CHAPTER IX

COMMUNICATION AND TRADE

(1)

THE DEVELOPMENT OF THE MEANS OF COMMUNICATION

Fifty years ago, and before the establishment of British rule, wrote Anne C. Wilson in 1895, the travellers and the country folk in the Panjab, had another tale to tell. Having railways out of question, the picture of the roads in Panjab hardly made an encouraging look. But a great change had taken place in the means of transport and communication by that time and still more by the year 1901. An excellent (and cheap) postal service had been evolved, a telegraph service had been introduced (although its efficiency was hindered by high charges), the railways were constructed and metalled and unmetalled roads developed. Of these, more important for the social and economic developments in Panjab were roads and the railways, of the development of which a short account may here be given.

THE ROADS. The chief road in Panjab was a continuation of the Grand Trunk road, which, starting at Calcutta, ran through Northern India to Delhi. Thence in Panjab, it passed through Karnal, Ambala, Ludhiana, Jullundur, Amritsar, Lahore, Jhelum, Rawalpindi, and Attock, ending at Peshawar. The

1. Wilson, Anne C., 1895, p.128.
section from Karnal to Ludhiana was opened in 1852, but that from Phillaur to the Beas was only opened in 1860-61. From the Beas to Lahore the road was opened in 1853, and thence to Peshawar in 1863-64. It ran alongside the railway, and still continued to carry a certain amount of show traffic. The other roads were mainly important as feeders of the railway system. On the north the chief routes were the Hindustan-Tibet road, which ran from the Shipki Pass on the frontier of the Chinese empire to the railway termini at Simla and Kalka and was opened in 1864-65. The Kangra Valley cart-road, which brought down tea and other hill products to Pathankot was opened in 1874-75. These roads were metalled and were practicable for wheeled traffic. As feeders and for local traffic unmetalled roads sufficed for the requirements of the people, and the construction of metalled roads was accordingly, in the later years, subordinated to that of railways.

The bullock-cart, remained the chief means of transport of goods by road. In the sandy deserts bordering on the Bikaner desert, and in the Sind - Sagar Doab, including the Salt Range, the camel was the chief means of transport of merchandise, while in the Himalayas goods were carried on

2. In the road from Lahore to Peshawar, the Court of Directors seem to have taken a special interest as according to their view, it was a work of absolute necessity (presumably political). Selection from the Records of the Government of India, No. VII.
5. I.G.I.P., i, 91.
mules or by bearers. For passengers by road the light springless cart known as the ekka was the almost universal means of locomotion. On metalled roads, the tum tum, a vehicle with springs, was much in use. On the important cart-roads to the hills, regular passenger services were maintained by means of a two-wheeled carriage called a 'tonga', drawn by two ponies; at every four miles there were stages at which ponies were changed. Regular services of bullock-carts were also maintained on these roads.

All the roads in the Panjab except those like the bridged and metalled road from Kushalgarh via Kohat to Bannu, and from Bannu to the Indus at Dera Ismail Khan which was sanctioned in 1884-85 by the Supreme Government to improve the frontier communication with reference to the accepted policy of frontier defence; were maintained from Provincial or District funds. The financial difficulties of the Provincial Government and their affect on the Public Works Department in the Panjab make an interesting study. There was a slow progress of roads in the Panjab, and it was not unoften that the responsibility for this was thrown upon the Imperial Government, which sanctioned funds to the province.

Reviewing the administration of Panjab between 1856 and 1858, it was reported that during these two years about 11½ lakhs had been expended on roads which, with the previous expenditure, would make an aggregate of 123½ lakhs. But despite all that had been done and spent, the work remaining to be

7. see A.R. 1884-85.
8. see Chapter X.
effected before the Panjab roads were in a proper state, was enormous. At the time most of the roads in the province were in a crude and half-finished state. Yet, the financial pressure on the provincial Government was such that they could not be improved as hurriedly as the provincial Government would like to and the Department of Public Works suffered from still another difficulty when in 1872-73 some of its best officers were withdrawn for exclusive employment on military works, which were under the direct control of the Government of India.

The number of miles of metalled road in 1873-74 was 1,036, and of unmetalled roads 19,762. By 1878, the metalled roads had increased to 1,255 miles and the unmetalled to 20,030 miles and the Famine Commission Report after certain enquiries stated that there was no part of the province, in which any crying want existed, or which was not roughly supplied with all the necessary roads. Yet according to the Panjab Government, the provincial work, generally, suffered from the want of funds.

It was another blow to the development of roads when during 1879-80 large reduction was made in the establishment of the Public Works Department as a measure of financial economy. So many projects had to be put in abeyance owing to the poverty of the finance in the province.

The province was the bulwark of India; it was reported in 1884, its strength, then and in times of greater need, essentially depended in a large measure on its material resources; and these could not be utilized without adequate expenditure, which it was not then within the power of the Local Government. The State of Communication and of other works in the Panjab was, with reference to commercial, agricultural and political requirements, deplorably incomplete. It had been accepted, with reference to the strength of the provincial establishment, that no less than 27 lakhs should be spent upon Provincial Public Works each year. In the year 1882-83, 14½ lakhs out of the amount actually allotted had to be spent upon repairs for existing works. Of the allotment of 1883-84, 5.98 lakhs were spent on "Establishment", and 13.26 on "Repairs," so that the amount available for new works was no more than 8.88 lakhs. In an under-developed country, 107,010 square miles in area, it was obvious that the amount of improvement which could be affected by a yearly sum of this description was miserably small.

In 1888-89, one lakh of rupees more than the average of the last two years were spent on the construction and repair of roads. Yet by 1891-92 out of more than 24,000 miles of roads in the province little more than 2,000 were metalled. The province, could not yet be said to have been satisfactorily supplied with communication.

In 1893-94, enquiries were made with a view to curtailing

17. see A.R.s. 1888-89 to 1891-92.
the high cost of the maintenance of roads and certain improvements, in the light of those enquiries, were introduced.
Yet the financial pressure remained such that by 1898-99, the development of the Public Works of the Province was small. The provincial Public Works Department, was the residuary legatee of provincial finance, and was consequently the first to feel the effects of famine and scarcity, when the order for retrenchment and economy had gone forth.

THE RAILWAYS.—Whereas the roads in the Panjab were maintained from Provincial & District funds, the development of the railways was in the hands of the Imperial Government. The oldest railway in the Panjab was that from Amritsar to Lahore, opened in 1862. That from Multan to Lahore linked up the capital with the Indus flotilla in 1865; but it was not till 1878 that its extension north-westward began an only with the opening of the Attack bridge for traffic on the 24th May 1883, was the thorough communication from Feshawar to Calcutta and Bombay established. Meanwhile Amritsar and

18. see A.F.s. 1891-1902. see also Chapter X.
19. Amritsar-Pathankot was the only railway which originally belonged to the local Government, and this too was transferred to the North-Western Railway in 1892, as the Government of Panjab could not maintain it due to financial difficulties. (see Chapter X, also see A.R. 1881-82.)
20. see A.R. 1862-63.
21. It is interesting to note that when the railway from Lahore to Feshawar was first decided upon there was difference of opinion as on one side there were some who held that the line should be first class to answer the commercial purposes but on the other side were those who held that though it was desirable for military and political grounds, tramway, or railroad of the roughest and cheapest sort would suffice.
    Lord May reasoned that though it should not be absolutely first-class, there was no reason why it should not answer all military purposes fully. (Eastern Economist, vol.1, Dec., 1869.)
22. A.R. 1883-84.
Rawalpindi had been linked with Delhi in 1870 and 1873 respectively; and though no further extension was made till 1883, progress was rapid after that year, as it will be clear from the following table: -

<table>
<thead>
<tr>
<th></th>
<th>1881-82</th>
<th>1890-91</th>
<th>1900-01</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total mileage open</td>
<td>1,696</td>
<td>2,665</td>
<td>3,829</td>
</tr>
<tr>
<td>Net profits (in thousands of rupees)</td>
<td>4,490</td>
<td>10,185</td>
<td>15,489</td>
</tr>
<tr>
<td>Number of European and Eurasian staff.</td>
<td>1,116</td>
<td>1,012</td>
<td>1,097</td>
</tr>
<tr>
<td>Number of Indian staff.</td>
<td>22,387<strong>a</strong></td>
<td>12,152</td>
<td>19,854</td>
</tr>
<tr>
<td>Total Capital expenditure from commencement (in thousands of rupees)</td>
<td>261,302</td>
<td>410,552</td>
<td>555,687</td>
</tr>
</tbody>
</table>

(a) Includes 1,740 maintenance coolies.

