iron of Batecala. Further, Pedro Guaresma the factor, has acknowledged a consignment consisting of 315 quintals and 1 arroba of the Batecala iron, 36 quintals and 10 arreiteis of salitre and also a sum of 100 gold pardaus. All these transactions in iron are indicators that Cochin was experiencing paucity in the metal and Goa while transferring the same was participating in the true sense of a transit port. Messages were also dispatched by the Governor.
general of India to the factor at Goa to release and arrange for cash transfers to Cochin \[44\]. Money was subsequently released by Rui Gonsalves de Caminha, the treasurer of houses at Goa to Duarte Teixeira his counterpart at Cochin. Initially, 16,200 gold pardas were dispatched. On another instance, 1,500 pardas were also stated to have been received by the factor at Cochin \[45\]. Evidence suggests the movement of even horses as documents state the transshipment of 9 horses to this part. These were taken care of by the factor, which were properly cared for. A document testifies to a local release of provisions in the form of two bundles of trigo by the factor at Cochin. These were for feeding the four horses (of the king) which had been transported from Goa \[46\]. Many ships shuttling intermittently between these two port towns were also furnished with maintenance and requisite supplies of vermelhao, rice and cocos \[47\].

Of all the contacts with different regions, the commercial link with Bengal was comparatively more monetary in content. Subsequent to the movement of pepper and coins, evidence implies the export of silver to Bengal from Goa and other Portuguese colonies of South India. This exchange conducted on a regular basis, had a great degree of influence on the value of the then existing silver tankas. The impact was considered to be intense. In fact it attained such a degree that the very value of the coin is stated to have fluctuated along with the sailing season to Bengal and Malacca. For his participation in this trade, the Portuguese private trader was compensated with items such as sugar preserves, a ballast of rice and textiles \[48\].

In this context, the comprehension of the concepts of cafilas and cartazes is necessary to realize the nature of the routes on which they operated. They also highlight the mechanisms adopted by the Portuguese to preserve their trade in certain economically lucrative regions.
The *cafilas* can be defined as the *convoys of merchant ships* that were guarded against pirates by the accompanying Portuguese vessels. This system had inadvertently developed in view of the minimised commerce on the inland routes due to hindrances and insecurities. An inevitable move to counter the deficit was an endeavor to safeguard the sea borne commerce. Thus, the concentration of an increasingly greater proportion of transactions primarily over water was basically to maintain the economic returns. The phenomenon had evolved into an established practice by the 1560's itself. The situation later demanded undivided official attention as piracy had become rampant towards the last decades of the sixteenth century. Regulations were made stringent and the Viceroy clearly stipulated that all ships trading with the west coast had to travel only by *cafilas* [49].

This practice initiated by the Portuguese in the sixteenth century, continued over a long period. In fact, there are references to its existence in other parts of the country even as late as the seventeenth century. The then contemporaneous examples in regular operation were conducted along the west coast and between Agra and Surat [50].

In the sixteenth century Goa, the *cafilas* regularly operated on three main and economically lucrative routes. These were the preponderantly beneficial regions of Kanara, Gujarat and the Cape Comorin.

The *cafilas* going towards the Kanara region were very crucial for the transportation of rice. Every year 200 or more small boats made approximately four trips to Batecada, Barcelor, Mangalore and Hanovar for the collection of the same [51]. It is evident that rice was supplied by Batecada. Documents suggest that Alvaro Lopes at Goa received from the factor 530 *paras* of black rice, 218 sacks and 143 *paras* of rice native to this region [52]. It has
also been stated that Jorge Palha, the storekeeper of provisions at Goa, procured 100 sacks containing the chambacaí variety originally of Batecala [53]. As a gesture of appreciation, it is also certified that the factor at Batecala, João Alvares de Caminha, received 2774 gold pardaus and 80 reis from the treasurer of the lands of Goa namely, Estevão Barroso [54]. Rice arrived from Barcelor through shipment. Diogo Fernandes of the ship 'Ajuda Pequena', received from João Paes, the factor at Barcelor, 500 sacks for transportation to Goa [55]. In another instance, Diogo de Aranjo was entrusted with the responsibility of transferring and handing over 270 rice sacks to the factor at Goa [56]. Money was also released by the factor at Goa to purchase rice from Barcelor. The former was in receipt of a letter requesting him to grant 5 gold pardaus to Pedro for meeting the expenditure incurred in buying rice [57]. The factor at Goa also dispatched 120 pardaus and 5 tangas to Gil Boga, the factor at Barcelor as payment for those involved in its transportation [58]. It has however to be remembered that the interchange between the two regions was not very substantial on its own. In actuality, these were only two of the many trading ports along the Kanara coast that contributed towards the enormous quantities. The total dimensions of trade from the latter were sufficiently huge as compared to that of a single port.

