CHAPTER III

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Eastern Turkistan, one of the outlying provinces of Imperial China, was noticed only as an integral part of that country. But in 1864, it emerged as a separate state. Not only its political entity became recognized but owing to its vital geopolitical set up, common frontiers with China on one side, Russia on the other and British India through the territories of Jammu and Kashmir on the third, became another point of attraction and debate in Central Asia. The foremost factor which made its existence possible was the nature of its inhabitants who being a Mohemmedan race did not cherish China's despotic rule and hence found more favourable grounds with other Mohamnadan states of Central Asia, viz, Afghanistan and Bokhara. Secondly, being situated on the outlying flanks of China, the latter's hold was not strong enough to keep it under full control. The Chinese had appeared on the scene only in the middle of the eighteenth century and by skilfully availing of the quarrels of the native provinces, made themselves masters of the whole region and ruled for a century. But with the advent of the nineteenth century, the powerful hold of China started loosening. The Khojas, an ousted ruling party, made several attempts to regain its
lost independence. These adventures of the Khojas between 1813 and 1863\(^1\) in a way rendered great strength to their determination which proved a disaster to Chinese power. It was under the leadership of Yakoob Beg, a Kokandi adventurer, who had risen from low birth to a position in the army of the Khan of Kokand, that a successful attempt was made to regain the freedom of the state. Yakoob Beg bestowed with proper military skill and religious zeal took no time to win the people to his side. In 1863 he reached Kashgar and gained the support of its people.\(^2\) It was not difficult for him to change the fortunes of this state for the Mohammadan people, as ever, were quick in responding to a religious cry. Here he had raised one, blended with determination and military ability. He was destined to emerge as the victor. It was in 1864 that the fortress of the city was taken under control and in 1865, other large city named Yarkand, was captured in a bloodless coup d'etat. Later he successfully proceeded to other towns of Eastern Turkistan as far as east as Aksu, Kunchi, Urumchi, Manas and Khotan. The Chinese corps who were made completely

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helpless shut themselves in a citadel and blew it up. Thus Yakoob Beg became the independent ruler of Eastern Turkistan and was later on proclaimed as 'Atalik Ghazi' - the champion father. The title, keeping in view his courageous campaigns, was given by the Amir of Bokhara in 1866. His reign was remarkable for the fact that it was he who lent an individuality to the history of this state which even afterwards could never lose its fervour.

The country of Eastern Turkistan, more or less started gaining popularity by the name of 'Kashgaria', after its conquest by Yakoob Beg. It consisted of three districts of Semipalantinsk region, Syr Dariya region and of the Zarafshan region, altogether 15,000 square miles in area, i.e. equal to that of France and Italy together. The native population of the country, nomads as well as settled inhabitants, was approximately 1,540,000 which gave an average density of about 10.3 inhabitants to a square mile. The nomads formed two-thirds of the total population and the settled inhabitants one-third. The densest region was that of Zarafshan district where the population was eight hundred to one square mile.

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3 Ibid., p.472.
5 Letter No.36, For, S.H. Pros 32-42, 1871; see also SPG, 1871 (Lahore, 1872), pp.65-66.
Geographically the country stood between the Tienshan mountain, the Kuenluen and the north watershed of Karakoram Range. To the west it was bounded by the Pamir steppes and eastwards it gradually shaded off into the great desert—Gobi. Amidst these surroundings Kashgaria consisted of various oases, the most important and the best known were Kashgar, Yarkand and Khotan. Kashgar was situated at 39°25'N and 74°E, Yarkand 30°10'N and 76°30'E, and Khotan 37°N and 80°35'E. Kashgar, the great trading centre was also the capital of the state and it was after its name that the country at times was called Kashgaria. Yarkand was also equally significant as a trading town and the popularity it gained in the field of commerce was so high that mostly the merchants of that country were referred as Yarkandi merchants. Later on even the mission of Douglas Forsyth to Eastern Turkistan was referred to as his mission to Yarkand. Besides these the other towns of significance were Khotan, Yangi, Hissar, Kurghalib, Gooma and Ilchi.

The history of this part of land goes as far back as to the earliest ages when Cambyses received as the dower of his bride, the daughter of Afrasiab, the province of

6 See SPG, ibid., p.66.
7 The Russians in Central Asia, John and Robert Michell, trans (London, 1865), pp.1-22; see also ibid.
Khotan and fixed his capital at Kung from which perhaps the word Yarkand has been derived. In the early thirteenth century it was overrun by Genghis Khan, and in the fourteenth century it dropped into the lap of Khojas who came across the Alai mountains from Bokhara and for the next three centuries held sway over its lands. Owing to dissensions among themselves the weaker party applied for aid to China and by an unfavourable stroke of fate in 1765 the whole country passed under the Chinese yoke. Thus it was exactly after a century that in 1864-65, due to general disorder, this time of the Chinese Empire, caused by the rising of the Tunganis that the Khojas were able to regain their rights. The result was that Yakoob Beg openly assumed the government in his name.

The country, though mainly thinly populated, was rich in natural resources. Gold, silver, silk and wool were produced in unlimited quantities. The district of Khotan was particularly very productive in silk and fruits. A

8 SPG, ibid., p.70.
9 Boulger, n.4, pp.22-40.
10 SPG, n.5, pp.70-73.
12 Friend of India, 3 March 1870.
variety of minerals like jade, sulphur, copper, lead, emerald, touchstone, etc. were found in the neighbouring hills. The country was described as so rich in the Davies report that to transact with it became almost a temptation to the British. The first Englishman who visited this country spoke of its riches as a "kind of Eldorado hitherto closed to Europeans".

This state with ample natural resources and great potentiality for trade was bound to attract the attention both of England and Russia who looked upon with keen interest even the most minor developments in Central Asia. For some time they silently watched the dramatic upheavals taking place on the political scene of this country. Though interested yet they did not recognize its individuality for almost half a dozen of years. Both the powers in fact were not sure about the life span of its new government. But to their utter surprise they found that despite the perpetual threats from all sides, Yakoob Beg was rather consolidating his rule in Eastern Turkistan. It was then that Russia

realized the importance of this country, for it could affect its vital interests in the transit trade with China which had then onwards to move through this independent state. Besides, direct trade with this country in itself was no less significant. Above all, the strategic importance of Kashgaria as a neighbour of British India and the fear of contagious effect of its Mohammedan population on the Muslim population of Russian occupied Turkistan were factors enough for Russia to recognize the suzerainty of this state. The British who had equally realized its strategical position and other interests identical to that of Russia also started making friendly overtures towards its ruler. Furthermore Russia's activities in Central Asia in the 1860s were so brisk that it gave rise to genuine fear that it might swallow Kashgar also. A military position at the doorsteps of India via Jammu and Kashmir could threaten India's defence to a great extent. Thus England's interests in the area were equally substantial as those of Russia, which was also haunted by the fear of a fanatical uprising in Muslim Khanates within its empire.

16 Frechtling, n.2, p.474.
18 cf. A.N. Kuropatkin, Kashgaria (Calcutta, 1882).
Moreover, the scope for profitable trade impressed the merchants of India and even those of English origin to study the country more carefully. In the realm of trade elaborate surveys had been made by government agents. It seems even Yakoob Beg was more inclined towards the British than towards any of the other two -- China or Russia. In early summer of 1868, he sent a semi-official messenger into the Punjab to take notes of its dominions. R.B. Shaw, British Agent of Ladakh, entered Eastern Turkistan the same year in December.\(^\text{19}\)

Guided by this complete configuration and to give a concrete shape to the assessment of the riches of the country and scope for commercial transactions, a trade fair, the first of its kind, was held in 1869 at Palampur.\(^\text{20}\)

As a result it was seen that Yarkandi traders flocked in large numbers to venture in the fresh markets of the Punjab. They had brought along with them raw silk, gold, ponies, drugs, silk piece-goods, wool, carpets all worth Rs 1,28,159 in exchange for Indian piece-goods and tea besides some other products.\(^\text{21}\)

After the fair, keeping in mind the scope for lucrative trade, negotiations were opened with the Maharaja of

\(^{19}\) Boulger, n.4, p.214.

