CHAPTER - IX

TARIFF, TRADE AND CUSTOMS

SHET SHAH’s reconstruction of the tariff system revived the dwindling commerce of Northern India. His enlightened tariff policy was an eloquent proof of farsighted statesmanship. Prior to the advent of Sher Shah, as in medieval Europe, the inland trade of Hindustan was hampered by numerous imposts levied in different places by different authorities. There had been no freedom of trade between the different provinces of the empire and even within a province persons in authority exacted whatever they could from the merchants at every ferry and on the highway. Commerce, thus restricted to narrow and uncertain markets, inevitably declined, and with it the material development and prosperity of the Empire.¹

Sher Shah made a clean sweep of all internal customs and allowed the levy of duties² only on the frontier and at the place of sale within the Empire. The merchants and travellers enjoyed special consideration and perfect safety on the highway.

¹ Qanungo’s Sher Shah p. 386.
² Rate not known. However, in Akbar’s time 2.5 per cent was levied and it can be assumed that Akbar followed the already established custom.
Abbas Sarwani writes, "In the days of Sher Shah and of Islam Shah, the muqaddams used to protect the limits of their own villages, lest any thief or robber, or enemy of their enemies, might injure a traveller, and so be the means of their destruction and death. And he directed his governors and amils to compel the people to treat merchants and travellers well in every way, and not to injure them at all; and if a merchant should die by the way, not to stretch out the hand of oppression and violence on his goods as if they were unowned; for Shaikh Nizami (may God be merciful to him!) has said: "If a merchant dies in your country, it is perfidy to lay hands on his property." Throughout his whole kingdom Sher Shah only levied customs on merchandize in two places, viz., when it came from Bengal, customs were levied at Gharri (Sikri-gali); when it came from the direction of Khurasan, the customs were levied on the borders of the Kingdom; and again a second duty was levied at the place of sale. No one dared to levy other customs, either on the road or at the ferries, in town or village. Sher Shah, moreover, forbade his officials to purchase anything in the bazars except at the usual bazar rates and prices.".

Foreign goods were allowed to enter Bengal free of import duty, possibly owing to the difficulties of collection. There was no convenient frontier on the east (such as the

Indus was on the west), where customs could be collected with ease. The mountain passes on the north and east, and the sea-coast towns on the south were too many to be effectually guarded against smuggling. But it is doubtful whether Sher Shah abolished custom-houses in such busy ports as Chittagong and Satgaon, the importance of which had enormously increased owing to the opening of commerce with the Portuguese. Had there been any such remission, the Portuguese chroniclers must have recorded it. Similarly, Abbas fails to mention the places where commodities from the Deccan and Gujarat (coming through Malwa and Marwar respectively), were taxed.

The result of this enlightened tariff policy was that trade flourished, and Hindustan became more prosperous than had been the case for years.\(^4\)

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\(^4\) All contemporary chroniclers of Sher Shah vouch that trade flourished during his reign. Ishwari Prasad, Life & Times of Humayun. pp. 171-172.