The second cafila operated between Goa and Gujarat. Each season two or three fleets of hundreds of ships manually oared by Indians traded between Goa and Cambay. These arranged for intermittent halts at important settlements like Chaul, Bassein, Daman and Surat for the accumulation of necessary commodities especially the Gujarati cotton cloths. The latter were a preponderant component of the trade as they were much appreciated over a vast geographical region encompassing East Africa to Indonesia [59]. The cafila transported Gujarati commodities on the southward voyages and bullion on the northern. The exchange assumed high proportions and assisted in making the Gujarati
The phenomenon created an imbalance over a period of time. The situation got aggravated and the Portuguese realizing their lapse, often complained that the bullion acquired from Japan and Europe and dispatched to Goa, often vanished into Gujarat [60]. The products of this region were so voluminous that some of them constituted a majority of the cargo shipped even on the privately owned ships to Portugal. Bassein also supplied some items. Stones for the erection of columns that served as accessories in the construction of buildings etc. in Goa, for example, were transported from here [61].

The third castila commenced in the 1560's and operated between Cape Comorin via Cochin and Cananore to Goa. The transactions testify to the existence of constant commerce in many commodities including rice. The latter preponderantly available through a wide network of the Coromandal clearly indicates that links were also established with Vijayanagar and the Mysore area. The available documents dating to the early decades substantiate the large quantities of imports. Sacks containing rice were dispatched from Cananore with the permission of Gonçalo Mendes, the local administrator [62]. The above statement is corroborated through the acknowledgment of Francisco Cornivel, the factor at Goa. At another instance, in addition to other commodities, 300 sacks of rice were transported to Goa to meet the local demand [63]. A further reference states the dispatch of 413 rice sacks during the following month [64]. An enhancement in local demand can be visualized as an additional 345 sacks were procured within the same month itself [65]. After a short gap, 185 rice sacks are mentioned to have been shipped to Goa [66]. An acute paucity could have occurred locally as it subsequently became expedient to arrange for 958 sacks [67]. While the following month suggests a slump in the demand diminishing to only 178 sacks, a substantial enhancement can be observed in the following year when two installment of
332 and 336 sacks were dispatched by the factor at Cananore [68]. With an intermediate drop in demand when only 180 bales were required, an unexpected spurt occurred when it became mandatory to arrange for 445 sacks containing even old and powdered rice [69]. In the subsequent year, 676 sacks were sent to Goa [70]. Another document refers to the further transshipment of 240 sacks [71]. While these transactions formed the mainstay of regular traffic, rice was also transported in the champanas in the Crown’s account. The quality being somewhat inferior, it was primarily to serve as sustenance for soldiers [72]. The very magnitude of these cereal imports makes one speculate about the intensity of Goa’s need and the correlated incessant expansion in the population levels that could have necessitated such a degree of inordinate demand. In addition to rice, the factor at Goa obtained other items as well. For instance, 1500 pieces of black cloth in the form of 15 sacks have been acknowledged [73]. A variety of merchandise was also made available. A message dispatched to Lopo Alvares from Diogo Corriea, the captain at Cananore, was an order to purchase all the available carvão and to arrange for its shipment to Goa [74]. There have also been instances when Francisco Corvinel received 80 quintals of grãos [75]. The factor had the responsibility of arranging provisions for other people. There is an additional reference to a message from Gonçalo Mendes, the factor at Cananore, to grant Alemuço, a Moor, 4 jars of vinegar, and 2900 cacoes amongst other things [76]. Cananore in return received certain commodities including 8 quintals of chumbo [77]. Goa also arranged to supply wine that was utilised for the sick in the local hospital [78].

Ships were given merchandise to facilitate travel and maintain a constant traffic in commodities between these two regions. A vessel was furnished with 79 quintals and a half of biscuits, 800 Cambay cloths to give the factor at Goa [79]. A dispatch was sent to Jorge de Melo who had arrived with
the Malabar ship. He was provided with 58 quintals and 7 arrobas of breu under the condition of transporting the same to Goa. A message was sent to Diogo Correia to make arrangements for certain items to the master of the atalia. The supplies specifically amounting to 35 quintals, 2 arrobas, and 14 arreiteis of breu, were to be handed over to the almoxarife of Goa so that the latter could make them available to its own ships.

The geographical locations of the various regions with Goa maintained commercial contacts are indicated in the adjacent map No. 2. There are a number of references regarding the extensive trade contacts with Pulikat. The predominant item of exchange were cotton textiles.

In addition to the cafilas, the cartazes were also introduced as a measure for safeguarding the Portuguese trade as well as to create an avenue i.e., the customs duties in an effort to ensure a regular inflow of revenue tax. The Portuguese kings had always claimed it their absolute prerogative to rule over the seas navigated by their sailors. They therefore insisted on their exclusive perquisite to impose taxes on merchants trespassing their jurisdiction. They also considered it their sole responsibility to license all Asiatic shipping and extract payment of customs duties at the Portuguese ports which were authorised for issuing cartazes.

Initially released as a measure of safe conduct in a period of political struggle for naval supremacy in the Indian Ocean, the concept later evolved into a mode for securing Royal monopoly in specific commodities as it was implemented only for those vessels not transporting any forbidden goods that were liable to be confiscated.