THE GENERAL BENEFITS OF RAILWAYS IN THE PUNJAB.— The general benefits to the Government and to the province as a whole of the development of the railways could hardly be overestimated. The facts relating to the question are too well known to be discussed in detail.

The strategical value of the railway system, we may say, lay chiefly in the facilities it offered for the transport of troops to the north-west frontier of India. The lines of railway formed the chain of communication between the great garrisons and cantonments which guarded the north-western

24. see Dalai, A.R. — 'Social Background...'-112-118.
frontier of India, and were the main artery for military transport during the times of peace and war. The part which was contributed by the railways to the increased strength of the empire thus making the movement of troops easy, could not be forgotten.

In the social life too their affect was not small. The railways, like the other civilizing gifts of God were, in their own way, working at the good of Panjab by bringing the people who had been long and effectually separated from each other, by distance, race, religion, and caste into close contact. The railways were tending to erase local variations in speech, dress, manners and custom, and to obliterate the few restrictions which the caste system in the Panjab imposed on the ordinary inter-course of daily life.

The extension of railway was a blessing which helped in preventing famine and afforded employment to a large number of Panjabi's and Europeans. Formerly the only means of sending grain to a tract affected by scarcity was by slow caravans of laden camels or bullocks. The railway had lessened the possibility of the people being overtaken by drought or famine. Thus during the famine of 1896-97, the grain traffic dealt with by them so quickly and easily was infinitely greater than could have been disposed by country carts and cattle, the means of supply were infinitely enlarged through the virtual annihilation of distance as an obstacle to profitable trade,

26. see Wilson, Anne C. - 1895, p.132.
27. ibid, 135-136.
and the cost and burden of transport was infinitely lessened. In many parts of the Panjab, the absence of water and fodder in a famine year made carriage of grain by road for long distances almost impossible. The railway was obviating all these difficulties.

One could easily appreciate the impetus given to commerce by these multiplied means of communication. The commercial value of the railways in the Panjab lay mainly in the export of cotton, grain (especially wheat), and oil seeds to Karachi. Combined with canals the railways were playing a great part in the economic life of the country, the former inducing the production of wheat on a vast scale, and the latter placing it on the world's market. In 1899-1900 the canal irrigated tracts formed a granary whence grain was distributed by the railways.

The railways also tended to equalise prices in all parts of the province from year to year, but it was doubtful whether by themselves they had raised prices generally.

The influence of geographical position of a country, on the development of its trade and commerce, is too obvious to be discussed. And in this respect, it may be added even at the cost of repeating what has already been stated above, Panjab was not lucky enough. Completely landlocked, the Panjab possessed no rivers navigable for even medium size craft, giving it access to the sea, and it suffered from the further disadvantage of being bounded on three sides by countries that offered no markets for its products. The province, represented a densely populated peninsula thrust north-westward into a very sparsely populated area. On the north lay Kashmir, Ladakh and Tibet and beyond these again the deserts of Turkistan. On the westward Afghanistan and Baluchistan and beyond these Persia. On the south lay Sikar and Rajputana, comparatively sparsely populated and undeveloped. In all these countries there were not the number of consumers required to make them valuable markets for the Panjab produce.

On the east, the United Provinces presented a rich market, but the two areas were so similar in soil, climate and people, that they produced similar commodities and so, during British rule, competed with each other for customers.

The influence of geographical position on prices in the Panjab was also not healthy and even as late as 1920, when the means of communication had considerably developed, it was

calculated that, the cost of carrying ten bales of cloth from Liverpool to Karachi was less than the cost of carriage from Karachi to Lahore. Thus 5,000 miles of sea was less impediment to trade than 750 miles of land; and the land locked position of the Panjab tended to diminish its profits from foreign trade both by increasing against it the price of imported goods and by decreasing the price received from its exports.

Yet, considering the position of the Panjab in respect of commerce and trade during the period intervening between the death of Ranjit Singh and its annexation by the British, the progress made during British rule was considerable. At the time of annexation, the Panjab had practically no trade with the rest of India. It had no surplus agricultural produce to export, and the anarchy which ensued on the death of Ranjit Singh was an affectual barrier to commercial enterprise. Nor were the means of communication good.

The earliest efforts of the British Government were directed to opening up the water-way of the

3. We do not go too far back.
4. I.S.I.F., i, 88.
5. see Trevaskis - The Land of the Five Rivers.
Indus. After the annexation, the security afforded to persons and prosperity, the improvement of communication of which the account has been given above, and above all the extension of canal-irrigation, which vastly developed the agricultural resources of the province, gave an impetus to the trade in the Panjab.

The development of commerce and trade in the Panjab may conveniently be discussed in two parts, firstly the trade between 1849 and 1877 and secondly that between 1877 and 1901.

(A) FOREIGN TRADE BETWEEN 1849 AND 1877

Before 1877 no separation was made between the trade of the Panjab with countries external to British India, and with other British provinces or Indian territories in India. The Foreign States and other Provinces with which trade was carried were Cis-Sutlej independent states, Kashmir territories (including Jammu) and countries on the north-east frontier; Kabul and countries on the north-west frontier; Rajputana and Central India; North-West Province; Bengal; Bombay and Sind; and other places.

Nor were the trade returns obtainable before 1877, much reliable. Yet one thing that is clear from the returns is, the fast development of trade between Panjab and the countries mentioned above. For we learn that the total imports and exports of the Panjab which were only worth Rs.1,72,91,131 and 2,63,37,253 respectively in 1867-68, had increased by 1876-77

Imports from the cis-Sutlej states were chiefly grains, oil seeds, sugar and spices; and the exports were salt, rice and sugars. From Kashmir and the North-East frontier the imports were chiefly grain, ghee, fruits and pashmina goods; and the exports, sugars, salt, and cotton cloths. With Kabul and the North-West frontier, the imports were chiefly fruits and grains; and the exports salt, sugars, tea and cotton cloths. Salt and grains were largely imported from Rajputana and Central India, the exports being grains, sugars, rice and metals. From the North-Western provinces were received chiefly sugars, rice and grains, oil seeds and salt were exported thither. To Bengal were sent pashmina goods and leather; rice, tobacco and metals forming the imports. The principal articles received from Bombay and Sind were liquors, metals and cotton cloths; exports consisting chiefly of salt, cotton, and grains. The pashmina or shawl trade was declining owing to the decreasing demand in Europe.

The efforts made during this period, to establish commerce with Central Asia alone, demand a special account.

Commerce with Central Asia before 1877.-- The promotion of trade between the nations north and west of the Himalayas and British India was a subject which had long occupied attention. One of the first acts of the Board of Administration for the affairs of the Panjab was the abolition of frontier customs.
duties formerly levied by the Sikh Government. This gave a great stimulus to trade, but nothing further of a special character was done beyond the improvement of internal lines of communication from the frontier to Lahore, until 1860, when measures were taken for obtaining reliable statistics of the existing trade between Yarkand, Kashgar and Bokhara on the one hand, and Russia and British territories on the other, and the routes by which that trade was conducted.

The enquiries by Mr. Davies showed that, there was a great demand for goods of European and Indian manufacture in the region of Central Asia that wants of Central Asia were practically nearer the sources of supply in India than via Russia, so that the traders in European goods from the side of India would be able to compete successfully with traders from the Russian side.

