CONCLUSION

The maritime trade of India till the end of 18\textsuperscript{th} century, still annually accounted for a substantial volume of both exports and imports. Besides, the considerable shipping in the Persian Gulf and the Red Sea, bulk of India's trade from Coromandel-Malabar coasts and Bay of Bengal passed to the south-east Asian regions of Siam, Perak, Malacca and Indonesian Archipelago as far as Philippines and South China. Many traditional merchant communities of India traded, particularly in cotton piece goods and received in return the products of those regions. From China they preferred silk, tea and Chinaware. The trade, was evidently lucrative and prosperous. The Dutch merchants of the Coromandel and the West Coasts in the meantime shifted their base of operation to Batavia in Indonesia which was strategically and commercially more suitable to them. From India the VOC (Dutch East India Company) procured textiles for sale to south-east Asian regions and purchased the products of south-east Asia for export to Europe. Soon after their migration to Indonesia, the Dutch took to coffee cultivation and sugar-cane plantation. On the other hand the
lucrative trade of Mokha coffee now largely came under the control of the East India Company; whereas its competitors had a very small share in it.

The French had their commercial and political headquarters at Pondichery and carried on brisk trade in Indian commodities with the Persian Gulf and the Red Sea. Their main business with the Red Sea was in coffee which they bought and brought to Pondichery for transhipment to France. Their trade with the countries of south-east Asia was almost negligible. This region, therefore, saw many Indian trading magnates developing huge business links with the countries outside India. They had dealings with European companies as well. Nawab of Arcot was one of them. He owned his own ships. This is evident from the well-maintained diary of Ananda Ranga Pillai. The diary reveals multidimensional facts about the trade and trading communities of south India and their dealings with European companies. From the same diary we get information about the French association with the indigenous business magnates including the Nawab of Arcot.
The defeat of the French by the English in the Carnatic wars was the turning point in the history of maritime trade in the Indian Ocean. The East India Company acquired control over the entire Indian Ocean and the bulk of the Indian trade passed into its hands. Carnatic wars, therefore, mark a watershed that no foreign or indigenous power in India could challenge the East India Company’s supremacy on the high seas. French presence, thereafter, had been reduced to a negligible mark in the Indian Ocean and they could no longer pose any serious threat to the British. The Dutch also found themselves under compulsion to quit their last settlement at Chandarnogor in Bengal and thus further providing opportunity to the English to consolidate their military and commercial bases of operation in Bengal. These events, therefore, changed the outlook of the Company from a merely commercial enterprise to governing and controlling power on an alien soil ushering in an era of colonialism in India.

Surat, was a big port on the western coast of India, it survived till the end of the 18th century. This was partly because of the shift of loyalty by Indian merchants to East
India Company and many of them joined the Company’s service. Secondly, the East India Company had yet to develop Bombay. However, Bombay replaced Surat when the Company shifted its major establishments over there with a large number of population. K.N. Chaudhuri is of the view that the decline of Surat was gradual. Whereas, the trade of Surat, we are told, by the middle of the century had expanded to such an extent that Indian shipwrights had to enlarge the shipping capacity to accommodate more and more goods. Rice, sugar, textiles, grains and indigo constituted Indian commodities to Red Sea and Persian Gulf regions. Coffee, ivory, almonds, Venetian falsebeads, sena leaves and incense and dry and green fruits, horses, iron and copper metals were brought as return cargo. There was constant flow of bullion (gold and silver) throughout the century. By and large the aggregate volume of India’s trade with the countries of the Arab world remained fairly high throughout the century. In some respects it even surpassed the volume of the previous century.

A specific feature of maritime activities in Indian Ocean is characterised by centuries-old navigational
conventions. These were common not only to the countries bordering the Indian Ocean alone but broadly speaking to all Asian countries from the littorals of north-eastern Africa to as far as Japan. While the customary law of wreckage provided the confiscation of goods of a wrecked ship by a state, at the same time there are many examples of salvage by the Indian rulers as well. The role of State in relation to such conventions had a significant bearing on the navigational and commercial activities in Indian Ocean. Besides, there were many other conventions related to freighting of goods, departure of a ship, property of a deceased, insurance etc. which were accordingly made known for public information through notification or verbal communications. What is more important for our period in this regard was the safety of Indian shipping. Since the East India Company maintained its supremacy on the high seas the Indian shippings were largely subjected to operate under the Company's flag by entering into mochalka or penalty bond.