\(^{20}\) SPG, 1870, pp.159-177.

\(^{21}\) Ibid., pp.159-60.
Kashmir for the free flow of goods passing through his
country. The whole commercial stream had to flow via
His Highness’s territories only. The route via Kashmir
was preferred over that of Kullu, for it was open for a
larger part of the year as well as it was connected with
Eastern Turkistan by an entrepot of great repute at Leh,
capital of the Maharaja’s outlying province of Ladakh.
Thus this route was considered geographically superior
to that of Kullu. 22 The road via Changchenmo was pre­ferred later by British joint commissioner at Ladakh
owing to the facilities of grazing and water as well as
trading marts along that route through Kashmir. 23

As a result negotiations with the Maharaja of Kashmir
were started in 1870, and a trade treaty was signed in
April mainly for the purpose of developing trade with
Eastern Turkistan. Under this treaty all transit dues on
goods passing between British India and Turkistan and vice
versa were abolished and joint commissioners were appointed,
one each by the British India government and the Kashmir
state, to reside at Ladakh - a vital commercial entrepot.
They were empowered to arrange for the convenience of
persons travelling on the trade routes, to settle disputes
between travellers and others and to exercise certain
magisterial jurisdiction.

22 K.W. 2, and K.W. 3, vide For, Pol A, Pros 395-412,
July 1878.
23 Letter No.408, ibid.
Article I of the treaty provided for the survey by officers of the British government of the various trade routes "through the Maharaja's territories from the British frontier of Lahaul to the territories of the Ruler of Yarkand including the route via Changchenmo valley". According to Article II "whichever route towards Changchenmo valley shall, after examination and survey as above, be declared by the British government to be the best suited for the development of trade with Eastern Turkistan shall be declared by the Maharaja to be free highway in perpetuity and for all times and for all travellers and traders". Articles III and IV provided for the supervision and maintenance of this road and for the exercise of the Joint Commissioners' jurisdiction along its entire length.²⁴

Thus for the first time trade with Central Asian countries was put on an official level and was properly watched and protected. It was actually on the basis of a report prepared by R.H. Davies, the Secretary to government in 1862, on the trade and resources of Central Asia and with a view to further boost up the existing trade that a series of measures were taken by the government of

India to carry out the recommendations embodied in that report of which the main were:

(i) Levy of a uniform transit duty of five per cent in Kashmir on goods passing through between British India and Central Asia.

(ii) Sufficient financial outlays for widening and improving the roads through the British hills districts and bridging the rivers on the Ladakh road.

(iii) Appointment in 1867 of a British officer to reside at Ladakh during the summer months for the protection of the trade passing through that town.

(iv) Negotiation of a treaty with the Maharaja of Kashmir in 1870.25

Further in 1870 the Maharaja of Kashmir was induced to abolish transit dues on goods passing from India to Central Asia. The consequence of this abolition was that by 1871 the trade traffic increased sevenfold.26 All these measures were taken in the hope that, along with large imports of raw silk and gold from there and export

25 Letter No.87, vide For. Sec. Pros 84-88, June 1872. See also Letter No.170, vide For. Sec F. Pros 167-178, June 1887.

26 MMPCIR, 1872-73, vide House of Commons, Parliamentary Papers, No.36756, 1874.
of piece-goods to that country, a wider trade with the vast regions to the East through Eastern Turkistan, including the northern provinces of western China, might spring up.  

After the fair of 1869 it was found that the main exports from Eastern Turkistan were confined to three or four articles only. The most important of which was charras known to all Englishmen as 'hashish'. This intoxicating drug was extracted from very fine quality of hemp which was grown on the borders of every field in Yarkand and was sent over to the Punjab where its demand, owing to the fine quality, was very high. Charras in India yielded profits as high as two hundred per cent. The next major import into India was that of pasham, the fine underfleece of the goat from which shawls were woven. This was brought from Turfan and was famous as 'Turfani wool', one of the most valuable description. Gold which was imported into India in large quantities was found in the province of Khotan. There were twentytwo places in Khotan where gold was obtained. But not more than five of them were regularly worked. Raw silk universally produced in Eastern Turkistan

27 Letter No.87, vide For. Sec, Pros 84-88, June 1873.
28 SPG, n.5, p.65; see also Letter No.417, vide For. Pol.A.Pros 408-417, December 1871.
30 Letter No.9, vide, For. Pol A. Pros 9-10, September 1876.
was one of the major imports to India. Mules, ponies, and horses were equally popular in the Punjab. Last, but not the least, were some herbs like 'Gular pattar', 'Toranjbeen' and 'Gharikoon' which were imported from Yarkand and had immense medicinal value.\footnote{See n.29. See also R.B. Shaw, *Ladak Trade Report* 1871, vide *FAR*, 1871-72, Addendum B, pp.xxii-xxxiv.}

The exports to Kashgaria were many but not of as high value as imports from that country. They were mainly cotton piece-goods, arms and ammunition, tea, indigo, pepper, ginger, honey and opium. Except tea, rest of the articles were quite cheap but they had large profit margins.\footnote{Letter No.215, vide *For*, Pol A. Pros 214-216, July 1874.}

In the initial years it was only the Yarkandi traders who used to come to the Punjab to exchange their commodities with those of Indian origin.\footnote{See Letter No.414, vide *For*, Pol A. Pros, 408-417, December 1871.} Central Asian traders were basically used to a life of wondering, weary toil and hardships, want of food and excessive heat and cold. To such men the arduous journey from Eastern Turkistan to Ladakh was not much of a problem. Besides they were an enterprising race, who ventured to take any risks if large gains were expected at the end of the journey. The British envoy to Yarkand noted this tough characteristic of the inhabitants of this country in 1874: "They were industrious,
peaceful and as a rule remarkably intelligent and very energetic and would be quick to appreciate and adopt all the advantages afforded by European science."\(^34\) Almost identical views were expressed by H. Mason, member of Manchester Chamber of Commerce, who wrote: "... inhabited by an industrious and commercial population anxious to have access to our manufactures."\(^35\)

The trade was carried on through three routes. The first through Afghanistan and Badakshan. The second through Kashmir, Gilgit and Yaseen and the Pamir, The third through Ladakh and over the Karakoram mountains.\(^36\) Yarkandi traders always preferred the route via Ladakh though it was comparatively more tough. This option was owing to the reason that they were taxed only once and moderately on this route.\(^37\) Thus they did not mind undergoing hardships as well as carrying their own grain for beasts so long as they were free from heavy imposition.\(^38\) Hence Ladakh, though not a paradise, was not looked down upon with disfavour. The following table shows how cheaply the goods were conveyed

\(^34\) SPG, 1874, p.297.
\(^35\) Letter No.70, vide For. Sec. Pros.62-72, May 1873.
\(^36\) Friends of India, 12 January 1871.
\(^37\) Ibid., 6 January 1870. See also Letter No.504, vide For. Pol A. Pros 497-509, December 1870.
\(^38\) Davies, n.13. See also Letter No.70, vide For. Pol A. Pros.69-71, October 1875.
through Ladakh than via Peshawar and Bokhara, the calculations are per horse load of three maunds.\(^3^9\)

### Table 3.1: Haulage Expense to Yarkand

<table>
<thead>
<tr>
<th></th>
<th>Via Peshawar</th>
<th>Via Ladakh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Duties</td>
<td>Rs 77</td>
<td>Rs 24</td>
</tr>
<tr>
<td>Carriage</td>
<td>Rs 51</td>
<td>Rs 66</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>Rs 128</strong></td>
<td><strong>Rs 90</strong></td>
</tr>
</tbody>
</table>

To settle all the issues of trade and trade routes as well as for the establishment of friendly relations, Yakoob Beg sent in 1869 an envoy to India to express his desire for the visit of the British officer to his capital. From this favourable gesture it could be seen that though having common frontiers with China and Russia, he still thought that the British could be his best allies. This resulted in an official mission composed of T.D. Forsyth and R.B. Shaw which proceeded to Yarkand in 1870. At that time the Atalik Ghazi was engaged in quelling a Tungani attack on the eastern frontier, and the mission had to return without achieving anything.\(^4^0\) Though of no use in itself yet it gave a good start for the coming events.