Encouraged by these informations, the Government of Panjab made all possible efforts to improve the means of mercantile communication with eastern and western Turkistan. To encourage trade with eastern Turkistan, the reduction of the transit duties levied on goods passing between Yarkand and British territory via Ladakh, to an ad-valorem duty of 5 per cent calculated on the invoice price, was effected at the close of 1867; an English agent was appointed at Ladakh for

10. To facilitate trade with western Turkistan a Steam Flotilla was established on the upper Indus, plying between Mukhud and Sukkur, as a feeder to the flotilla of the Lower Indus. The flotilla later on, however, proved uneconomic and was abolished in 1872. See for details A Rs 1860-61 to 1871-72; Mr. Fakir Chand Arora has made a comprehensive study of the subject in his Monograph - Panjab Government Record Office, Monograph No.9.
guarding the interests of traders with or from British territory; a route was discovered between the confines of British territory and Yarkand which avoided the difficulties of the Kara Koram pass, and was suitable for camels. Great improvements were made in the road between the confines of British territory nearest Yarkand and Palampore in the Kangra valley. An annual fair was started at Palampore for the interchange of the goods of Europe and India and eastern Turkistan in 1867. And reports from Ladakh in 1867-68 indicated that there was a favourable opening for trade in that quarter, especially in broad cloth, piece-goods and tea.

Heretofore the trade at Leh was in the hands of the agents of the Kashmir Government and petty traders of the adjacent hills. But by 1869 several merchants of substance from the Panjab, encouraged by the reduction of duties, and the presence of a British officer at Leh, had embarked in trade with Yarkand.

The officials of the Maharaja of Kashmir gave their full co-operation to the British authorities in opening out the Changchirmo route for traders between Yarkand and the Panjab, and making arrangements for their convenience, it was reported in 1870. At the commencement of the year 1869-70 the rates of transit duty via the Changchirmo were reduced from 5 to 4 per cent; and at the close of the year the duties were altogether abolished. The principal articles of import from Yarkand in the year were raw silk, silk fabrics, brick tea and from Lahasa,

felt rugs and carpets, gold dust and silver ingots. Principal articles of export were Otter skins, cloths, and calicos; but an increasing demand for indigo and Kangra green tea was reported.

For the merchants of Bokhara, Khokand, Khiva and Western Turkistan, as well as for those of Afghanistan and of countries lying in the north of the Peshawar valley, a fair was opened at Peshawar on the first December, 1869 by Major F.R., Follov, C.S.I. Commissioner of Peshawar. The first fair continued for 40 days and its results were encouraging. The traders who attended, were with a few exceptions, Kabulis and Peshawaris. The gross value of the articles brought for sale was roughly estimated at Rs.5,00,000 and of sales, at Rs.3,18,000 the principal sales occurred in the following articles:— dried fruits; piece goods, silk; woollen fabrics such as postins, carpets, etc., horses and sugar.

In 1872 an increase in the import of pasham from Turkistan was reported and satisfaction was expressed over the fact that Kangra tea was becoming in request in Central Asia. It was hoped that, if the Himalayan tea succeeded in being established in favour with the tea-drinking classes of Turkistan, a sure market would be provided for whatever quantity of tea India would be able to produce for many years to come.

The Peshawar Fair, however, the result of which was reported to be encouraging in 1869 was reported in 1872, to

have had a small success, as it did not seem to have been  
popular with trader from Afghanistan or Turkistan.

A noticeable feature of the year 1872-73 was the  
development of the through traffic from the Panjab by mules  
of which 170 proceeded all the way from Jullundur and  
Hoshiarpur to Ladakh, and as they at once obtained return  
freight to carry borax to Kulu, the owner's venture was very  
successful, and it was hoped that it would lead to a large  
increase in that form of carriage.

The trade registered at Leh during 1873, showed the  
highest figure yet obtained, as it will be clear from the  
following figures:

<table>
<thead>
<tr>
<th>Year</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>1863</td>
<td>23,604</td>
</tr>
<tr>
<td>1864-66</td>
<td>10,000</td>
</tr>
<tr>
<td>1867</td>
<td>55,495</td>
</tr>
<tr>
<td>1868</td>
<td>103,940</td>
</tr>
<tr>
<td>1869</td>
<td>129,154</td>
</tr>
<tr>
<td>1870</td>
<td>154,300</td>
</tr>
<tr>
<td>1871</td>
<td>124,118</td>
</tr>
<tr>
<td>1872</td>
<td>158,480</td>
</tr>
<tr>
<td>1873</td>
<td>177,673</td>
</tr>
</tbody>
</table>

This increase too, had taken place in the face of two  
difficulties - the first being the interference of the Yarkand  
authorities in delaying the starting of the caravans southward  
until a very late season of the year. The second difficulty  
was a great scarcity of carriage from Leh to Yarkand as  
several of the karayakashs - a class of carriers between Leh  
and Yarkand - owing partly to the rigors of the winter  

17. It was hoped that this impediment to the development of  
the trade would be removed by the treaty then concluded at  
Kashgar.
journeys which they had for the last few years been compelled to make, and which destroyed a great number of their animals, and partly to their gambling in charas and receiving charas in payment instead of coin, had been ruined. On the other hand, however, the roads between Ladakh and India both via Kulu and Kashmir were improved and the Kulu mule train which was established in 1870, was reported to be working successfully.

The proportionate amounts of the imports from Yarkand into Leh, where trade was almost entirely transit one, was in 1873:

<table>
<thead>
<tr>
<th>Item</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold</td>
<td>45%</td>
</tr>
<tr>
<td>Pasham</td>
<td>13%</td>
</tr>
<tr>
<td>Charas</td>
<td>12%</td>
</tr>
<tr>
<td>Silk</td>
<td>8%</td>
</tr>
<tr>
<td>Horses</td>
<td>8%</td>
</tr>
<tr>
<td>Coarse cotton goods</td>
<td>33%</td>
</tr>
<tr>
<td>Silver</td>
<td>3%</td>
</tr>
<tr>
<td>Other goods</td>
<td>7%</td>
</tr>
</tbody>
</table>

The proportionate amounts of imports into Leh, from India were as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cotton piece goods</td>
<td>41.0%</td>
</tr>
<tr>
<td>Tea</td>
<td>14.3%</td>
</tr>
<tr>
<td>Brocade, Silks, etc</td>
<td>11.3%</td>
</tr>
<tr>
<td>Paper etc</td>
<td>7.0%</td>
</tr>
<tr>
<td>Indigo</td>
<td>3.3%</td>
</tr>
<tr>
<td>Otter skins</td>
<td>3.2%</td>
</tr>
<tr>
<td>Sugar</td>
<td>3.0%</td>
</tr>
<tr>
<td>Goat skins</td>
<td>2.7%</td>
</tr>
<tr>
<td>Other goods</td>
<td>13.7%</td>
</tr>
</tbody>
</table>

In 1875, the prospectus was issued for the formation of a new company to establish whole-sale depots of European, Indian and Central Asian goods at Leh, Srinagar and Peshawar, in lieu of sending caravans, because the experience of an

19. ibid, pp. 70-71.
English company during that year showed that the circumstances of trade with Yarkand were not favourable for direct commercial dealings by Europeans.

Further increase in trade with eastern Turkistan of the value of about 2 lakhs of rupees was reported in 1875-76.

In 1877 it was reported that as eastern Turkistan did not adjoin British territory; it would not be shown separately. The traffic passed through Kashmir or Ladakh, and was included in the tables showing the foreign trade of the province.

(B) FOREIGN TRADE BETWEEN 1877 AND 1901

In 1876-77, a separation was made between the trade of the Punjab with countries external to British India, and with other British provinces or Indian territories in India. The returns were also made more reliable. The foreign trade according to the new classification was with Kashmir, Ladakh, Chinese Tibet, Bajour, Kabul, Tirah and Suwestan. Other Indian provinces were not included in the foreign trade.