In India maritime trade and commerce was never a monopoly of mercantile communities alone. During Mughal period we hear of rulers, members of royal household and
high nobles taking active part in trading activities. They owned ships and traded with many countries of Persian Gulf, Red Sea, Arabian coast and eastern coast of Africa. This practice continued throughout Mughal period and following the Mughals the rulers of 18th and 19th centuries also never missed an opportunity to take part in maritime trade and make profit. These rulers could enlarge their profit in commerce through manipulating their official status and misusing the services of local officials.

These rulers often referred to as ‘chief merchants’ or ‘Trader-rulers’, owned ships and maintained commercial relations with countries of the Indian Ocean shores. The prominent among ‘Trader-rulers’ during 18th century were the Nawab of Gujarat, Raja of Tanjore, the Nawab of Arcot, Nawab Haider Ali and his son Tipu Sultan. The latter had a well organized trade with the countries of the Persian Gulf, the Red Sea and other ports of coastal India. In order to build his country strong and safeguard it from the menace of foreign invasion he embarked on an ingenious plan of raising a formidable and strong navy, but the circumstance and his financial condition were unfavourable to him, therefore, the
plan remained unmaterialized. In the meantime, Tipu met his tragic end.

Tipu was always ready to help a friendly country even by overlooking the law of his own land. Thus responding the letter of the *Iman* of Muscat he went out of the way to help the two Hindu merchants and subjects of the *Imam*. Where as for the East India Company, he was an eye-sore and a formidable enemy. Their main target was to remove Tipu from the political scene of India in order to further consolidate their colonial rule in India.

Another ‘Trader-ruler’ having his operations in the Middle East, was Mohammad Ali Pasha of Egypt. Before coming to power as Ottoman Governor of Egypt his ships plied in the Mediterranean and he had lucrative business at Malta. However, very little is known about his shipping in the Indian Ocean and his trading affiliation with the East India Company. Nevertheless for transacting his Indian business with EIC the Pasha had his agents posted either at Bombay or Calcutta and his ships plied between India and the Red Sea.
With the expansion of Pasha's rule to Turkish Arabia, the Arab provinces responded to changes brought about by industrial development in Europe. We observe the penetration of capitalism into the non-capitalist market with the supply of manufactured goods to Asian markets. This penetration drastically changed the entire outlook of the markets of Middle East. The concept of free trade, purely a western idea to the traditional world of Asia was, indeed, alien to the Asian rulers and merchants. The Ottoman Sultan agreed in principle to the demands of the English which they had made in the Treaty of Dardanelles, concluded on 5th January 1809. Mohammad Ali Pasha in similar manner was made to agree to various terms of a treaty which he had signed with the East India company in 1810.

Pasha seems to have taken some stringent measures to promote the export of his country. He imposed restrictions on import of West Indies Coffee to encourage Yemeni Coffee. He discouraged import of such goods as were or could be produced locally. It was observed in 1833 that the Pasha prohibited import of essential commodities from India to Yemen and the people there were asked to procure them.
from Egypt. Thus the Indian cloth that did not bear Pasha's stamp, and was on sale in Yembo, was liable to be seized. He also put a strict vigilance on smuggling.

However, at the turn of 19th century India's main ports for supply to the Red Sea were Calcutta, Surat and Bombay. We have information on English exports to Suez from Bombay. Trade touched a high level mark between the Bombay Presidency and the Red Sea during 1816-18. Evidence suggests that the volume of trade between the Indian ports and those of Red Sea was very high. The volume of trade in 1815 at Jeddah alone was worth 4 million dollars, of which the major share seems to have been the imports from India. There was a sharp upward movement in the volume between 1815 and 1838. Jeddah, as a leading port of the Red Sea, thrived on supply from India. In 1833 the port received 10000 tons of shipping, besides large baglas whose tonnage touched almost the same level.