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39 See for source Letter No.74, vide *For. Pol. A.Pros. 73-76, July 1870.*

40 Aitchison, n.24, p.2.
On the basis of the rosy picture about the resources of the country drawn by R.H. Davies, R.B. Shaw and others, hectic activity was undertaken by the government of India to give impetus to commercial traffic on this line. This could be seen from the large sums that were spent on establishing fairs, facilities and security given to the traders, roads and serais that were built, and survey officers appointed at the routes of Ladakh including Changchenmo to Yarkand. Necessary arrangements for the supply depots were made on these roads and a party of British officers was sent by Lord Mayo, the Viceroy of India, to Atalik Ghazi, with a desire to cultivate free commercial intercourse and trade between the two countries. This official mission, the very first of its type ever sent to Central Asia, was not made keeping in mind only the commercial aspect. Though C.U. Aitchison, officiating Secretary to government of India made a declaration to Secretary to government of the Punjab in 1869: "... the sole object of the British government is the development of trade and the promotion of the free intercourse of nations that no political or military objects are contemplated". Contrary to

42 See n.39.
this, the truth was that reservations both political and diplomatic were the undercurrent of this adventure. The only outcome of this mission was that British India government became practically alive to the communication problem.

In the short distance of 350 miles of 30 marches between Leh and Yarkand the road went over five high passes, three of which were covered with perpetual snow. The road was so bad that nearly twenty per cent of horses died on the journey and consequently expense to carriage was high. This problem was mainly faced by the Yarkandi traders who visited the Punjab for very few from this side of the frontier went over to Eastern Turkistan. Moreover, a strong Yarkandi pony capable of carrying three maunds of load worth four hundred rupees could only be purchased at a rate as high as Rs 40 to Rs 50. This made the goods quite expensive when duties and other charges were added. The tedious journey by tricky and snowy passes was another reason which discouraged the Punjab merchants. They preferred to purchase the products of Eastern Turkistan at Amritsar rather than to go there. Yet the traders of Punjab were attracted by the glamour of their goods which were displayed in the trade fair of 1869. Thus in 1870 an enterprising Punjabi merchant Tara Singh went over to Yarkand.

43 Letter dated 31 May 1873, vide For, Sec, Pros 133-136, June 1873.
44 SPG, n.20.
It was for the first time that any Indian merchant had gone to that country. The fact that he was received cordially proved that the ruler and his subjects though Mohammedans were more interested in trade than to show any intolerance or interference towards Hindus. There was evidently a strong desire to promote commerce and free trade between the two countries. Inspired by this set up and attracted by the large profits many more natives started making regular trips to that country.

Out of the whole lot, the 'Bazazi' or cotton piece-goods were most popular of the exports to that country. There were exports of 486 maunds to the value of Rs 85,000 in 1870. Common calicoes, coloured calicoes, muslin plain and figured, long cloth, prints and chintzes were much in demand. Dark coloured and patterned chintzes were preferred for lining of chogas (robes) and other articles of dress. The craze for English and Indian piece-goods could be judged from the fact that the cheap though home-spun cotton was exported to Ladakh from where it went on to Tibet. In Tibet it found a ready market for it suited the humble standards of its inhabitants. While more expensive ones were imported from the Punjab into Turkistan for domestic use. This interesting


46 See n.29. See also Shaw, n.31, p.xxvii.
phenomenon was noted in 1874 by R.B. Shaw, British Joint Commissioner, as under:

> It is strange that on the road between Ladakh and Turkestan two streams of cotton goods should be flowing in opposite directions. The cheap kind manufactured in Yarkand finds an increasing sale in the Ladakh market for use in Tibet while it is met on the way by English cotton fabrics of more expensive quality going to Yarkand. 47

The prosperity of a nation which disposed of its home spun goods and indulged in expensive foreign fabrics for its domestic purposes could very well be ascertained from this fact. The demand for this particular commodity was sharply rising each year. For four years between 1870 and 1873 the demand had almost quadrupled and stood at the following figures: 48

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1870</td>
<td>Rs 59,085</td>
</tr>
<tr>
<td>1871</td>
<td>Rs 61,337</td>
</tr>
<tr>
<td>1872</td>
<td>Rs 100,415</td>
</tr>
<tr>
<td>1873</td>
<td>Rs 191,200</td>
</tr>
</tbody>
</table>

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47 See n.32.
48 Ibid.
The next important item of export to Eastern Turkistan was tea. Tea, which was one of the basic necessities of any Central Asian inhabitant, was earlier supplied mostly by China but since the independence of Eastern Turkistan, Yakoob Beg closed this trade with the Celestial Empire. Thus the universal custom of tea drinking that prevailed among all classes of people created an unending market for Indian tea, especially for Kangra tea which was good in quality and easiest to get being conveniently placed nearest to their markets. The only handicap was that Yarkandi traders could not deal directly in tea trade. As most of the planters were Englishmen, who did not want to turn into general merchants, they demanded cash for their teas whereas the traders of Eastern Turkistan adhered too closely to the custom of barter. Each party was bound by its own limitations yet tea was the basic need. It was here that traders of Amritsar appeared on the scene and secured all tea from the Kangra valley that in turn went to Central Asia. Amritsar was a popular trade centre in regard to its export trade with countries on the north. This chosen venue for exchange of tea and other goods commanded every route alike, i.e., via Jammu and Kashmir to Ladakh and the

49 Friend of India, 3 March 1870
50 Ibid., 9 October 1875.
eastern provinces of Central Asia as well as via Peshawar through Kabul to the great marts of Herat, Khiva, Bokhara and Samarkand. It also commanded the Indus Valley route and supplied the Sind merchants who used to trade via the Bolan pass with Kohat and Herat. Besides these major exports to that country there was considerable export of sugar, honey, pepper, ginger, indigo and opium, including arms and ammunition.