TRADE WITH KASHMIR.- Of all these countries, development of trade with Kashmir during the period is more striking. Chief imports from Kashmir were rice and other grains, ghee, timber, oil seeds, manufactured wool, raw silk, hides and skins, and fruits; and the chief exports to Kashmir were cotton.

20. A.R. 1874-75.
22. A.R. 1876-77, p.94.
1. A.R. 1876-77, p.89.
piecegoods, wheat, metals, tea, sugar, salt and tobacco.
The records reveal a steady progress of the trade with Kashmir
till it became the most important factor in the entire
foreign trade of the province.

Notwithstanding the decline in the shawl trade, as noticed
above, an increase both in the weight and value of imports was
noticed in 1876-77. This was due to the production of raw
silk, of which 371 maunds valued at Rs.2,22,450 were received
into India in 1875-76, while the amount imported during
1876-77 was 2,139 maunds, valued at Rs.14,65,200. The export
trade with Kashmir, also, showed improvement during the year,
as 5,573 maunds of English piece-goods were conveyed into that
state, against 4,870 maunds in the previous year.

During 1877-78, however, the Kashmir trade was reported
to be in a most stagnant condition, owing to the depression
in the market of pashm goods, the severe famine, and the
failure of the silk crop. The Maharaja of Kashmir was reported
to be endeavouring in London and Paris to create a demand for
renowned shawl which seemed to have temporarily gone out
of fashion, and the manufacture of which was almost at a
stand-still.

Distress in Kashmir continued into the year 1878-79.
Imports of silk again fell off considerably, owing chiefly to
the destruction of the worms in Kashmir; but the figures under
wool and pashm showed a more favourable state of affairs.

2. A.R. 1876-77, p.92.
4. ibid, pp.122-123.
The distress in Kashmir, during these years seems to have been very great. For the falling off of imports from Kashmir was in 1878-79 reported to be due in a great degree to the loss of population during the famine, and to the consequent failure of the indigenous manufacture; and to some extent also to the difficulty of procuring carriage at a time when nearly all that was obtainable in the country was employed in transporting grain into the valley. Of the local industries which were then affected, the silk trade had doubtless suffered most of all, and it was apprehended, that it would probably take years to recover the seemingly prosperous condition it had attained before 1878. The shawl trade, too, had fallen away to a mere nothing. Whereas in 1878-79, the import of shawl from Kashmir was worth Rs.18,16,000 in 1879-80, it was worth only Rs.8,62,000.

After a long period of distress, the year 1880-81, once again, brought happiness to the valley. The most marked feature of the year in Panjab was the very large increase in the export of European piece-goods and one of the chief reasons for this was the cessation of famine in Kashmir. Further, it was noticed in the year that the records of the past five years showed that the value of imports from Kashmir had always exceeded the value of the exports to Kashmir; and the total of these five years showed that the imports exceeded the exports by about 73 lakhs of rupees.

6. ibid, 103.
7. A.R. 1880-81, p.158.
The trade with Kashmir showed a further increase in 1881-82. It was, however, regrettable that there was considerable decrease in the imports of raw silk from Kashmir, as it seemed to show that silk-worm breeding was again languishing in that country.

With the improved means of communication effected by the opening of the railway from Wazirabad to Sialkot and from Amritsar to Pathankot, and with the reduction in the rates of carriage which were reported from Rawalpindi, it was hoped in 1883-84 that the Kashmir trade with Panjab had a fair future before it.

By 1884-85, the trade with Kashmir had reached a more important stage. Of the whole foreign trade of the province in that year nearly one-half took place with Jammu and Kashmir alone.

The trade with Kashmir continued taking lead in the foreign trade of the province, although there were occasional fluctuations in it. The chief feature of the year 1887-88 was an increase in trade with Kashmir by 26 per cent as compared with the year before. This was due to the policy adopted by the Kashmir Darbar in remitting taxation on many exports, although the Kashmir import duties still greatly hampered the import trade from the Panjab. The Kashmir in that year was reported to have absorbed more than one-half of the trade.

total foreign trade of the province. Of the exports to Kashmir in that year, one half consisted of piece-goods (European and Indian), the trade in which was rapidly expanding. A large increase in the import of ghee from Kashmir had also taken place. This product now occupied the second place in importance among the imports from Kashmir, the first place being held by shawls. Arrangements in that year were concluded under which Kashmir wines and spirits might be imported into the Panjab on payment of duty equal to the sea customs duty payables on similar liquors. It was reported that these wines were likely to find a ready sale in the province.

Of the total foreign trade of the province, the Kashmir trade in 1838-39, represented 56.3 per cent. The conversion of the Murree-Kohat route to a cart road, and the construction of the Jammu-Sialkot Railway, it was believed, would have still better an affect in promoting the trade with Kashmir. A noticeable point in the import trade from Kashmir was that the place hitherto held by shawl as the chief article of import was now taken by ghee, which during the year was imported into the Panjab to the value of Rs.13,15,862. Hill ghee was considerably cheaper than that produced in the plains, and it was probably also of better quality in most cases.

The trade with Kashmir continued to progress. Increased facilities of communication afforded by the Sialkot-Jammu Railway were exerting a stimulating affect on the commerce.

15. E.L.T.R. 1890-91; A.R. 1890-91 (summary); A.R.1890-91(summary)
with that country. In 1892-93, however, there was some slackness
due to the prevalence of cholera in Kashmir and the heavy custom
due levied by the Kashmir State were also operating in the same
direction. The downward trend continued into the year 1893-94.
But in 1894-95, once again, an upward trend was noticed. Tea
export to Kashmir was reported to be developing which
compensated the Panjab planters for the loss of the Kabul
market by that year, up to some extent. The trade was, however,
still hampered by a very heavy customs duty, but the Darbar
in that year had agreed to consider the question of reducing
that tax on the expiry of the contract for its collection which
was then in force. The encouraging results of the trade in
that year were reported to be due to (1) the facility of
communication afforded by the cart-road through Kohala, (2) the
location of a large number of Europeans and other persons from
India in any beyond Kashmir, and (3) agricultural prosperity
on either side.

The demand for Indian tea in Kashmir in 1895-96, was
reported to be satisfactory. Further progress in trade with
Kashmir was noticed in 1896-97, and again in 1897-98. The
chief staples of import reported in the latter year were timber,
ghee, charas, bullion and fruits, in return for which the Panjab
sent Indian and European cotton-goods, tea and iron, brassware
and salt. In 1899-1900, a large quantity of grain was imported

18. A.R. 1893-94 (summary)
from Kashmir owing to the famine in the Panjab, and a striking feature of the returns of the year 1900-1901 was an enormous increase in the quantity of linseed imported from Kashmir, but ghee continued occupying the important place it was already holding. The trends of the trade between Panjab and Kashmir after 1877, will be more clear from the following figures.

Trade with Kashmir (in thousands of rupees)

<table>
<thead>
<tr>
<th>Year</th>
<th>Imports</th>
<th>Exports</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1890-91</td>
<td>7,022</td>
<td>5,432</td>
<td>12,454</td>
</tr>
<tr>
<td>1890-91</td>
<td>5,432</td>
<td>5,652</td>
<td>11,084</td>
</tr>
<tr>
<td>1900-1901</td>
<td>12,915</td>
<td>9,564</td>
<td>22,479</td>
</tr>
</tbody>
</table>

TRADE WITH LADAKH— The trade with Ladakh was insignificant as compared with the total foreign trade of the province. Charas, borax and ponies were the principal imports from Ladakh, and metals and piecegoods, the chief exports thither. Raw silk, wool and pashm were also imported and tea and cotton goods were exported from Panjab.