Ships generally had the obligation of carrying the cartazes acquired through
payment. They also had to report at all Portuguese controlled ports so that customs duties could be collected in an organized manner. Any ship found travelling without it could be halted and its cargo appropriated. The practice proved to be lucrative and as the spoils were generally very substantial, it formed a relevant clause even in political alignments. As earlier mentioned, the treaty with the Adil Shah of Bijapur had made provisions for the equitable distribution of half of the spoils of any ship if found without a cartaz, within the territorial limits of the former. The Portuguese considered their influence to be so far reaching that the viceroy issued a cartaz even to the Mughal emperor, Akbar in 1582 so as to facilitate the latter's access to the sea.

It is often opined that the system of cartazes for Asian shipping compromised on the basic principle of the freedom of navigation on the seas. It has however not been ascertained if the effects of the system in any way succeeded in distorting the composition or altered the direction of the Asian trade in any definite manner.

Thus, both the above mentioned mechanisms operated in areas guaranteeing very high economic returns in terms of trade. The Portuguese who attempted to preserve their monopoly through these techniques, endeavored to skim off some extra benefits through the cartaz system.

**EXTERNAL TRADE**

This section being more expansive in its approach, will be incorporating the intra-Asian, Indo-African and the Indo-European aspects of commerce. Consequent to its designation as the headquarters of the Portuguese empire in India by the 1530's itself, Goa formed the direct link between all other
ports and Portugal. This expatriation in duties proved to be more in terms of administration.

The local cultivation was however not geared to meet the demands of a wider market. In fact as earlier, the typical Goan products that were available and exported were only coconuts, areca and salt. And even among these components, the indigenous areca was of the finest quality. Mention about its consumption and popularity have been made in various contemporary books. Commodities that constituted the mainstay of the external trade were merely accumulated and transported to other ports and countries including Portugal. The phase can therefore be considered to be a witness of the conversion of Goa into more of a transit centre.

**INTRA - ASIAN TRADE**

The two main regions discussed in this context are Ormuz and Basra. The former was one of the most prosperous ports in the world. All the transactions between India and Persia were channelled through it. It also had an additional share of commerce in the form of Indonesian spices as well as Arabian horses. The latter was a very preponderant commodity in most of the transactions. It therefore became very expedient for the Portuguese to possess it as the move meant an extended takeover even over the Persian Gulf. Its seizure accomplished in 1515 proved to be worthwhile since the main objective of the Portuguese had been the centralization of the trade in horses at Goa itself. Official measures undertaken for its conservation included declarations which made it obligatory for all the horses of Ormuz to arrive directly at Goa without disembarking anywhere. To make the procedure more lucrative, concessions were granted even for ships involved in this venture. Those bringing in an approximate maximum number of ten horses
benefited tremendously as they were exempted from the payment any form of duty on the remaining customs [89]. This allowance was however not confined to ships alone. Merchants also stood to gain from the official policy.

Horses were thus a regular and dominant feature of transaction between these two port towns. In a letter dating to an early period, Afonso de Albuquerque describes the varied commodities shipped from Ormuz. While blankets, caixoes, Flanders coffee do find a mention, a specific acknowledgment has been made regarding 400 horses [90]. Diogo Rodrigues, the factor at Goa, specifically states the receipt of 28 horses and 5 xeralins from Manoel de Costa, his counterpart at Ormuz [91]. On another occasion, Diogo Rodrigues, procured 3 horses from the factor at Ormuz [92]. Very clear distinctions were maintained between the horses acquired from Ormuz and elsewhere. For instance, Miguel da Vale, the factor of Goa, while alluding the purchase of 7 horses for the King, states that 3 were of Arabian origin while 4 were native [93].

The other major commodity of exchange between these two ports was money. Regular monetary transfers were conducted. It has been stated that Goa procured finance amounting to 180 pardaus for the purchase of houses for official purposes in the form of a Camara [94]. Afonso de Albuquerque also ordered the factor at Ormuz to release 167 cruzados to certain captains so that the same amount could be loaned to Francisco Corvinel, the factor at Goa to enable him to purchase certain commodities for the ambassador of the King [95]. Another message was dispatched by Dom Alexo de Menezes to the treasurer of horses at Ormuz to give 3,500 pardaus to Francisco Cornivel, the factor at Goa [96]. On the other hand, the cash flow to India was not confined only to Goa. It was also released in the form of grants to other Portuguese colonies including Cochin [97].
While the above mentioned commodities formed the predominant composition of goods towards Goa,Ormuz also was in receipt of some essentialities. One of the most important dispatch was rice. It proved to be an economic expediency as the latter also experienced paucity. We have access to a number of documents to substantiate this aspect of commercial activity.

Diogo lopes de Sequeira, the governor of India, wrote to Francisco Corvinel, the factor at Goa, requesting him to grant a sum of 3 gold pardaus to Alvaro Fernandes to enable the latter to purchase all necessary items and arrange for their shipment to Ormuz.