The main imports from Eastern Turkistan were gold, charas, shawl wool, silk, horses and ponies. Gold was one of the main attractions, the import of which rose from Rs 3,939 in 1867 to Rs 149,498 in 1873, say, about forty-five per cent of the total imports from Kashgaria. This was in fact the only commodity on which the British relied upon in case of trade with the Central Asian countries. The British Joint Commissioner wrote from Ladakh in 1873: "...as long as Central Asia can produce gold in exchange for our goods we need not fear." Gold which was the only source of cash payment and by which the wealth of a nation was estimated was imported to every possible extent in the

52 SPG, 1873, p.57.
53 See n.32.
54 Ibid. See also n.33.
55 Letter No.147, vide For. Pol A. Pros. 146-176, July 1873.
shape of bars, coins as well as in the form of gold dust. The rise in the import of this most favoured item could be ascertained from the following figures:

Table 3.3: Import of Gold from Eastern Turkistan

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1871</td>
<td>Rs 85,899</td>
</tr>
<tr>
<td>1872</td>
<td>Rs 110,966</td>
</tr>
<tr>
<td>1873</td>
<td>Rs 149,498</td>
</tr>
</tbody>
</table>

Raw silk which was imported into the Punjab only to the extent of 127 maunds was discovered to be of very good quality. This raw silk, which was widely produced in Eastern Turkistan, was despised by native traders of India for its uncoated fibre and they preferred in its stead the fine silk of Bokhara. Later on the demand for this silk increased and was imported in considerable quantities for re-export to European markets where its rich though hard fibre was processed further to turn it into a very fine quality of silk. This trade later on flourished, due to large supply and ever increasing markets in Europe. Beside this, there was a reasonable amount of pashm imported but...
most of it went to Kashmir which being the house of shawls thus monopolized this import. Added to this 'Bhang', carpets and felts were also imported to a considerable extent. 'Gular-pattar' or dried sea-weeds came from China through this state and were a popular medicine in the hills for goitre.58

To add to the above list there was another commodity of import whose sale in the Punjab was the highest - this was charas. It fetched very high prices. But with the passage of time its import started falling. This was not owing to any outside factors but for the poor quality of charas that started coming down. Charas was one article where good quality was favoured, no matter how high the price charged. The poorer the quality of the drug, the more rapidly it degenerated in a hot climate. Thus as it started from Yarkand, the essential oil evaporated leaving in a few months only a dry mud-like residue. In such cases though the prices went down, still the traders were not ready to invest.59 Further it seems the high prices in the earlier years caused adulteration to be restored to. This was done by mixing with the pure product the external mealy coat of the seed of spices called 'melia', i.e., Persian lilac which was found in abundance in Yarkand both

58 See n.29.
59 See n.55.
cultivated and growing wild. Further it was found that at Leh, an entrepot for trade with Eastern Turkistan, pieces of high and fine charas were mixed with those of poor quality to deceive the purchasers. These frauds doomed the trade in this item from fifty per cent in 1870 to only twelve per cent in 1873. The figures rested as to be seen below:

Table 3.4: Import of Charas from Eastern Turkistan

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1870</td>
<td>Rs 129,317</td>
</tr>
<tr>
<td>1871</td>
<td>Rs 74,320</td>
</tr>
<tr>
<td>1872</td>
<td>Rs 53,425</td>
</tr>
</tbody>
</table>

But on the whole, leaving aside this charas gamble, trade was flourishing. This was not owing to general attitude of the ruler who was basically a despot and more or less monopolized the whole of trade, but more due to the general prosperity and nature of people who were given to luxury and pomp. The high prices realized for Indian goods as well as English piece-goods were the main attraction for the traders of India to swing to and fro and make long journeys.

60 Ibid.
61 See n.32.
62 Letter No.120, vide For, Sec. Pros 120-121 July 1874.
and hazardous journeys to that country. The large margin of profits they made could be imagined from the prices of the goods prevailing in India and the prices for the same after being exported to Eastern Turkistan and vice versa, which can be assessed from the following tables:

Table 3.5: Profits made by Trade with Eastern Turkistan

(i) Imports from Eastern Turkistan

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Prices in Turkistan</th>
<th>Prices in Punjab</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charas per pound</td>
<td>Rs 20 to 30</td>
<td>Rs 60 to Rs 80</td>
</tr>
<tr>
<td>Gold dust per tola</td>
<td>Rs 15-0-0</td>
<td>Rs 15-8-0</td>
</tr>
<tr>
<td>Gold Coins</td>
<td>Rs 5-0-0</td>
<td>Rs 5-8-0</td>
</tr>
<tr>
<td>Pashm per maund</td>
<td>Rs 40 to Rs 50</td>
<td>Rs 100 to Rs 120</td>
</tr>
<tr>
<td>Raw silk per maund</td>
<td>Rs 160 to Rs 200</td>
<td>Rs 240 to Rs 300</td>
</tr>
</tbody>
</table>

(ii) Exports to Eastern Turkistan

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Prices in Punjab</th>
<th>Prices in Turkistan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sugar per maund</td>
<td>Rs 14-0-0</td>
<td>Rs 50-0-0</td>
</tr>
<tr>
<td>Honey</td>
<td>Rs 8-0-0</td>
<td>Rs 40-0-0</td>
</tr>
<tr>
<td>Pepper</td>
<td>Rs 30-0-0</td>
<td>Rs 70-0-0</td>
</tr>
<tr>
<td>Ginger</td>
<td>Rs 8-0-8</td>
<td>Rs 25-0-0</td>
</tr>
<tr>
<td>Tea (Green)</td>
<td>Rs 80-0-0</td>
<td>Rs 150-0-0</td>
</tr>
<tr>
<td>Indigo</td>
<td>Rs 80-0-0</td>
<td>Rs 150-0-0</td>
</tr>
<tr>
<td>Opium</td>
<td>Rs 280-0-0</td>
<td>Rs 415-0-0</td>
</tr>
<tr>
<td>Brocade</td>
<td>Rs 55 to Rs 100</td>
<td>Rs 100 to Rs 150</td>
</tr>
<tr>
<td>Muslin per than</td>
<td>Rs 3-0-0</td>
<td>Rs 5-0-0</td>
</tr>
</tbody>
</table>

63 For source see n.32.
The profits gained by Indian traders were comparatively larger as their goods were exchanged for more valuable ones. Minor items like ginger, pepper, muslin, sugar and honey fetched prices as much as three to five times. These they exchanged for substantial items like gold, silk, charas, which were largely profitable, owing to their high value and wide demand.

Keeping in view this prosperous trade traffic the British thought of entering into serious negotiations with the ruler of Eastern Turkistan. There were also political reasons for this. Russia could not remain indifferent when it saw that the British were carrying on a flourishing trade with this state and were making great endeavours not only to monopolize the markets of Eastern Turkistan but to shut the same for Russia. The Turkistan Gazette noted with regret that English influence over Kashgar was year by year increasing, while Russia had absolutely no trade with Kashgaria. Thus the necessity of securing a footing in Kashgar was seriously thought of. Russians thus, in order to counter the British mission of 1870, sent a similar mission under Col. Baron Kaulbars to Kashgar in June 1872 with the result that Russia was successful in breaking ground in Eastern Turkistan more

64 Letter No. 41, vide For. S.H., Pros. 32-42, 1871.
firmly than Great Britain. The occasion was the signing of a treaty with Eastern Turkistan on 8 June 1872. Russia received the privilege of trading in the Atalik Ghazi's dominions without harassment and subject to a maximum import duty of 2½ per cent ad valorem. But Yakoob Beg rejected the appointment of commercial agents though Russians were sanctioned two depots for mercantile purposes in the towns. Such meagre concessions left Russia with little hope of future prospects. They were thoroughly disenchanted when they realized that the treaty in its spirit proved nothing more than a sham, for no good feelings sprang between the two countries. Yakoob Beg never put any faith in the dealings of Russians. Here in Eastern Turkistan there was one native despot whom Russia could never win over. So long as he lived Russian merchants and all Russian activities remained excluded from his territories.

