CHAPTER - I

INTRODUCTION

Trade and commerce conducted by the European Trading Companies in India had great impact on the urban growth, monetization of economy and commercialisation of agriculture. The pre-colonial trade both external and internal had brought about a number of changes in the socio-economic set up of the Indian sub-continent. It has been reckoned by the economic historians of modern times as a powerful force in speeding up urban growth. It is also argued by them that the external trade has contributed greatly to the emergence of a number of port-towns, proliferation of production centres, clear identification of urban and rural markets. Similarly the scholars dealing with the period of transition from feudal to the capitalist mode of production, speak highly of mercantile capital which held sway during this period. According to them, revival of trade and commerce and the competition between the French and the English in trade and commerce were chiefly responsible for the dominance of merchant capital in India. Development of merchant capital had its far reaching effects in various fields of economic activities such as agricultural, non-agricultural and exchange sectors. The
scope of this thesis is to see how far these above factors were relevant to the trade in Pondicherry during the eighteenth century. The trade centred at Pondicherry under the dominance of the French East India Company is something which can shed more light on the above subject.

Historians who studied maritime history of India have worked rather satisfactorily on the trade conducted by the Portuguese on the Malabar coast, the Dutch Trade on Western coast of India, the English East India Company's trade in Bengal and other parts of coastal India. Though a few scholars have concentrated their attention on the French activities, no detailed study of trade and commerce under the French Trading Company at Pondicherry has been taken up. The work of Henri Weber dealing with *La Compagnie Française Des Indes 1604-1875*, covers the trading activities of the French Company in India in general. But, it does not give detailed information of trade carried on by the French at Pondicherry and he did not take note of the indigenous source materials. M.V. Labernardie's work *Le Vieux Pondichéry 1673-1815* discusses trade and political conditions in the Carnatic region. Her work in French language, does not provide quantitative details of sea-borne trade conducted by the French at Pondicherry. G.B. Malleson's work failed to give any thought to French
Company's trade in Pondicherry as he committed himself to the study of political history. Same is the case with the work of S.P. Sen. He speaks in general about Company's commerce in India and discusses political struggle between the English and the French in the Carnatic region and the political situation of Bengal. The unpublished thesis of B. Krishnamurthy written on the French trade with India (1664-1754) speaks of initial growth of the French trade in India in general. Here also no emphasis is laid on the French commerce at Pondicherry. Similarly other scholars like Catherine Manning, Philip Haudrere and Jacques Weber have worked on the French East India Company and its trade, but do not deal with Pondicherry in particular.

No specific study of trade and commerce based on Pondicherry, which was a prominent commercial centre and the principal port-town under the French Trading Company in the eighteenth century, has seen the light of the day till now. The present work, therefore, is an attempt to explore the mercantile activities of Pondicherry, a very significant centre of trade and commerce in Coromandel coast with emphasis on the points indicated above.

The eighteenth century in the history of India is a remarkable period owing to various political developments
and commercial growth. In South India, the century witnessed commercial and political rivalry between the French and the English against the backdrop of the changing political alliance of the Muslim rulers. The English and the French tussles in the West further escalated the Anglo-French rivalry in the Carnatic region. Pondicherry which was one of the small pockets where the French had established their headquarters and conducted trade, also came to be affected by the Carnatic wars. Migration of merchants, weavers and artisans to port-towns from interior parts and temple complex during this time affected the expanding commerce of these centres with East and Western coasts of Indian peninsula. Hence it is appropriate to examine the significant role played by the Pondicherry port and how its commerce was conducted during the eighteenth century. Pondicherry's strategic location under the French flag certainly contributed to its development of trade.

Indeed, during the period of Lenoir, Dumas and Dupleix commerce at Pondicherry flourished. Therefore, there is a need felt for a scientific work to study the trade and commerce of Pondicherry from 1701 to 1793. The reason why this period has been taken for this study is that
the Superior Council established at Surat was shifted to Pondicherry in 1701 by a Royal Edict and thereafter Pondicherry was poised to become the headquarters of the French in the East. The maritime trade under them continued to progress until 1793 when the English captured Pondicherry which dwindled under the English flag till 1817.