Ships were also dispatched to Muscat. The Basra seed pearls acquired from Bahrain were generally hawked at the daily mart on the Rua Direita. Being exquisite and having a wide demand, these pearls accrued large profits in Goa. Links were maintained with other ports as well.

In the second half of the sixteenth century that is around 1580, crown shipping witnessed the inauguration of a new voyage between Goa, Malacca, Macao and Nagasaki. There is a document corroborating to provisions being made available to people travelling on this route. A message was sent by Pedro Mascarenhas to Alvaro Lopes, the storekeeper at Cochin, to arrange for 25 fardos of rice and butter as sustenance for certain people travelling to Malacca as well as Goa. Though the profit accruing was approximately 35,000 cruzados and the auction price for this route was fixed at 20,000 cruzados, it did not particularly alter the content of the commodities.

Macao was also a very potential source for copper and precious stones. Moreover, the ships starting from here also traded with Nagapattinam a big avenue for Chinese goods which were in great demand at Goa. The locally available cookware could have been procured through this route. In order to garner a portion of the very high lucrative profits, the captains through
declarations of lame excuses such as the absence of sailing winds, delayed their departure at Malacca itself [103]. Though initially the Crown invested in this commercial venture, from the 1560's onwards it was continued by the merchants themselves who shouldered the responsibility of paying the freight charges [104]. In terms of profit, the best and most successful route was between Goa and Japan with an intermittent halt at Macao. The returns accruing were reasonably high and even in the 1580's a clear gain of 30,000 to 45,000 cruzados could be easily made [105].

**INDO - AFRICAN TRADE**

Mozambique initially gained prominence as it was one of the potential sources for slaves who had a world wide market especially in the Portuguese colonies. It figured very eminently and had always an important way station especially during the phase of the slave trade conducted by Portugal. It was also the ultimate destination for the three central Asian routes of the Carreira beginning at Goa [106]. The Carreira, on its way, made intermittent halts at Zambesia and Sofala. The capital required for this journey was generated and invested mainly by Indians residing in the Portuguese colonies of Goa and Diu. Cloths, victuals and beads served as conspicuous items of exchange for gold, slaves, ebony, ivory and superior handwoods available and transported from the Zambesi area [107]. Commodities were transported in bulk amounts. The transactions were of such a multifarious nature that there is a reference regarding the movement of even stones to assist in the construction work of the hospital at Goa [108]. As the distance to be covered was very immense, the factor at Goa was authorised to give 120 pieces of cotton to ships on the way to Mozambique. These were utilised for the creation of velas [109].

Mombaça was another arena of regular commerce. An important segment of
exchange were cotton textiles which manufactured in the Portuguese colonies of Chaul, Daman and Diu, were subsequently dispatched to Goa for transshipment to distant areas. Slaves, ivory and amber were some of the merchandise brought back in return [110].

EUROPEAN TRADE

This aspect of trade appears to be practically a Royal monopoly as it had always been stated that the Portuguese overseas territories were a private possession of the King. He equipped the Annual India fleet and also appointed the government and other high ranking officials.

The commerce between India and Portugal was carried out in large ships of the Carreira da India. These were dispatched from Portugal during the months of February or March. They reached India, especially Goa in September a phase which coincided with the end of the south west monsoon. These ships subsequently went towards Cochin for the collection of pepper cargoes. They were joined by others coming from the Moluccas with other available spices. The entire fleet then returned to Lisbon via the Cape of Good Hope. In other words, every year, the Carreira da India arrived at Goa, went to Cochin for pepper and returned to Portugal with the additional loads of spices and other cargoes native of Malacca, Gujarat and pepper even from the Kanara region [111]. A majority of the Asian products were consumed within Europe especially in the Mediterranean and the Atlantic regions. In terms of its transshipment, in the 1540’s itself, each vessel was valued to be approximately 250,000 cruzados. This appraisal generally remained constant. The European political arena which was transformed to some extent through the political annexation of Portugal in 1588, materially benefited the Estado da India as silver reals entered into circulation. This gain augmented the
commerce further and it came to be conducted on a comparatively larger scale [112].

The trade in spices especially that of pepper was one of necessity and therefore of immense value. Pepper was either transported directly from the regions of production or through a transit port. All efforts were constantly made to monitor the movement of pepper to ensure its prompt transportation to Lisbon. A message was sent by Dom Henrique Meneses to Paris Cornivel to despatch all the available pepper to the factor at Goa so that the same could be remitted to the King [113]. Arrangements were also made at Goa to ensure proper shipment of the spices. The captain of the nau S. Sebastião, that is Francisco da Cunha, received from Miguel de Vale, the factor at Goa, 24 cotton sacks to pack the pepper being conveyed to Portugal [114]. Other items were also transported to Portugal through Goa. The captain of Cananore authorised the local almoxarife, to grant Fernão Caldeira, the captain of the fustas, large quantities including 9 quintals, 2 arrobas and 30 arreiteis of breu and regina which would then be passed on to Rodrigo Rebelo, the captain of the Royal nau [115]. The factor based at Goa also made attempts to secure all commodities of exigency for those travelling to Portugal. There is the example of Gonçalo Fernandes, contador of the House of the King who received from Lançarote Frões, the factor, 220 sacks to store all the cravo and noz to be sent through Cochin to the King [116]. Irrespective of the wide range and the enormous quantities of goods that were transported to Portugal, the Asian products are not considered to have induced any definite basic structural change [117].