But as Russia had been successful in striking a deal, though only on paper, after the treaty of 1872, the British were rudely shaken out of their lethargy and quickly came to their senses. Unlike Lord Lawrence, who was extremely distrustful about the sincerity of Atalik Ghazi, Northbrook, the new Viceroy of India, found him more reliable and was

65 Aitchison, n.22, p.2; see also Boulger, n.4, p.219. See also Kuropatkin, n.18, pp.61-62.

66 Letter No.64, vide For, Sec, Pros. 63-67, February 1873. See also Kuropatkin, n.18, p.60.
all set to build firm relations with that country. Russia's approach and treaty with that country falsified Lord Lawrence's concept towards its political worth in the emerging strategic set up. Northbrook wrote from Calcutta with much enthusiasm to the Duke of Argyll about the arrival of an ambassador of Atalik Ghazi and his desire to enter into treaty relations:

".... The commercial treaty he wishes us to enter into ... one of his requests is that an envoy of ours should accompany him on his return to Kashgar. I'll select Forsyth..."

Thus his clear and definite selection of T.D. Forsyth shows that he was already bent upon entering into commercial relations with Yakoob Beg. On the part of Atalik Ghazi his enthusiasm could be ascribed to the fact that he feared any approach from Russia after his treaty with that country.

Under this favourable atmosphere a mission reached Kashgar in December 1873 which successfully concluded a Commercial Treaty in February 1874 between British government and the Atalik Ghazi. According to that treaty the merchants of both the countries were to enjoy the privilege of moving around freely in all parts of the dominions of each other. All imports into India were duty-free while

67 Duke of Argyll to Northbrook, 3 April 1873, Northbrook Papers, Microfilm No.1957, NAI.
68 Northbrook to Argyll, Calcutta, 7 March 1873, ibid.
only 2½ per cent import duty ad valorem was levied on goods entering into Eastern Turkistan. The most important clause of the treaty by which the British gained an edge over Russia was Article 6. According to this the British government was at liberty to appoint a Representative at the court of His Highness and the appointment of commercial agents in any of the towns. British subjects were at liberty to purchase, sell or hire land or houses or depots for merchandise in Eastern Turkistan. All the cases of the British Indian merchants were to be decided in the presence of the British Representative at the Court of the Amir. Thus British Indian subjects enjoyed full freedom of trade as well as security on the way and within the dominions of Eastern Turkistan.

The home coming of Forsyth after signing the treaty was a sort of celebration, British ego had been boosted and they had been successful in gaining an upper hand in the markets of Eastern Turkistan vis-a-vis Russia. The British genuinely thought that if Russia was having a lion’s share in the rest of Central Asia, here was a place for them right in the heart of Central Asia, a place most crucial so far as its geopolitical importance was concerned, a state rich in

69 For details see Appendix II.
natural resources and worthy of commercial transaction. They were right for the time being as the trade of this state rested in British hands.

—As politics in Central Asia hinged on trade dominance, after signing the treaty the British realized that the main obstacle to enhancing trade prospects lay in the means of communication. Though railways had already been introduced in Europe and British dominated countries as in India, yet this was an era when the produce of nineteen-twentieths of the globe never touched a line of rail at all. This produce had to reach its markets by far more primitive means. Camels, sheep and goats had for centuries been the only link between various important towns and countries and continued to be the same owing to the nature of routes, high mountains and dangerous passes. The hire for mules and ponies still reigned very high due to above mentioned difficulties. The hire for a mule from Amritsar to Leh in 1875 was Rs 22 to Rs 25 and that from Leh to Yarkand was Rs 40 to Rs 45. This was one of the reasons why Indian traders never proceeded beyond Ladakh.

Noting the transport difficulties in the free flow of commodities, the government of India started constructing an

70 Friend of India, 30 June 1870.
71 See n.30.
excellent hill road from Kangra through Kullu to Lahaul. Moreover, numerous Punjab mule owners started adopting carriage as a profession.\textsuperscript{72} This was in line to compete with a particular class of men in Eastern Turkistan known as 'Kirayakash'. All these efforts, no doubt, stimulated the trade traffic. But trade hitherto was in the hands of petty traders who were not content unless they got seventy to eighty per cent profit on their goods. The British in an effort to consolidate their position set up the Central Asian Trading Company in 1874. This company, for the first time, under the enterprising directions of its manager T. Russell, made an experimental dispatch of a caravan to Yarkand with goods worth Rs 3 lakh.\textsuperscript{73} But it seems there were no more trips as Russell came and disclosed that the trade was entirely in the hands of the Amir and there was no direct dealing with the merchants or the people. Further they were ignorant of the nature and value of goods they were given in return.\textsuperscript{74} Since then trade was left entirely in the hands of the natives.

\textsuperscript{72} See n.32.

\textsuperscript{73} See K.W. vide For. Pol. A., Pros. 190-192, June 1874. See also Letter No. 26, vide For. Pol.E. Pros 26-28, March 1876; also Friend of India, 9 October 1875.

\textsuperscript{74} MMPCIR, 1874-75; see also, House of Commons, Parliamentary Papers, no.406 (London, 1876), p.60.
The craze for Indian and English piece-goods was so high that Russians, who were totally beaten, started stamping their goods as of English make. There was no doubt that for the time being 'Made-in-Manchester' goods reigned supreme over those of 'Made-in-Moscow'. Cotton piece-goods had become almost one-third of the total exports to that country. The aggregate value of exports of the first three years from 1869 to 1871 was Rs 252,787, while in the next three years of 1872-75 it shot up to Rs 591,295. Another factor that boosted the trade from India was the closing of the Almaty market by China which resulted in a heavy rush for Indian tea, especially of Kangra. Tea was as important to a Yarkandi as bread to an Indian or opium to a Chinaman. Some merchants after the closure of the Chinese market, hurried off from Ladakh even in late winter to the districts of Kullu and Kangra to secure the supply of tea.

But all was not nice and smooth. With the passage of time Yakoob Beg, though he posed more as a military dictator came to understand the value of conserving the

75 See n.30. See also T.D. Forsyth, A Memorandum on Trade With Central Asia (Calcutta, 1870), p.15.
76 Letter, ibid.
77 Ibid. See also Letter No. 266, vide For, Pol A. Pros 265-266, January 1876.
78 Boulger, n.4, p.167.
natural riches and the need of a stable currency in the progress of a nation. In 1874, he put rigorous restrictions on any export of gold and a mint was established at Kashgar for the national currency. Of all the staple goods exported from Eastern Turkistan gold had always remained the most popular, because it was most convenient to carry as well as brought high profits. After meeting the expenses of transport and duties, the net profit was as high as twenty per cent. The loss of gold was to some extent compensated by silver, the import of which rose from Rs 19,370 in 1873 to Rs 48,256 in 1874 and further to Rs 71,710 in 1875. Yet this policy of the Amir gave a great setback to trade and British interests therein. By and by, the fate of piece-goods also hung in the balance. The Russians, after making a study of the native taste, started competing with the English monopoly. The result was overstocks in the markets of Yarkand and Kashgar which brought the price down. The price fell as low as Rs 20 per than which was hardly above than what they fetched at Ladakh.

79 See n.30. See also letter no.23, vide For. Pol A. Pros. 21-24 September 1875.
80 Ibid.
81 Ibid.
The only consolation was that the policy of Atalik Ghazi was more inclined towards the British than towards the Russians or the Chinese. So they had no fear of losing the ground in that particular quarter of Central Asia. But things were not destined to run smoothly for ever. No doubt, the British dominated the markets of Eastern Turkistan for more than half a dozen years while Russia looked on helplessly at the progress made by its rival. Russian merchants received no encouragement from Yakoob Beg. As put by British Ambassador at St Petersburg in a letter to Secretary of State for Foreign Affairs on 13 July 1870, they were treated with 'scant justice'.