In 1881-82 the trade with Ladakh increased to a certain extent and the amount of charas imported was nearly treble of that imported in 1880-81. With Yarkand and Ladakh the traffic was steadily on the increase, it was reported once again in 1886, the most prominent feature being the increase in the

25. E.L.T.R. 1881-82; I.G.I.P., i. By the year 1880-81, there was a complete cessation of famine in Kashmir.
imports of raw silk, wool and pashm and in the export of tea
during 1835-36. But in 1838-39, it was reported that the
Ladakh trade showed no tendency to expand. An increase, however,
was apparent in the value of European cotton goods exported, the
value of these exports having reached the figure Rs.2,02,750 in
1838-39 as compared with Rs.1,00,320 in 1836-37.

In 1891-92, the proportion which the trade with Ladakh
formed of a total foreign trade of the province was only 2.0
per cent.

the trade with Ladakh increased and in 1893-99, the value
of the trade with Ladakh formed 3.3 per cent of the whole
foreign trade of the province.

During 1899-1900, however, the trade with Ladakh decreased
to 2 per cent of the whole due to taxation of charas havin
temporarily dislocated the arrangements for importing the drug.

In 1900-01 further decrease was registered in the Ladakh trade.

A general view of the trade after 1877 may be had from the
following figures.

Trade with Ladakh (in thousands of rupees).

<table>
<thead>
<tr>
<th></th>
<th>1830-81</th>
<th>1890-91</th>
<th>1900-1901</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imports</td>
<td>133</td>
<td>341</td>
<td>419</td>
</tr>
<tr>
<td>Exports</td>
<td>311</td>
<td>285</td>
<td>249</td>
</tr>
<tr>
<td>Total</td>
<td>444</td>
<td>626</td>
<td>668</td>
</tr>
</tbody>
</table>

8. A.R. 1900-1901.
TRADE WITH CHINESE TIBET.— Trade with Chinese Tibet was even insignificant than that with Ladakh. The chief imports from Chinese Tibet were raw wool and borax and the chief exports, cotton piece-goods and metals. Tea was also exported ther.

The total trade with Chinese Tibet in 1880-31 was valued at Rs. 214 thousands. But by 1886-87, this value was further decreased to Rs. 64,564. The prohibition against the import of tea enforced by the Chinese authorities in Yarkand, it was reported in 1883-89, had annihilated a promising trade. In 1891-92, the trade with Chinese Tibet formed only 0.6 per cent of the whole foreign trade of the province. In 1896-97, further decrease in the trade with Chinese Tibet was noticed. In 1898-99, it occupied only 0.5 per cent of the whole and in 1899-1900 it was reduced still further to 0.4 per cent of the whole foreign trade of the province. In 1900-1901, this trade showed a tendency to increase, but the signs were not much encouraging.

Trade with Chinese Tibet (in thousands of rupees)

<table>
<thead>
<tr>
<th></th>
<th>1880-31</th>
<th>1890-91</th>
<th>1900-1901</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imports</td>
<td>201</td>
<td>119</td>
<td>216</td>
</tr>
<tr>
<td>Exports</td>
<td>13</td>
<td>20</td>
<td>46</td>
</tr>
<tr>
<td>Total</td>
<td>214</td>
<td>139</td>
<td>262</td>
</tr>
</tbody>
</table>

1. A.R. 1880-81 (summary)
5. A.R. 1896-97 (summary)
6. A.R. 1898-99 (summary)
7. A.R. 1899-1900 (summary)
TRAPS

TRADE WITH KABUL.— Next in importance to that with
Kashmir was the trade with Kabul from where the chief imports
were fruit, ghee and raw wool and the chief exports to were
piece-goods, rice, leather and sugar. But as the time passed,
the Kabul trade began to lose its position till towards the
end of the 19th century it became nearly insignificant. A
brief account of this decline will here be traced.

As in the case of Kashmir, the year 1876-77 gave some
encouraging signs in the trade of Panjab with Kabul. The
export trade with Kabul represented some favourable features.
European piece-goods, indigo and tea represented chiefly

Whole of the export trade of the North-West Frontier
in 1877-78, was naturally affected by the complications with
the Amir of Kabul, and the unsettled state of the political
atmosphere. The affect continued till 1880-81, when it
was noticed that the restoration of tranquility in Kabul
was once again responsible for a large increase in the export
of European piece-goods from Panjab. A review of the past
five years ending in 1880-81 showed that whereas the value
of imports from Kashmir had always exceeded the value of the
exports to Kashmir, in the trade with Kabul the balance had
always been the other way. The imports from Kabul during
these years fell short of exports by about 130 lakhs.

In 1881-82, 85% of the whole foreign trade of the province

2. A.R. 1877-78 (summary)
was represented by Kashmir and Kabul. A falling off in the
value of European piece-goods in the Kabul trade of that
year was noticeable, which, however, was compensated by
largely increased exports of Indian piece-goods and indigo.

In 1883-84, however, a decline in the exports in the
Kabul trade was reported to be most marked, and this was the
consequence of the prohibitive duties imposed by Russia which
prevented the advance of Indian goods beyond the Oxus. This
repressive influence was equally felt by the merchants
frequenting the Khyber route on the north and the Kurram and
Gomal routes on the south. The Peshawar tea trade with
Central Asia had suffered severely from these impositions
of heavy import duties by the Russians: the import which a
camel-load often had to pay on the road from Peshawar to
Bukhara amounted to Rs.240, and it was obvious that the trade
could not long survive if it was to be subjected to such
8 crushing taxation. Yet Kabul continued to be a chief market
for the export trade of the province and in 1885-86, an
increase was noticed in the export thither, the chief staples
being piece-goods, indigo and tea. Fruit was imported from
Kabul, amount of which fell in 1885 owing to the severe
9 hailstorms which visited Afghanistan in the spring of 1885.

In 1886-87, the total imports from Kabul into Punjab
were of the value of Rs.25,50,052 and the exports Rs.63,63,490.
10 Further increase in the export of tea to Kabul was noticed.

6. A.R. 1883-84, (summary)
In 1887-88, however, a falling off was once again observable in the trade with Kabul and the countries on the North-West Frontier as compared with the year before. In 1888-89, there was further falling off in trade with the countries on the North-Western frontier, which was now definitely reported to be due to the rigid exclusion of English goods enforced by Russian government. In the countries beyond Afghanistan and partly to the taxation to which they were subjected in Afghanistan. The direct evidence under the first head of an English traveller who had just a short time before visited these parts confirmed that view. No doubt even under a system of fair competition the Russian goods, which had the advantage of carriage by rail and were not subject to the heavy transit dues enforced by the Amir of Afghanistan, it was admitted, would gradually oust most other goods from the market. It was, therefore, accepted that the outlet for English and the Indian goods in that direction would have to be practically confined to Afghanistan and the adjoining countries on the north-east.

In 1890-91, it was reported that decrease in the trade with Afghanistan was real, and amounted to 23% as compared with the average of the past years.

Besides the Russian fiscal policy and the uncertainties of the dues leviable in the Amir's dominions, the construction of the trans-Caspian Railway was, in 1892, noticed to be another obstacle to any rapid expansion of trade in that

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direction. Yet in 1891-92, Kabul occupied 33.3 per cent of the total trade of the province.

The import trade with Kabul remained stationary in 1892-93, but the export trade fell off further during the year by over 4 lakhs. In 1893-94, the state interference with mercantile business caused a further and decided falling off in trade with Kabul. Yet Kabul continued occupying the second place in the foreign trade of the Panjab.

The trade of the province with Kabul, which in 1889-90 was valued at 112, amounted in 1894-95, to only 43 lakhs. There was a decline in the export of tea to Kabul in 1894-95. Although no additional taxes had been imposed on tea, the export of tea to that country declined probably due to stringent measures which, during the past few years, had been adopted by the Amir for realization of the duty. The export of Indian piece-goods to Kabul also fell. Whereas in 1892-93, exports to Kabul valued 17 lakhs of rupees, the next year they were worth Rs.8,23,000 less, and in 1894-95, only 4 lakhs worth of Indian cloth was exported. The import of horses from Kabul also declined due to some special restrictions placed by the Amir.