A number of other ships also in constant circulation covered large geographical stretches consuming vast time periods before reaching their final destination that is, Goa. For example, the Royal ship that began from Malacca in the
mid-April of any year. Since the mid 1530’s it followed a definite route of sailing to Ternate via Northern Borneo. Travelling wide distances, it reached Goa via Cochin only in the month of January in the third year. The ship for Banda on the other hand, left Goa in September and returned with the clove ship in the second year [118].

Trade links were thus maintained both within Asia and even with other countries other than Portugal which formed the mainstay of Goan trade. The people who participated in trade, that is the merchants are now discussed.

MERCHANTS

Their classification and role at varied levels in the entire Goan trade in the sixteenth century are pertinent issues to be analysed in the purview of this section.

To begin with, a merchant has been defined as one who lives by the market, one who sells in order to buy and, buys in order to sell. He therefore operates in a rather vicious circle and his preference for certain specific commodities at times is often demand based [119].

It had always been stated that the Portuguese overseas territories were practically a private possession and enterprise of the King. The first step in this direction was taken in 1510 itself, when the King declared Royal monopoly on commodities like spices, drugs, sealing wax, benzoin, dyes and indigo. He also reserved for himself the returns derived from the transactions in horses. His personal endeavors towards the development of private trade in spices consisted of making arrangements for the acquisition of European
silver and utilizing the same for the purchase of the former on a contract basis. Its subsequent resale in Europe was anticipated to yield pure profit [120]. Pepper itself was transported to Portugal at an estimated quantity of 30,000 quintals every year during this period.

Official legislation was also passed to reinforce this activity. Throughout the sixteenth and the seventeenth centuries, decrees were declared both from Portugal as well as Goa to serve the motive of fulfilling one fundamental objective: that the entire transactions in spices was to be reserved exclusively for the King and its agents (Crown monopoly) [121].

Messages were sent to the various factors at the Portuguese colonies to release finances to ensure the regular shipments of pepper. For instance, the King D. Manoel dispatched a letter to all the factors to grant Fernão Martins a sum of 80,337 reis to serve as part of the amount of 116,837 reis needed for the purchases of pepper [122]. Another message was also dispatched by the King to give Gonçalo Ferreiro 33,357 reis to meet the expenditure incurred by the Casa da India [123]. Sometimes orders were also given for procuring certain quantities of pepper which could then be dispatched to the relevant European markets through the medium of middlemen. For example, the King wrote to the factor of the Casa da India to give Francisco Henrique 11 quintals of pepper to be shipped to Flanders [124]. Another message was also sent authorizing the factor to release 3 quintals of the same spice to Nicolau Krous to enable the latter to sell at Flanders [125].

Anyone trespassing the rules that had been established for the preservation of the Royal monopoly were punished very harshly. The Portuguese, if found guilty of such an offence, had to forego their salary and property. Muslims detected for their participation had to forfeit their property. They could also,
depending upon their charges levied against them, face imprisonment or death. On the other hand, the stipulated regulations were relaxed in cases where permission had been granted for the participation in this activity. Some ships who had consented to the payment of a sufficient sum, were given the privilege of transporting their shipment of spices \(^{126}\). Till the 1560’s, due to the combined amalgamation of these forms, the Portuguese were successful in restricting the purchase of pepper through others to about 1000 reis per quintal. In the long run however, the measures proved to be futile and ineffective in preserving the Crown monopoly \(^{127}\).

Corrupt practices crept in, leading to a depreciation in the Crown’s profit. In 1586 the situation attained alarming proportions making it absolutely necessary for the State to take definite steps to stem the tide. The Royal monopoly was forced to be sold to a syndicate. It was in the form of a company of merchants titled, *The Companhia Portugueza das Indias Orientatais* which undertook the responsibility of the transportation of pepper to Lisbon and then forwarding the same to the Crown. The latter had the liability of paying towards the freight charge and other ancillary costs incurred in the process. The deputation of authority to an alternative organization by the Crown encountered strong competition and antagonism even from the chief local authorities at Goa who also participated in the same trade. Once again, the profits did not accrue to the extent anticipated \(^{128}\).

However, whatever the mode of restricting illegal trade and the extent of participation by the government authorities, people were involved on a large scale. Other than the King, the most important entrepreneurs in the Portuguese trade were the officials \(^{129}\). A large proportion of the commerce was also handled by the private traders. These people gained so much power that they could command exclusive space even on the Royal ships. The enhancement
in the number of licenses to these traders permitting them to engage in commercial transactions in their own vessels on the Cochin - Bengal route in the 1540's was due to the King D.João's decision to liberalize the then prevalent restrictions on the pepper trade even within Asia [130]. In addition to the regular practice, other ships under private ownership also sailed to Portugal at least once every week [131].