Scholars of the maritime studies of the same period have identified several port-towns in the coastal India such as Surat, Masulipatnam and Madras and attributed several causes for the rise and decline of these centres. In the absence of a detailed work on Pondicherry, the present study can only fill up the gap existing in the maritime history of South India. Several historians have, of course, used the French Company's records and these scholars have failed to use the indigenous sources. Thus, this present study attempts to use both the Indian and European sources to describe the commerce of Pondicherry at a microlevel.

The source materials used in this thesis are mostly contemporary and original. They include Tamil and French manuscripts, Memoires, Diaries, Catalogue des manuscrits des anciennes Archives de l'Inde Française, Correspondance des agents à Pondichéry de la nouvelle
Compagnie des Indes avec les Administrateurs à Paris 1788-1803, Arrêts du conseil Supérieur de Pondichéry, Correspondance du conseil supérieur de Pondichéry et de la compagnie, Lettres et conventions des Gouverneurs de Pondichéry avec les divers Princes Indiens de 1666 à 1793 and Procès-Verbaux des délibérations du conseil souverain de la compagnie des Indes. Besides these original sources, secondary sources have also been used. The secondary materials include the work of authors like Henri Weber, G.B. Malleson, S.P.Sen, J.Conan, H.de Closets D'Erry, M.V. Labernardie and Alfred Martineau. Some original records of the English Company and letter correspondences are also used. Valuable French journals such as Revue Historique published by the Historical society of Pondicherry have also been used for this work.

The theme of the study is discussed in eight chapters. Chapter one introduces the work and speaks of its relevances. Sources and methodology followed in this thesis have been discussed here. Pondicherry and its trade economy on the eve of the eighteenth century is attempted in the second chapter. It deals with the advent of the Portuguese, the Danes, the Dutch and the English, early efforts of the French to trade with India, Colbertism in France, establishment of the French factory at Pondicherry and trade under the French influence upto 1700.
Production in the primary sector is examined in the subsequent chapter. Here emphasis is laid on agricultural production, non-agricultural productions such as textile manufacturing, cotton cleaning, cotton spinning, cotton weaving, silk weaving, development of weaving activities, ownership of looms and master weavers, dadani system, bleaching, dyeing, painting and printing of textiles, manufacture of oil and sugar, brick industry, pottery, lime industry, salt production and fishing, basket making and mat weaving, smithery, carpentry, cutting and polishing of precious stones, leather and distillery industries, toddy drawing, gun-powder manufacture and centres of production. Migration of weavers and other artisans to Pondicherry is also discussed in this section.

Overland and coastal trade of Pondicherry is studied in chapter four. The topics under discussion include development of daily markets and their organisation, participation of merchants, structure of the markets and their functions, kinds of markets, retail trade in the bazaar, retail trade outside the bazaar, wholesale trade in paddy, grain godowns, cotton and indigo warehouses, arecanut and tobacco godowns, cloth storehouses, toddy, arrack and liquor godowns, development of retail markets in the town,
daily market control by the French Governors of Pondicherry, prices of commodities, several seasonal markets, weekly markets, periodical fairs, control of fairs by the mahanattars, commodities of trade, measures, weights and market taxes, trade routes, mode of transport, trade with the hinterland and coastal trade.

The subsequent chapter analyses the vicissitudes of overseas trade of Pondicherry. Discussion made in this chapter is on the external trade of Pondicherry with West Asia, South Asia, South East Asia, Far East, Indian ocean islands and East African coast. The Indo-European trade between Pondicherry and France is also highlighted in a detailed manner outlining its significance.

The next chapter describes finances of trade in Pondicherry. The topics include funds directly from France, those through sales of European goods, import of bullions, minting, currency circulation, value and measurement of coins, investment of profits from Intra-Asian trade, investment of land revenues in the trade, sale tax, taxes on professionals and marriage, tax for construction of walls, taxes on property, visitors and houses and customs duties, the nature of loans available in the trade sector.
The seventh chapter examines the participation of merchants in the trade of Pondicherry. In this chapter, composition and migration of merchants from various parts of India, the role of chief dubashies, the business of the wholesale and retail traders, shipowners, brokers, shopkeepers, peddlers exchange dealers and shroffs are also discussed.

The final chapter brings together some general and specific inferences drawn from the foregoing discussions. A select bibliography consisting of primary and secondary sources is furnished. Statistical details which had been collected are given in the appendix of the thesis.