But once Russians found that they had no rapport with Yakoob Beg, they turned towards China. Russia enjoyed closer relations with China since the trade treaty of 1869. They could move within 33 miles of the Chinese frontiers duty free besides other privileges and securities. Since Eastern Turkistan lay at the crossroads of Russian Turkestan's trade with China, the interests of Russia were equally real, urgent and intimately connected with its border policies as those of England. As in Afghanistan their interests

83 Letter No. 211, vide For. S.H., Pros 210-216, 1870.
collided here also. But occupying territories in Central Asia and thus becoming a part and parcel of their lifestyle, Russia was better informed than the Indian government about the political and military situation in and around Eastern Turkistan. While the English were pampering the Atalik Ghazi, Russia was backing China\(^85\) and inciting it to regain its lost glory and recover its humbled prestige. The outcome of this was that in 1877 the Chinese army slowly started moving westward. To Yakoob Beg's utter surprise the Chinese met his forces at Manas and Urumchi for the first time and won these preliminary encounters. Before a decisive battle could take place, the spirit of Eastern Turkistan, the Atalik Gahazi, was killed and the Chinese had no difficulty in grabbing these territories and once more imposing dynastic rule there.\(^86\) Thus with this quirk of fate, the fate of England in regard to that state altered too.

Russia, which had been kept down for almost a decade, came forward with renewed vigour. Meanwhile, the glamour of English trade with Kashgaria started fading away and in its place the reign of shrewd Russian diplomacy came forward in this part of Central Asia too. Russians, when they saw Yakoob Beg expanding his empire as far as

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\(^85\) See n.83. Also see Kuropatkin, n.18 and Frechtling, n.2.

\(^86\) See Boulger, n.4, p.235; and Frechtling, n.2, p.485.
Urumchi in 1870, became cautious of the moves of this military ruler. The moment he had moved in the direction of Kuldja, the Russians had seized this much prized territory along with the only practicable pass of Muzart. Thus the province of Kuldja was the only one which was left to be conquered by China, which started negotiations with Russia on that account. After much haggling the Treaty of Livadia was signed, by which Russia agreed to return less than half of the Kuldja territory to China while keeping back the Teke Valley and the passes leading to Kashgar. China was to grant extraordinary commercial privileges including a free zone thirty miles wide along her western boundary, lower duty on Russian merchandise in China and the establishment of Russian consulate in seven western Chinese cities.

Soon enough China realized how it had been humiliated. This led to general resentment in China which in turn paved a way for fresh negotiations. As a result the Treaty of St Petersburg was signed on 24 February 1881, by the terms of which the Chinese recovered most of the Teke Valley and the passes through the Tien Shan, while Russia still managed

88 See Frechtling, n.2, p.486.
to retain the eastern part of Kuldja and all the trade facilities extended in the treaty of Livadia including the free zone along the frontier, the remission of two-thirds of duty on land borne goods, and opening of thirty-six new points of entry on the border besides an indemnity of nine million roubles. This was the result of Russia's sublime diplomacy: it retained all commercial concessions it aspired for while giving a boost to China's prestige by returning its territories.

Here onwards England started going behind the curtain while Russia gradually started being the indirect master of Eastern Turkistan. Unfortunately England sustained another blow simultaneously, this time from Afghanistan which led to the Anglo-Afghan war of 1878-80. With the drastic and sudden change in the political scene, with China ill-disposed towards England, they had only to rely on their goods to find markets therein. This state had become the most vital key in Russian hands where political interests of China went hand in hand with the diplomatic designs of Russia. Here was a state where three powers were fighting for supremacy. Out of the trio, England's position was the weakest, Russia by all means had emerged far better, and as for China, it was the governing power whereas the other two were the conquering powers.

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89 Ibid.
After the Chinese re-occupation, the affairs of Eastern Turkistan were so uncertain that Lord Lytton, the Viceroy of India, felt, disgusted and decided to do nothing with it. In spite of this, trade with that state increased for some time. The Chinese who had not fully re-established their hold did not put restriction for the time being. The reason was the export of opium to that state prior to 1863 was considerable. It was only after the expulsion of the Chinese that under the rule of Andijanis the opium import into that country fell to a very insignificant quantity. Thus there was a slight revival of trade under the second Chinese rule, as shown by the following figures:

Table 3.6: Total Trade with Eastern Turkistan

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1877</td>
<td>Rs 2,024,362</td>
</tr>
<tr>
<td>1878</td>
<td>Rs 2,129,503</td>
</tr>
</tbody>
</table>

Increase Rs 0,105,141

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90 K.W. July 1878, vide Lytton Papers.
92 For full emphasis see Letter No.110, vide For, Pälf A, Pros 109-120, January 1880.
Though it was felt by English observers that the increase was due to the confidence the traders started feeling in the permanence of Chinese rule\textsuperscript{93} and was an omen of better prospects for the coming times, later years showed that this was nothing but the last flicker of the dying out flame. It was found that even opium, though a necessity for the Chinese, could not sell for long. The trade was governed by politics and as a result, by the end of 1880, the whole of opium that was sent to Yarkand from the Punjab and Kashmir was transmitted back to the senders. The markets started being supplied with cheaper product from Persia by way of Herat, Bokhara and Kokand.\textsuperscript{94} Thus Russia monopolized this channel of transit trade too. Besides, opium started being cultivated in Ili and Turfan which was cheaper than Indian opium.\textsuperscript{95} Then onwards the opium of Indian origin, though esteemed by all the smokers of Eastern Turkistan,\textsuperscript{96} was ousted from the markets of China owing to Persian as well as native competition.

\textsuperscript{93} Letter No.141, vide For, Pol. A. Pros. 140-150, July 1881.


\textsuperscript{95} Ibid.

\textsuperscript{96} Letter No.145, vide For, Genl. B. Pros 144-145, September 1881.
Not only this item, but other goods also faced a similar fate. By 1882 substantial duty was levied on the import of muslin and indigo dye, thus restricting the whole of Anglo-Indian trade, while on tea, a prohibitive duty was levied. China being the house of tea could by no means tolerate the entry of any foreign leaf in one of its own states. The Russian authorities also started adopting similar custom measures. Russia at first levied much higher duty on tea for the purpose of making the people take to the inferior product thrown into the markets from the Russian side. Russia by then could dictate its terms to China, was all out to shut the markets for English and Indian goods. The Moscow Gazette in 1882 expressed Russia's intentions in Eastern Turkistan by stating that the first Russian trading caravan was sent to Teke Valley area with a "purely patriotic" object and that was to obtain possession of a new and significant market and to exclude the English. China was bent upon expelling England from the bazars of Eastern Turkistan. It was done by almost closing the markets under a duty as heavy as three to four per cent transit levied in every town in

97 Letter No.188, vide For, Sec E, Pros 186-201, October 1882. See also Enclo. 1 to Letter No.3, vide For, Frontier A, Pros 3-5, March 1901.

98 Ibid.

99 Letter No.203, vide For, Sec E, Pros 202-3, October 1882.
Chinese territory. Russia was closely associating with it in hastening the same. In a nutshell, it could be foreseen that the trade of Anglo-Indian items was not destined to survive for long. Hurt by the double-edged sword of China's extra heavy duty and duty-free entry of Russian goods after the Khuldja treaty, it was impossible to struggle for long.