Official regulations served to amplify the possibilities, avenues and benefits to a wider circle. A Royal álvara granted the casados the liberty to trade for themselves, their families, slaves etc [132]. They also acquired connection through the concession sectors which were given as a reward to private individuals alongwith the prerogative to enjoy the facilities and protection accorded by the Estado. Concession routes themselves were part of the exclusive routes between San Thome and Malacca in which the only allowance for the Asian merchants was the permission to operate on some free avenues [133]. There are references to the involvement in regular commerce by a few casados of independent stature and repute. Adão Lorenço, a Goan casado, made regular voyages and conducted trade with Pulikat, a region renowned for its textiles [134]. Another merchant participating in the rice trade was actually a resident in Santhome Tristaõ de Paiva and Cosme de Paiva were two other notable casados The former stated to be a honored citizen of Goa, was directly involved in the commerce with Mylapore [135].

In addition to their regular activities of wide range, the casados continued to illegally participate in the trade in spices, the King's monopoly. The procedure was carried out by selling pepper to the Moors. The practice proved disparaging and detrimental, was rated in par with excommunication as stated in the papal bull Coena Domini [136].
In addition to the *casados*, some *fidalgos* who had deserted their official service, turned to trade. It was the only method available for offsetting the losses incurred due to lapses in payment of their salaries. Gaining access, they became very successful over a period of time. These *fidalgos* were generally self-employed or worked as agents for powerful London-based financiers.

The volume of the intra-Asian trade conducted by the *casado* and the other private traders was augmented further in the second half of the sixteenth century, a phase coinciding approximately with the gradual withdrawal by the Crown. The Portuguese captain was as such officially permitted to employ a Hindu as his assistant in his ventures. Non-Christians on the other hand had to follow a number of official regulations that mainly served as checks on their activities. They were not authorised to independently conduct any form of trade-related activity with most of the ports excepting those located on the western coast. Moreover, though the Hindus were also not authorised to possess government contracts, the practice was never observed \(^{137}\).

Due to unfavorable local conditions in Goa, at times the powerful Portuguese merchants preferred to reside outside the territory and indirectly participate in the trade through agents. Some were inclined even to settle in Bombay. It later created the basis for a partnership between the Portuguese and the indigenous merchants \(^{138}\).

The form of activity was not confined to Bombay alone. Even in Cambay and Tuticorin, a process evolved by which items in demand were amalgamated and transferred to Goa for further dissemination. In the former port, an approximate number of 100 families were fully engaged in the purchase of goods. They had the additional responsibility of ensuring the transportation
to Goa on the cañíñas and then distributing the same all over Asia and Lisbon. A few of them also served as agents of the big and more Portuguese merchants in Goa \[^{[139]}\]. The merchants at Tuticorin on the other hand had a wider network as they accumulated items from places as distant as Bengal, Manila, China and Malacca. These were sent to Goa to facilitate their shipment to Portugal \[^{[140]}\].

In addition to the involvement of these merchants, steps to build up Goa’s prosperity were undertaken by 1513 itself. Afonso de Albuquerque considered that the issue could be solved through a mechanism of repopulating Goa and creating a stable and affluent society. The only available avenue for doing so was the fostering of trade. Many merchants including Moors and Persians who came with horses were encouraged to settle in the city. The Turkish and Persian merchants served another role as they were partially successful in controlling the trade with Bengal. Numerous Armenians, the chief traders in India and the far East, the baniás of Cambay and the Deccan also participated. As far as the locational confinement and activities of these groups is concerned, the saraswat brahmins were limited to this port and the central western coast of India \[^{[141]}\]. The baniás comparatively more widespread, branched out and resided in some of the Portuguese colonies including Goa, Daman and Bassein. Their activities within the city were the marketing of precious stones including corals and pearls. They also operated on an extensive market network by sailing in Portuguese ships to peddle their wares over a vast area encompassing Goa and even Cochin \[^{[142]}\]. Hindu merchants on the other hand, used to specifically deal in silk, satin, damask, velvet etc. procured from Portugal; these materials were made available to them through a network of brokers. On a basic level, the local merchants sold all commodities including palm oil. They had to pay a certain amount as tax for participation. In the year 1545-46, it was 1,565 pardaus each year; the
rate kept increasing till it attained a rate of 2,650 pardaus in 1552-53 [143].

In addition to the transactions by sea routes, even land routes were operated as with Pulicat. The local merchants conveyed beatilhas to Goa. The level of commerce however experienced a slump due to the introduction of compulsory heavy transit taxes by Martin Affonso de Sousa with the objective of enhancing the total revenue due to the King. They indirectly effected the textile merchants who were over burdened by the measure [144]. Revenue rates underwent a further increase during the years 1568-77 when a slump in trade and continuous wars implied an obligatory unloading entry duty of 6%. The local merchants who were regular tax payers within the city of Goa, were also effected. They consequently agitated for its withdrawal and were partially successful. On the other hand, in a period of high revenue rates over sea, in terms of one parda of gold, two targas and half tanga for the entrance of different varieties of boats, the Coromandal merchants found it practical to altogether obviate coastal trade with Goa [145].