In 1895-96, there was increase of the import of horses from Kabul and demand of Indian tea in Kabul was reported to be satisfactory. But one of the principal features of the

15. A.R. 1892-93, p.207.
year in the external trade return was an accentuation of the tendency of Panjab exports to find their way to Central Asia via Kashmir in preference to the Kabul route, which latter was blocked by Russian and Afghan influences.

In 1896-97, the Kabul trade further decreased, by 3 lakhs and it was remarkable that in 1897-98 as well as in 1896-97 the value of the trade with Bajour considerably exceeded that with the whole of Afghanistan.

During 1898-99, trade with Kabul showed some increase. Yet the place the Kabul trade had occupied for long time, was now definitely taken over by the trade with Bajour. The Kabul trade with Panjab now fell to the third position. The first and second being occupied by Kashmir and Bajour respectively.

But the Kabul trade was destined to fall still further and in 1899-1900 and again in 1900-1901 although it continued to occupy the place next to Bajour, it was much behind it in amount and value, and was much less than in the previous years,

Trade with Kabul (in thousands of rupees)

<table>
<thead>
<tr>
<th></th>
<th>1880-81</th>
<th>1890-91</th>
<th>1900-01</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imports</td>
<td>2,518</td>
<td>2,073</td>
<td>1,871</td>
</tr>
<tr>
<td>Exports</td>
<td>8,630</td>
<td>4,598</td>
<td>2,974</td>
</tr>
<tr>
<td>Total</td>
<td>11,148</td>
<td>6,672</td>
<td>4,846</td>
</tr>
</tbody>
</table>

TRADE WITH COUNTRIES ON THE NORTH-WESTERN (excluding that with Kabul). - The trade with other countries on the North-Western frontier namely Bajour, Tirah and Sewestan was not such as to deserve a separate note. Bajour alone developed into importance and that too only in the last decade of the 20th century.

The trade with Tirah, it was reported in 1881-82, was quite insignificant. A temporary impulse had been given to that of Bajour by the opening of work on the Swat River canal and by the occasional adoption of that route to Kabul by traders. The trade with Sewestan, it was reported, was never likely to be of any great importance.

The opening of the railways in Billochistan stimulated the trade with Sewestan and there was a short increase in it in 1886-87. But the rigid exclusion of English goods enforced by the Russian Government in the countries beyond Afghanistan and the taxation policy of the Amir of Afghanistan were affecting the entire trade on the North-Western frontier badly, as it was reported in 1889. Yet the trade with Sewestan, which included a large portion of the territory known as British Baluchistan, had not fallen off to the same extent as that of the other countries on the North-Western frontier. The opening of the Fiskin road would, it was hoped in 1889, foster traffic in that direction, but the bulk of the export trade, at least with British Baluchistan, would not doubt, it was further hoped, be diverted to the line of

24. They were affected more or less jointly by the circumstances at the frontier.
the Sind-Pishin Railway.

Of the total foreign trade in 1891-92, Tirah occupied only 0.8; Sewestan 6.2., and Bajour 7.0 per cent. In 1892-93, there was further increase of nearly 3 lakhs in the import trade with Bajour, but that with Sewestan showed a falling-off of nearly 2 lakhs, which was attributed to a bad season in the hills and to the severity of the winter which impeded communication and interfered materially with the ordinary wool and timber trade.

In 1894-95, a large increase in the number of sheep and goats imported from Sewestan was reported. There was also an increase in the import of charas and fruits from the same country. The resources of Bajour had exhibited an enormous development in trade under the heads "hides of cattle" and "skins of sheep". In 1892-93, the imports from that country under the first head valued only Rs.28,000 while in 1894-95, they were worth no less than Rs.1,62,000. The trade in iron with these countries was developing and European twist and yarn were getting popular with them. In 1894-95, Bajour received about Rs.3,18,000 worth of these articles.

During 1895-96, there was a fall in the trade in raw cotton and Indian piece-goods to Bajour and Tirah, due in part to the scarcity of transport which had been bought or hired for the Chitral Relief Force.

29. A.R. 1892-93, p.207.
During 1896-97, due to the opening of the road to Chitral and the peace and security consequently enjoyed by traders and travellers generally, there was great advance in the trade with Bajour, which increased in value from 47 lakhs to nearly 84½ lakhs. Cotton twist, yarn and piece-goods were exported to Bajour, while owing to the scarcity prevailing in the Panjab, there was a large increase in the imports of grain of all kinds from that country.

The remarkable expansion of trans-frontier trade noticed in 1896-97 was not, however maintained in 1897-98. The setback was due to the frontier troubles and also to the circumstance that the abnormally high prices of the famine year 1896-97 stimulated a brisk import trade in grain. More than half of the falling-off in the year under report occurred in the trade with Bajour, which was interrupted for some months in consequence of the outbreak in Swat. Notwithstanding this interruption, it was remarkable that in 1897-98 as well as in the previous year the value of the trade with Bajour considerably exceeded that with the whole of Afghanistan. It was evident that the inhabitants of the countries opened up by the Chitral road fully appreciated the advantages of peaceful communication with India, and in the absence of the imports which were gradually crushing out Indian trade with the Amir's territories there was every reason to look for an unchecked expansion in the trade over the Malkand Pass.

33. A.R. 1897-98.
Some changes of an important nature were introduced in the system of trade registration during this year. Sewestan, British Baluchistan and the Zhob country, which were now within the sphere of British influence, could no longer be considered foreign territories, and the trade with these countries was no longer registered as foreign trade.

Bajour recovered greatly during 1898-99 and the trade with that country during the year was 23 per cent of the whole in value, Bajour had now developed a position in the foreign trade of Panjab, second only to Kashmir.

During 1899-1900, the amount and value of import and export from and to Bajour was nearly double that of the previous year owing partly to improved registration and partly to the stimulus to imports given by the famine in the Panjab. There was also a marked increase in the trade with Tirah, but the value yet formed only 1.5 per cent of the whole. As a matter of fact the trade with Tirah increased throughout the triennium ending into 1900-1901, by leaps and bounds. This increase was attributed to the campaign of 1897-98, which had the somewhat unexpected effect of showing Afridis the advantages offered by the Panjab market for the disposal of the products of their country. Yet the proportion of the Tirah trade with the whole of foreign trade of Panjab, was only small.

The trade with Bajour continued to prosper. There was a decrease of some 17 lakhs in 1900-01, but it was too slight to

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34. J.L.T.R. 1897-98
36. A.R. 1899-1900
be considered as a break in the continuity of what could be considered as a most satisfactory revival. The trade with Boner, formerly amalgamated with that of Bajour, amounted to 9 lakhs in 1900-01, the first year in which it had been shown separately.