Here a short discussion of the political and strategic importance of Eastern Turkistan and the moves of England and Russia there would not be out of place. The crucial position the province of Kashgaria held on the borders of the north-west frontier on side of Jammu and Kashmir was the main reason for striving to have trade and exert whatever influence possible in Central Asia. After China's second occupation, their attitude towards the English threw financial gains in the background. The treaty of St Petersburg in 1881 changed the position of this state to resemble that of Afghanistan in Central Asian affairs and perhaps worse, with Russia's de facto influence almost complete. The fear of Eastern Turkistan becoming a preserve of Russia had haunted the English right from the start when Sir R. Temple wrote in his minute in 1868:

100 K.W. 2, vide For, Sec E, Pros 94-96, November 1882.
... Russia would no doubt begin to intermeddle with Afghanistan and Yarkand unless we can succeed... Russia might in some way be more troublesome to us in Afghanistan than in Yarkand. But she would be troublesome enough in Yarkand, as that is counter-minous with the territory of the Maharaja of Jammu and Kashmir.... 101

Precisely speaking this was the reason why a mission was sent to Eastern Turkistan in 1873, hastened by fear of Russia’s trade treaty of 1872. This was also to encourage Atalik Ghazi to defend his independence against Russian aggression. But with China’s entry, the advantages secured by T.D. Forsyth by the treaty of 1874 were lost as it was not recognized by the Peking government. At the same time Russia’s privileges by the treaty of 1872 were reiterated by the Khuldja treaty and later confirmed by St Petersburg treaty. Such were the results of English and Russian diplomacy in Kashgaria. Russia had gained an upper hand in Eastern Turkistan.

Anglo-Indian trade was ground between these two milestones and Indian tea, the backbone of export to that country, was the hardest hit item. During the reign of Atalik Ghazi the Kangra tea had been very popular in Turkistan, but

101 Letter No.157, vide For, Sec, Pros 150-173, October 1895.

102 Then onwards Eastern Turkistan was governed as a regular province with administration similar to that of the eighteen other provinces of China. For details see Aitchison, n.24, p.3.
formerly trade had been exclusively in the hands of the Chinese. The prohibition against import of Indian tea annihilated a promising trade. The value of export of tea to Yarkand decreased all of a sudden from Rs 69,960 in 1886-87 to Rs 9,540 in 1888-89. The principal depot was at Kuldja to which place tea came direct from China by caravans through Shikho. From there it was carried on to Konak, Kashgar, Turkistan and to the Russian Semiretch province. The losses due to the embargoes laid on Russian trade by Yakoob Beg while favouring the English were now recouped due to a couple of favourable events. The first was the regulation for refunding the duty levied on tea passing through Kikhta and Siberia to Central Asia and the second was the Anglo-Afghan war which halted passage of Indian tea through Afghanistan. The situation was that whereas the British were unable to find a route, Russian railways had reached up to Kokand, resulting in a further decline in English trade. Still the trade for Indian tea

103 PAR, 1888-89, pp.103-107; see also, The Tribune, 21 May 1881.

104 Moscow Gazette, 8 November 1884, vide For, Sec E, Pros. 27-30, February 1884.

105 Ibid.

106 Letter No.169, vide For, Sec F, Pros. 167-178, June 1887; see also Letter No.241, Her Majesty's Minister in China, vide For, Sec F, 238-247, December 1888.
was somehow still on the move as seen from following figures:

Table 3.7: Tea Trade with Eastern Turkistan

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1882</td>
<td>Rs 32,954</td>
</tr>
<tr>
<td>1883</td>
<td>Rs 42,588</td>
</tr>
<tr>
<td>1884</td>
<td>Rs 48,700</td>
</tr>
</tbody>
</table>

Seeing the popularity of Indian tea the Chinese authorities at Yarkand confiscated the leaf imported by Indian traders in 1888. They did not dare to meddle with Russian subjects who had brought Indian tea, for they were under the protection of the Russian Consul. The Chinese then absolutely prohibited the import of Indian tea into their country and forced the sale of Chinese tea, so that even Russian traders were forbidden to sell it at Kashgar though they were permitted to take it to Russian Turkistan.

The import of Indian teas into Kashgaria had been for long prohibited but it was not till 1888 that this was enforced vigorously. Thus by an official order, no Indian tea was to be sold in Chinese territory though the traders could send it away either to Russian territory or back to India.

The result was that tea export from Ladakh to that province was somehow still on the move as seen from following figures:

107 For source see Letter No. 90, vide For, Frontier, A, Pros 89-04, March 1886.
109 Letter Nos. 113 and 116, ibid.
in 1888 was only of Rs 12,000, the whole of which was taken to Russian Turkistan by Andijani merchants. The hostile attitude in Eastern Turkistan, especially illustrated by China's policy towards Indian tea, was also reflected in other channels of trade. The fate of Indian and English piece-goods, which once upon a time were highly popular in Eastern Turkistan, was no better. Indian traders were very much hindered by the Russian, who wanted to grab all the trade in piece-goods, cotton prints etc. for their own products. The trade which was rising high till 1889 began to decline as shown by the following figures:

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111 Letter No.132, ibid.
113 See n.106. See also Letter No.40, vide For. Sec. F. Pros. 40-41, May 1888.
114 For source see Letter No.614, vide For. Sec. F. Pros 613-619, July 1894.
Table 3.8: Export of Piece-goods to Eastern Turkistan

(i) Before Russia's Check:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1885</td>
<td>Rs 109,722</td>
</tr>
<tr>
<td>1886-7</td>
<td>175,897</td>
</tr>
<tr>
<td>1887-8</td>
<td>393,120</td>
</tr>
<tr>
<td>1888-9</td>
<td>439,760</td>
</tr>
</tbody>
</table>

(ii) After Russia's Check:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1889-90</td>
<td>Rs 319,840</td>
</tr>
<tr>
<td>1890-91</td>
<td>301,280</td>
</tr>
<tr>
<td>1891-92</td>
<td>380,820</td>
</tr>
<tr>
<td>1892-93</td>
<td>388,620</td>
</tr>
</tbody>
</table>

It could be seen that as compared to earlier years when trade was in fast progress the figures for the later years were more or less stationary. This check was perhaps owing to the influence that the Russian Consul could exert on Turki officials who worked according to his dictates. This check was perhaps owing to the influence that the Russian Consul could exert on Turki officials who worked according to his dictates. Besides Russian 'sart' (trader) had no difficulty about his passport and visited all the towns without any hitch, while Indian traders were stopped and taxed at every juncture.

115 Letter No.148, vide For, Sec F, Pros 141-170, October 1890.
116 Ibid.
This harassment and discrimination was due to the absence of a similar British official at Kashgar. Added to this, the position of Hindu merchants going as far as Russian Turkistan was in no way better. In the past too they had never been looked upon with favour by Russian authorities who in 1892 issued a proclamation asking all of them to leave within a span of six months. Since most of them were bankers, heavy losses were incurred by them as they could not realize their debts in that short a time limit.

So far as imports from Eastern Turkistan were concerned, after the ban on export of gold by the Atalik Ghazi in 1874, the only profitable and main import left was that of charas. But with the passage of time, this item also became a victim of Chinese as well as Russian exclusive policy. The Russian authorities, on their part, prohibited the cultivation of charas in their territory in 1881 and even stopped the transit trade between India and Eastern Turkistan through Samarkand. Since a large portion of this charas used to come to India en route to Kabul, Kokand and Samarkand under the acquired

117 Letter No.9, vide For, Sec F, Pros 6-14, September 1892.
118 Ibid.
name of 'Bokhara charas,' this trade by its best channel was outright denied its natural flow. The Chinese forbade the cultivation of charas in Yarkand in 1883. The consequence of this prohibition was the total trade with Eastern Turkistan was reduced by one-third of its entire value by 1883 itself. Added to it, being the main import, it was the sole commodity of barter with cotton goods, tea and other miscellaneous items.