Despite all these official measures in a period which experienced extended involvement by a wider gamut of population, the Portuguese, towards the end of the century, realized their incapability of coping with the demands of trade with India. Not being able either to manage through their own resources or to generate a sufficient surplus, they were compelled to invite merchant financiers from other countries, especially Germany and Italy, to invest and participate in the commerce. These traders were attracted due to the offers of liberal privileges and the existence of favorable conditions conducive for large scale investment.

In response to the multifarious Portuguese incentives, people arrived at Goa. Since the transactions in spices with specific reference to pepper were under
the category of the Royal monopoly till the last decades of the sixteenth century, these merchants could not participate directly in it. They therefore took part in commercial transactions in diamonds, jewelry, precious stones etc., which had an open market. An Italian, Francisco Corbinelli was present in Goa even in the early decades of the sixteenth century. Ferdinand Cron sent as a representative of the Fuggers and Welsers reached Goa in 1586 for making arrangements for the pepper purchases. Becoming a resident in the city, he acquired social importance and acceptance at a local level following his marriage with Dona Maria Leytoa, the daughter of a native nobleman. He proved to be indispensable even at an official level as he supplied valuable information regarding the Dutch to the Portuguese. He took a personal interest in the protection of the local State as he fitted out, at his own expense, naval expeditions for the defence of Portuguese station. The King acknowledging his diverse valuable services, honored him with the title of nobility and endowed him with a monthly payment of 12,000 reis. He was also given a knighthood and continued to reside in India. He was permitted to do so irrespective of the official decree of 1605 prohibiting the permanent settlement of any foreigners in territories under the Portuguese jurisdiction. Flemish contractors on the other hand were authorised to station in their own ships at Goa and Cochin as they had to supervise the entire procedure of pepper purchases. In 1582, an Italian named Sassetti arrived with an exclusive right for the supply of pepper for a minimum stipulated period of three years.

The fact remains that Asian trade had very little use for European commodities. There was no particular demand whatsoever and the dependence on silver as the only medium of exchange implied their inability to engage in a genuine exchange of goods with the agrarian sector. Towards the end of the century, their reliance on foreign investment increased continuously. As long
as returns from trade were reasonable, the need to speculate and engage in
large scale land investment did not particularly develop. It's evolution with
a broad base of operations coincided with a depreciation in the benefits
accruing from commerce.

Even through the course of this century the Portuguese had not been
sufficiently farsighted to exploit the favorable trends in trade. They did not
convert the capital they possessed into better use for the overall improvement
of their economy. They preferred to utilize the same for the construction of
buildings and huge edifices which served solely as testimony of their glory
and splendor. The same investment, had it been made optimum use of, could
have enabled the Portuguese to accumulate the capital necessary to compete
with the Dutch and the English East India companies’ at a later phase.
Profits from trade were seen as an instrument to further personal wealth
rather than to serve the needs of the nation in a more fruitful manner.
Moreover, the monarchical set up also proved to be a deterrent as it
indirectly prevented the development and evolution of a merchant capital
[153]. This factor proved to be detrimental as the Portuguese overseas empire
was unable to thwart the challenge put forth by the Dutch and the English
East India Companies.

Thus, in a nutshell, the pre-modern market in India discharged two distinct
functions; it brought about a fusion of commodities for the meeting the
demands of the local buyers and also for the distribution of consumers all
over [154]. The pattern persisted even during the century when the Portuguese
had converted Goa into a trade outlet to serve their needs.


4. Details regarding the palm production are elaborated in Chapter III.


8. T.R. deSouza, “Rural economy and life”, in his (edtd.), *Goa through the ages: Vol. II: An economic history*, (henceforth referred to as *Goa through the ages*), Delhi, 1989, p. 81.


17. The various grants that were released for the proper care of the horses are elaborated in Chapter VII.


que o Estado da Índia fez com os Reis e senhores com quem teve relações nas partes de Asia e Africa Oriental desde o princípio da conquista até o fim do século XVIII, Lisboa, 1881.


27. Ibid. 22 April 1520. Parte 2 - maço 89 - document 13.


30. ANTT Mss. CC:24 March 1526. Parte 2 - maço 132 - document 84


33. M.N. Pearson, Merchants and rulers. California, 1975, p 197


36. Ibid.


The storekeeper of the Cochin armazem also received 25 quintals and 8 arreleias of linen from Francisco Corvelin, the factor at Goa.


37. Ibid. 5 May 1514. Parte 2 - maço 47 - document 11.

38. Ibid. 8 January 1515. Parte 2 - maço 54 - document 50.

A further reference states the transfer of linen, enxofre, iron, salitre to Cochin etc.


40. Ibid. 5 March 1519. Parte 2 - maço 80 - document 93.

41. Ibid. 23 November 1518. Parte 2 - maço 78 - document 98.

42. Ibid. 5 March 1519. Parte 2 - maço 80 - document 93.


161


- 23 December 1519. Parte 2 - маço 86 - document 129.