Trade with Tirah and Bajour (in thousands of rupees)

<table>
<thead>
<tr>
<th></th>
<th>1880-81</th>
<th>1890-91</th>
<th>1900-01</th>
</tr>
</thead>
<tbody>
<tr>
<td>TIRAH</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Imports</td>
<td>62</td>
<td>92</td>
<td>480</td>
</tr>
<tr>
<td>Exports</td>
<td>61</td>
<td>109</td>
<td>430</td>
</tr>
<tr>
<td>Total</td>
<td>124</td>
<td>201</td>
<td>911</td>
</tr>
<tr>
<td>BAJOUR</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Imports</td>
<td>427</td>
<td>934</td>
<td>3,507</td>
</tr>
<tr>
<td>Exports</td>
<td>577</td>
<td>934</td>
<td>6,458</td>
</tr>
<tr>
<td>Total</td>
<td>1,004</td>
<td>1,868</td>
<td>9,966</td>
</tr>
</tbody>
</table>

Trade with Swestan (in thousands of rupees)

<table>
<thead>
<tr>
<th></th>
<th>1880-81</th>
<th>1890-91</th>
<th>1896-97</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imports</td>
<td>232</td>
<td>704</td>
<td>734</td>
</tr>
<tr>
<td>Exports</td>
<td>591</td>
<td>722</td>
<td>830</td>
</tr>
<tr>
<td>Total</td>
<td>823</td>
<td>1,426</td>
<td>1,614</td>
</tr>
</tbody>
</table>

37. A.R. 1900-01.
38. After 1896-97, Sewestan was excluded from the foreign trade list - see above.
THE TOTAL FOREIGN TRADE.- The total foreign trade of the province which was valued at Rs.246 lakhs in 1880-81 had decreased to 194 lakhs in 1885-86. By 1890-91 it had again increased to 221 lakhs and in 1895-96, it was 243 lakhs. In 1896-97 the total was valued at 303 lakhs of rupees. During 1897-98, the total declined again to 255 lakhs. During 1898-99 the rail borne traffic to and from Jammu which was registered as foreign trade for the first time, increased the total valued to 322 lakhs of rupees; but excluding this rail-born traffic the total was nearly 284 lakhs. The total foreign trade registered during 1900-1901 was valued only at 250 lakhs.

(C) TRADE BETWEEN PANJAB AND OTHER PROVINCES AND TERRITORIES IN THE BRITISH INDIA AFTER 1877 (excluding that with Kabul and Ladakh)

Only a short account need be given of the inter provincial trade which after 1880-81 was returned as Rail-borne trade and the River-borne trade. Major portion of this trade was carried only by rail. With the development of the railways, the River-borne trade showed a continuous tendency to fall.

Three years after the separation of the Panjab trade with other British province or Indian territories in India, from that with countries external to British India in 1876-77, an effective system of the registration of interprovincial trade was introduced. This was an arrangement for the collection of statistics of the trade along the principal routes connecting the chief towns and commercial centres, which was done by a system of blocks arranged as follows:-

Blocks outside the Panjab
(1) North-Western Provinces and Oudh.
(2) Rajputana via Agra.
(3) Bengal.
(4) Howrah.
(5) Central Provinces.
(6) Great Indian Peninsula Railways, and connected lines.

**Blocks in the Panjab**

(1) City of Delhi.
(2) Jogadhari to Lahore.
(3) Mean Meer West to Sher Shah and Muzaffarabad Junction.
(4) Panjab Northern State Railway.
(5) Indus Valley State Railway and Sind stations on the Sind, Panjab and Delhi Railways.

It was considered that by this arrangement of territorial blocks, and providing the means of registering the trade passing from one to another, more useful returns would be obtained than if they showed, or merely attempted to show, what entered and left the province by all the lines of communication between it and other provinces or Indian States.

The chief trade route between Panjab and the other provinces in 1879-80 was the East Indian Line of Railway.

During 1885-86, some further changes were introduced in the system of registration under which the whole of the Panjab was treated as one block for the purposes of recording rail-borne-trade and in place of returns for the provincial Municipalities, the traffic of a few selected railway stations, comprising all the out trade centres of the Panjab, was separately registered.

The North-Western Provinces and Oudh stood as the most important of the external blocks both in regard to exports and imports. Of the sea ports in connection with the trade of the Panjab, Karachi was obviously the natural port of the Panjab.

It occupied a position scarcely less favourable to commerce than

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that of Alexandria. There was a strong tendency of trade to run towards Karachi. It being natural route, if the surplus produce of the Panjab was to go out to other countries. It developed its position, particularly with the development of the export trade in wheat, at the expense of Bombay and Calcutta and by 1901, it had occupied the foremost position among the sea ports in connection with the trade of Panjab.

Wheat, raw cotton, oil seeds, hides, raw wool, and a certain amount of inferior grains went to Karachi, in exchange for cotton and woollen piece-goods, sugar, metal, and railway plant and rolling stock. The trade with the other sea port towns was on the same lines. Bombay took a large amount of raw cotton, and sent silk, tea, and tobacco. Hides and skins, leather, dyes, and tans went largely to Calcutta, whence came a great deal of the wearing apparel, jute, and woollen piece-goods imported. Cotton and woollen manufactured goods were exported to the United provinces (Uttar Pradesh) which sent sugar, coal and coke (from Bengal), ghee, gram and pulse.

42. Andrew, W.P. - Indus and its provinces, p.49.
**GENERAL CHARACTER OF THE TRADE.** - The principal articles of inter-provincial trade, as noticed in 1876-77 were:

<table>
<thead>
<tr>
<th>Imports</th>
<th>Exports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cattle</td>
<td>Cotton, raw</td>
</tr>
<tr>
<td>Twist and yarn, European</td>
<td>Cotton piece-goods, European</td>
</tr>
<tr>
<td>Ditto Indian</td>
<td>Ditto Indian</td>
</tr>
<tr>
<td>Drugs, all kinds, including opium</td>
<td>Drugs, all kinds, excluding opium</td>
</tr>
<tr>
<td>Dyeing materials, all kinds</td>
<td>Dyeing materials, all kinds</td>
</tr>
<tr>
<td>Gunny bags</td>
<td>Fruits and nuts</td>
</tr>
<tr>
<td>Fruits and nuts</td>
<td>Grains of all kinds</td>
</tr>
<tr>
<td>Grains of all kinds</td>
<td>Hides and skins</td>
</tr>
<tr>
<td>Leather and manufactures of leather</td>
<td>Leather and manufactures of leather</td>
</tr>
<tr>
<td>Liquors</td>
<td>Ghi.</td>
</tr>
<tr>
<td>Metals and manufactures of metals</td>
<td>Salt.</td>
</tr>
<tr>
<td>Opium</td>
<td>Oil seeds</td>
</tr>
<tr>
<td>Ghi.</td>
<td>Salt petre</td>
</tr>
<tr>
<td>Salt.</td>
<td>Silk and silk manufactures</td>
</tr>
<tr>
<td>Silk and silk manufactures</td>
<td>Spices.</td>
</tr>
<tr>
<td>Spices.</td>
<td>Sugar, refined</td>
</tr>
<tr>
<td>Sugar, refined</td>
<td>Sugar, unrefined</td>
</tr>
<tr>
<td>Tea, foreign</td>
<td>Tea, Indian</td>
</tr>
<tr>
<td>Tobacco</td>
<td>Wool, raw</td>
</tr>
</tbody>
</table>

But the main sources of the wealth of the Panjab, towards the end of the 19th century, lay in the export of wheat, the development of which was a remarkable feature of the British rule. A short history may here be traced of the development of this trade.

**THE WHEAT TRADE.** - In his letter dated 15th August 1848, John Lawrence the Commissioner and Superintendent of the Trans-Sutlej States had reported that the soil of the Trans-Sutlej Territory (except in the Kangra Valley, where it was stiff) though light and sandy to the eye was extremely fertile. But the territory, he added, for many reasons would not export wheat to

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44. A.P. 1876-77, p.92.
Europe. In the first place, there was abundant demand for its produce at and near home. The expense, trouble and uncertainty of so long a journey as that to Bombay, would, in his opinion, deter traders from attempting the experiment, even with the advantage of water carriage by the Sutlej and Beas. Nor could, he apprehended, the price of the Panjab wheat superadding to it the profit of trade and the charges of the sea voyage, make it to compete with the wheat from Russia and Poland. But this was a conclusion, which the actual experience in the field, was going to contradict.

By the year 1875, wheat had not yet developed the importance it was destined to do in the later years and in that year it was reported only as one of the principal exports of the province. But in 1882, the most noticeable feature of the year to be reported in regard to trade was the large increase in the export of wheat, which then amounted to 7½ million maunds, and showed an increase over the figures of the two previous years of about 40 percent. It was probable, the report added, that there was future for Panjab wheat in the annals of trade, and the effect upon the trade of the further development of railway which had by then connected Panjab with the sea-ports would no doubt be considerable.