But leaving aside trade, the consumption of this drug was harmful to health. Keeping that in mind the British India government too had thought of imposing a tax on its import. The result was that the price of this commodity, which was Rs 100 per pai, i.e., about fifty-six seers, in 1893 went up to Rs 325 per pai. Despite the high price fetched by this intoxicant, the government of the Punjab put a duty of Rs 20 per maund on its import from

120 Letter No.9, vide For, A. Pol, E, Pros, 8-21, May 1883.
121 The Tribune, 17 November 1883.
123 Letter No.82, Diary of Br. Jt. Commr. Ladakh, September 1893, vide For, Frontier B. Pros 75-84, November 1893.
124 Ibid., see also Letter No.109, vide For, Frontier A. 105-115, February 1896.
1 April 1896. By and by, the Chinese stopped its cultivation which had long been under consideration due to the frequent crimes committed under the influence of this drug. This was partly done owing to Russia's ban on its import into their territory. The imposition of heavy duty of Rs 80 per maund on its import into the Punjab in 1900 was the final blow. Thus the trade in this particular commodity with ample profit was crushed by the joint moves of all the three countries, for the trade in this drug was prejudicial to the general interests of commerce. Then onwards other commodities like pashm, silk and carpets were exchanged for Indian and English piece-goods. But the trade was depressed beyond any recovery.

125 Letter No.115, Notice 6 January 1896, ibid., p.70.
126 See Letter No.37, p.10, vide For. S.H., Pros 36-37, 1870.
127 Letter No.69, Telegram 17 April 1898, Peking, vide For. Frontier A, Pros 69-73, July 1898; see also, MMPCIR, 1899-1900.
128 Letter No.72, Diary of Sp. Asstt. for Chinese Affairs, 30 April 1898, ibid.
129 Enclo 1, to Pros No. 32, vide For. Frontier A. Pros. 32-34, January 1901.
130 MMPCIR, 1900-01, p.189.
Russian danger had always been impending on Eastern Turkestan since its absorption in the Chinese dominions. Chinese rule was precarious, threatened from within as well as from without. The subject race was Mohammedan and the government was hardly strong enough to hold against and withstand any fanatical uprising. There was danger from without as each city retained its individuality to the extent that it was hardly in a position to make any common cause against a common foe. That was one of the reasons why Russian influence reigned supreme in this state. There was no doubt by the turn of the century that it would submit to Russian occupation whenever it took place. In reality it was Russia which was paramount in Eastern Turkestan and the presence of China depended on the will of Russia. The influence of Russia in that particular region was based on its favourable strategic and commercial position. The impact of the English was weak owing to the absence of those very reasons. Russia's commercial position was better because of -

(i) Russian goods were relatively cheap and suited the demand because of comparative cheapness of transport from Russian Turkistan to Kashgar.


(ii) The caravan routes between Farghana and Kashgar were open nearly all the year around.

(iii) Russian goods had been for a long time past exempt from duties.

(iv) The interests of Andjani merchants were protected by the Russian Consulate.

(v) Every other possible encouragement was given to their trade with Chinese Turkistan.

The absence of these factors was responsible for the decay of British Indian trade and could be narrated as follows:

(i) Indian goods were dearer, the purchasers always associated intrinsic value with cheapness.

(ii) Transport expenses from Rawalpindi to Yarkand were Rs 16, while for the same weight of load was charged Rs 4 from Samarkand to Kashgar, thus making the Indian rates four times higher.

(iii) Imposition of heavy import duty of 10 to 15 per cent ad valorem as compared to no duty on Russian goods.

(iv) Absence of a British representative to look after the interests of Indian traders thus putting them to inconvenience, discouragement and harassment.

133 Letter No. 367, vide For, Sec F, Pros 358-387, May 1894.
Finally, the most vital, the lack of any treaty commitment with China, while the Russians enjoyed all treaty rights and thus had strong claims in Chinese territories too.

The result of these unfavourable circumstances was that even Indian piece-goods, muslin, long cloth, 'Khinkhub', etc., which were finding reasonably large markets till 1894, 134 started disappearing from there on account of keen competition from Russian merchants who had by now understood the trends and tastes of the people and started changing their manufactures accordingly.

Above all, to encourage their export trade in this particular channel the Russian government introduced a bounty system. According to that when a merchant started from Russian territory for Kashgar, his goods were sealed and sent via railway. The merchant was given a receipt for this on the production of which he could collect his goods after reaching Kashgar. The freight rates were low 135 and also provided full security and convenience to the merchants. This bounty was not only more than sufficient to cover the cost of transport from Moscow to Kashgaria,

134 See n.114; see also Sub Enclo 1, to Enclo 1, of Letter No.24, vide For. Frontier A. Pros 24-30, January 1902.
but resulted in the sale of Russian goods as cheaply as in Moscow itself. The railway link reduced the disadvantage of distance to a mere nothing and thus a direct relationship was established between the manufacturers at Moscow, merchants of both the sides, and the purchaser. Later on this brought to the scene the modern entrepreneur. Moreover the Kashgarian and Yarkandi traders could travel to Moscow by train without any hitch and have dealings with the manufacturers which left a large margin of profits for them. No doubt by direct dealing they were able to avoid all the expense of brokerage which earlier used to go into the pockets of middlemen.

Thus the trade traffic had become more of a professional luxury than the traditional labour as in case of the goods imported from the Indian side. Though the roads had been improved, the primitive mode of caravans was still followed in India. The expenses were high, the system of brokerage added to the agony and as prices steadily fell in Turkistan, the rates of goods as well as means of communication remained almost stagnant from the side of the Punjab. If there was any market left at all it was only for Indian

137 Ibid.
138 Ibid.
muslins and Benaras brocades for which there was no competition from the Russian side. It could be said that on the whole trade had reached its lowest ebb by the turn of the century. The reasons for the fall in the demand for Indian piece-goods were: firstly, the keen commercial competition by the Russians; secondly, the introduction of cotton planters and cotton mills; thirdly, the sophisticated communication and commercial facilities given to merchants and manufacturers. Thus the Indian goods reaching by road and that also by camels and mules could compete nowhere with the rail-borne Russian manufactures.

These unequal circumstances favouring Russian trade became more acute after the opening of the Samarkand-Andijan Railway. Hence by the turn of the century Russian influence in Eastern Turkistan was almost complete. Kashgar state was entirely under the thumb of the Russian Consul and any Russian demand if not complied with was telegraphed to Peking and was conceded in the end. Hence it could be seen that Russian commercial activity had manifested itself to a considerable extent by the end of the century, and if trade caravans from India were

139 Ibid.
140 The Tribune, 24 February 1900.
141 Letter No.272, vide For, Sec F, Pros 257-273, March 1899.
permitted after 1900 it was a matter more of courtesy rather than the right of the British India government.

In Eastern Turkistan Russians had no more fear of English commercial goods. The latter were almost ousted from the markets, where Russian products, cheaper and better, remained supreme. Russian influence and its sophisticated commercial policy was so successful that Kashgar was not a trade terminus but became merely a station on the Russo-Turkistan-Ladakh trade route.\(^{142}\) This implies that Russian goods instead of Indian had started flowing up to the markets of Leh and Lhasa. Across Kashgar the main trade route ran from Yarkand to Ladakh, thus entering Anglo-Indian dominated markets which was an unfortunate catastrophe, the inevitable outcome of British short-term diplomacy or perhaps lack of any diplomacy.

To sum up, it can be said that the trade with Eastern Turkistan that started with a bang in the times of Yakoob Beg, finished with a whimper with Chinese rebuff and the inevitable entry of Russia. The most vital causes for this untoward stroke of fate were almost similar to those in Afghanistan, i.e., hasty action, lack of diplomatic finesse and above all the role played by the railroads from the Russian side. Under the cumulative influence of all these the trade was nothing else but destined to be doomed and it did.

\(^{142}\) K.W. 2, vide, For. Frontier A. Pros 10-19, December 1897.