53. Ibid. 20 February 1526. Parte 2 - maço 131 - document 162.

54. 13 March 1522. Parte 2 - maço 100 - document 58

55. Ibid. 26 January 1513. Parte 2 - maço 36 - document 258.


57. Ibid. 10 December 1518. Parte 2 - maço 23 - document 144.


59. AHU, Caixa 2, document 71. 20-12-1612; T.R.deSouza, op.cit., p. 28.

60. F.Mendes de Luz, Livro das cidades fl. 95; Luis de Figuerido, Falçao, pp. 125-126, in M.N.Pearson, Merchants and rulers, California, 1975, pp. 37, 110.

61. ANTT, Cartas dos vice reis da India e outras pessoas 1504-1659, Goa, 3 December 1548. Nicolau de Fonseca, An historical and archeological sketch of the city of Goa, Delhi, 1982, p. 159.


63. Ibid. 7 February 1511. Parte 2 - maço 25 - document 22.

64. Ibid. 16 March 1511. Parte 2 - maço 25 - document 225.


66. Ibid. 4 November 1511. Parte 2 - maço 29 - document 47.


68. Ibid.

69. Ibid.


70. Ibid. 13 January 1513. Parte 2 - maço 36 - document 189.

71. Ibid. 5 October 1511. Parte 2 - maço 28 - document 97.


73. Ibid. 7 February 1511. Parte 2 - maço 25 - document 22.

74. Ibid.

3 March 1512. Parte 2 - maço 30 - document 221.


77. Ibid. 26 April 1512. Parte 2 - maço 32 - document 53.

78. Ibid.


80. Ibid. 28 February 1513. Parte 2 - maço 37 - document 13.

81. Ibid. 29 September 1512. Parte 2 - maço 34 - document 114.

82. Pulikat was a major avenue for beatilhas, a variety of cotton cloth. The map has been taken from Georg Schurhammer. op.cit., p. 136.


84. K.S.Mathew puts forth this proposition in his article in Melyn Newitt (edtd.), The first colonial empire, Exeter, 1968, p. 7; M.N.Pearson, Merchants and rulers, California, 1975, p. 52; K.N.Chaudhuri visualizes it as an expression of “maritime sovereignty” as it offered “a system of existence”, in his Trade and civilisation in the Indian Ocean: An economic history from the rise of Islam to 1750, (henceforth referred to as Trade and civilisation in the Indian Ocean), Delhi, 1985, pp. 76, 78.

85. M.N.Pearson, Merchants and rulers, California, 1975, p. 57.


87. M.N.Pearson, The Portuguese in India, pp. 50, 51. Details regarding its cultivation are in Chapter III.

88. AHU: Codices da India, No. 281; ANTT maço 2, Leis No. 158, Livro do Registo de Leis e Regimento de D. Manoel, fls. 144.

90. **ANTT** Mss. CC: Parte 1 - маço 14 - document 15.

91. **Ibid.**


97. **Ibid.**

29 February 1520. Parte 2 - маço 87 - document 192.


98. **Ibid.**

10 December 1518. Parte 2 - маço


99. **Ibid.**


100. K.S.Mathew, “Trade and commerce in the sixteenth century Goa”, in T.R.deSouza (edtd.), *Goa through the ages*, New Delhi, 1989, p. 143


105. *ANTT* Cartas dos Vice Reis da India e outras pessoas 504- 1659, Goa, 3 December 1548.


167


pp. 97, 99.


124. Ibid. 6 September 1513. Parte 1 - maço 12 - document 17.


129. Ibid. p. 93.


133. K.N. Chaudhuri, *Trade and civilisation in the Indian Ocean*, New Delhi, 1985, p. 66; The table below lists the purchases of concessions on these routes:

169
### Sales of concessions

<table>
<thead>
<tr>
<th>Voyage</th>
<th>No.</th>
<th>Purchaser</th>
<th>Amount/Xerlings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goa-Mozambique</td>
<td>3</td>
<td>Bastiao Fernandes</td>
<td>27,800</td>
</tr>
<tr>
<td>Goa-Macao-Japan</td>
<td>1</td>
<td>Vicente Rodrigues</td>
<td>16,016</td>
</tr>
<tr>
<td>Goa-Macao</td>
<td>1</td>
<td>Jeronimo de Macedo carvalho</td>
<td>16,000</td>
</tr>
<tr>
<td>Goa-Macao</td>
<td>1</td>
<td>Ferdinand Crou</td>
<td>16,000</td>
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135. ANTT Mss. CC: Parte 1 - maço 7 - document 62, fl. 1v.


142. APO-CR, Goa, 1965, III, pp. 540-42; AHU: Codice 282, fl. 16v-17,


142. Ibid. p. 39.


146. K.S. Mathew, “German merchant financiers in Goa during the sixteenth and the seventeenth centuries”, in P.P. Shirodkar (edtd.), *Goa’s external relations*, 1992, p. 34.

147. Ibid. p. 34.


150. George Winius, op.cit., p. 61.