45. Home, 1848, Revenue, Agri. 23rd Sept., 4/17, A.
46. A.R. 1874-75.
47. A.R. 1881-82.
In its issue dated 4th June, 1333, Koh-i-Nur from Lahore, suggested that no one should be allowed to export grain from one province to another province, or to a foreign country without previously obtaining special permission from the Local Government, which should not accord permission unless there were stocks of grains sufficient for the requirements of the province for three or four years.

Yet in 1886, it was reported that the export of wheat had trebled in the past three years, the total reaching in 1885-86 the high figure 15 million maunds which again, was 50 per cent higher than the figure of 1884-85; and the Financial Commissioner was indeed at a loss to understand where did all the surplus wheat which was thus exported come from, as the increase in the area under that crop in the Panjab had been very gradual.

In 1887, the volume of the entire import of cotton goods in the province was reported to be depending upon the export of two things from Panjab, namely oil seeds and wheat. Because abundance of export resulted naturally in the abundance of money, which in turn lead to large purchases of cotton goods such as had taken place in the year immediately preceding that under report. In the year 1886-87, there was a decrease in the export of wheat and oil seeds and the result was a decreased import in cotton goods.

48. Home, Secret, N.P.R. Panjab, etc. 1883, p.555; Later on in the same year, however, Koh-i-Nur itself printed letter on the other side and Naya Sudha, Oudh Akhbar, and some others expressed satisfaction at the trade and protested against any restriction. Home, Secret, 1882, Public, May 3/4,B.
49. A.R. 1885-86.
50. Panjab Internal trade Report 1885-86.
51. A.R. 1886-87, p.94.
In 1888, once again, there was a decrease in imports and now it was reported that the depressed state of export trade in wheat due to poor crops which had fallen from 75 to 19½ lakhs of rupees, was the only cause for this. The imports in the year 1885-86, as reported in 1889 was the largest being of the value of Rs. 9,12,73,292, and that was a year of abnormal activity in trade consequent upon the enormous quantity of wheat which was exported to Europe. Due to favourable seasons in 1891-92, 1894-95 and 1898-99, the export of wheat increased to an enormous extent. In 1898-99, the export of wheat, owing to a strong European demand and a good rabi harvest, reached a value of nearly 278 lakhs, and this was the highest yet returned except in the year 1891-922, after having sunk very low during the two years of scarcity.

This increase in the export of wheat was so big that some of the papers in the Panjab protested against it. Ataliq-i-Hind, Paisa Akhbar, Patiala Akhbar, Rahbar-i-Hind and Akmal-ul-Akbar, seemed to be foremost in this respect. Thus, in 1891-92, 550,911 tons of wheat (the largest ever exported during the British rule in the 19th century) was exported from Panjab, Ataliq-i-Hind, protested in strong words. Giving an account of the distress prevailing in various parts of the country, observed the paper in its issue dated 22nd Dec., 1891 that government did not prohibit the export of wheat as such action would interfere with the principles of Free Trade. This,

52. A.R. 1887-88, pp.97-98.
55. see Home, 1893. Public, May, 125-126, part B.
according to the paper, was against the customs and usages
of the country, according to which, the Government claimed
to rule the Indians. It was true that the people of England
would oppose any restrictions being imposed on free trade
in grain, and that the Government could not afford to treat
their opposition with indifference, yet Government, it added,
must bear in mind that it was bound to look to the welfare of
the people committed to its charge. The Ataliq urged the
Government to allow the export of only the surplus produce
of the country.

DIFFICULTIES IN THE WHEAT TRADE.— It was only during the
few years ending in 1885 that the importance of the Panjab
wheat trade had increased. Panjab wheat was second to none
in the world, and the special attention of the principal
English wheat firms and Indian Chambers of Commerce, as
well as of the Local Government and administration was
naturally directed to the whole subject of the export of this
article. But there were certain disadvantages under which
the trade suffered in Panjab.

The chief drawback was the dirty condition in which the
grain was usually purchased. The enquiry made by Colonel Wace,
in the year, showed that the Panjab cultivator could not be
justly charged with purposely adulterating wheat by the
admixture of dirt. It was, however, the carelessness and
cunning of the village trading class, which was responsible
for this. The accounts from Indhiana showed that the wheat
was deliberately watered and mixed with dirt, and it was stated

56. for details see Rev. Agri. Dept. 1885, Agriculture, Sept.
58,3.
that in certain villages of the Perozepore district the chamars made it a trade to supply different coloured earths to suit the colour and size of the different kinds of grains and the earth was worked into small grains in such a way that it was almost impossible to winnow it out.

Another drawback was the requirement, for the development of the wheat trade, of the opening of railways and roads as feeders to the main system of the province. The condition of the provincial finances made it difficult to remedy the drawback.

Yet, many efforts were made towards the development of the means of communication in Panjab. Certain impediments in transport of wheat through railways were removed. Publication of forecast showing every year the area under wheat cultivation, the condition of the young plant, and the probable yield of grain for the purpose of telegraphing it to England; were ordered by the Government of India. The Government of Panjab took many other steps to facilitate the development of the export trade in wheat.

But the character of the middle man, who was responsible for adulterating the wheat in Panjab, could not be improved. On the contrary, it was reported in 1895 that there had occurred a great deterioration during some years before, in the quality of Panjab wheat purchased for export to European markets. And the things continued till the end of the century.

Next to wheat, raw cotton was the principal export during the last decade of the century; and besides wheat inferior 57.

grains were exported on a large scale, chiefly to Southern Europe. During the ten years 1891-1900 the value of the agricultural produce exported exceeded that of the amount imported by an average of nearly 438 lakhs a year, a sum which considerably exceeded the total land revenue, with cesses and irrigation rates, levied in the province.

Among the imports, cotton piece-goods, European and Indian, stood first. The imports of the former fluctuated greatly, valued at 218 lakhs in 1890-1891, they had fallen to 190 lakhs in 1901-02. Indian made piece-goods, however, tended to out the European, the imports of the former having increased more than twofold between 1891 and 1901. In the case of twist and yarn this tendency was even more marked. The other considerable imports were iron and steel, sugar, wool (manufactured), gunny bags and cloth, dyes and tans, and liquors. Wheat and gram were also imported in times of scarcity. The well-to-do classes in the Panjab consumed wheaten bread, particularly in the last decade of the century even when wheat was at famine prices, and were not content with a cheaper grain. Hence the imports of wheat varied inversely with the out-turn of the local wheat harvest. In the prosperous years 1893-99 the value of the wheat imported was only 6 lakhs; the poor harvest of 1899-1900 raised it to 29 lakhs and, the scarcity continuing into 1900-01, to over 41 lakhs. The import statistics of the coarse and cheaper food-grains, such as gram and pulse, were an index to the purchasing power of the poorer classes. Less than 8½ lakhs in value in 1898-99, the imports of these grains exceeded 87 lakhs in 1899-1900 - falling to 39 lakhs in 1900-01. The figures show that in
periods of acute distress the poorer classes were compelled to fall back on inferior grains until better harvests and lower prices permitted them to resume their wheaten diet.

The trade by Rail and River of the Panjab with other Provinces and States excluding Kashmir and Ladakh (in thousands of rupees)

<table>
<thead>
<tr>
<th></th>
<th>1881-82</th>
<th>1890-91</th>
<th>1900-01</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imports</td>
<td>...</td>
<td>...</td>
<td>89,344</td>
</tr>
<tr>
<td>Exports</td>
<td>...</td>
<td>...</td>
<td>71,586</td>
</tr>
<tr>
<td>Total</td>
<td>1,59,742</td>
<td>1,61,430</td>
<td>2,29,190</td>
</tr>
</tbody>
</table>

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58. A.R. 1900-1901, pp.95-98; I.G.I.P., pp.85-86; also see other Adm. Reports of the period, particularly summary given on the first few pages of each.