Pasha, it is said, made sincere efforts to regulate customs structure. He intended to modernise customs rules despite differences in rates from item to item. His reign was marked by the executions of various treaties of trade and commerce with the British Government.
The fall of Seringapatam in 1799 and the end of the Napoleonic influence on the Indian Ocean littoral vis-a-vis the Red Sea (1798), as assessed from the mercantilist perspective led to the British dominance over the international trade. The disintegration coupled with degeneration of the Turkish Empire at the turn of the 19th century as the only largest buffer zone to sustain European hegemonic pressure, had created a power vacuum in the body politics of Asia. Still many trading nations were struggling to rub shoulders with each other, and it was only to counterbalance the French pressure in the Mediterranean and the Levant that capitulations were signed between Great Britain and Turkey.

Britain had all along tried hard for more than fifty years to establish her hegemony over international trade and to a great extent enjoyed it. The emergence of Germany as a strong military and economic power soon shattered the British hopes of dominance over the world economy. Colonial India under the British imperialism, suffered irreparable economic loss owing to large scale de-industrialisation coupled with deurbanisation. This imbalanced the Indian overseas trade. British imports of industrial machine goods increased and export of Indian
piece goods declined. Further, gradually India was forced to supply primary goods. Such a development which had far reaching effect on India's economy dated from 1st quarter of 19th century and continued thereafter. Export of cotton piece goods and silk goods gave way to raw cotton, indigo and opium.

During the Ottoman dominance over Arabian peninsula, the French and Dutch enjoyed privilege of reduced rate of customs. Where as for Indian merchants there were different rates of customs, and the English during 19th century pressed for more concessions.

For European companies and free traders the rates of customs charged at ports of Arabian sea and the Persian Gulf was a crucial issue which involved substantial amount. Since 1730 Europeans were levied only 3% customs on all descriptions of goods at ports under the Imam of Yemen. But Indian Muslim and Hindu merchants were subjected to customs payment ranging from 5 to 7.5%. Further, the East India Company enjoyed certain exclusive privilege while the Indian merchants were denied it as they did not have any mercantile organisation similar to European companies.
During 19th century the rate varied as per the quality of goods on the one hand and the nationality of the merchants on the other. The levy on Surat goods was 5% provided the goods were exported to Mokha by EIC or the British merchants. The Muslim merchants (most probably Indian Muslims) paid 7½% whereas the Hindu merchants were subjected to 8¾%. The medium of payment was either Spanish Dollar (S. $) or German crown.

A significant feature of Indian trade with the Arab world is marked by the considerable flow of treasure into India through the ports of the Red Sea and the Persian Gulf during 18th and 19th century. The flow was either in the form of bullion or liquid assets sent to India as remittances through bill of exchange known as hundi which was a legal tender (written order) equivalent to a Bill of Exchange. There were certain features common to a ‘bill’ and a hundi. In a period when traveling by sea was hazardous and the frequent shipwrecks happened the only possible option open to merchants was to send their remittances through bankers or sarrafs and get the bills of exchange issued to be discounted at one of the Indian port-cities. For our period we
have various records of the English East India Company which contain information on *hundis*, particularly in relation to coffee trade. In a *hundi* certain amount is mentioned and it is payable either at sight or on a determinable future date. Further more, "both the instruments of credit are subject to stamp duty".

Indian bankers (*sarrafs*) had long attained specialisation in their business. During the 1st half of 19th century numerous Indian commercial financial firms had earned reputation of international level.**** Their credibility was so well established in the world money market that they advanced credit to various companies. The East India Company was one of them. However, in the commercial circles this organisation led to the system of remittance. These remittances to Indian port-cities were made in form of treasure and bullion as during 18th century.

The process of preparing Bills of Exchange is quite interesting. The exchange rates of various international denominations in the world exchange market varied from time to time. For instance, in 1832 the value of rupee went down by 15% and value of Crown became more stable from
the level of 1757. Thus the exchange rate continued to vary in the money market.

We have seen that during the 1st half of the 19th century many petitions of claim against the Imam of Sanaa were submitted to the Governor in Council at Bombay. The amount of losses, particularly, enable us to evaluate the quantum of trade the Indian merchants had with the ports of Mokha, Jedda and other ports of the Red Sea. These petitions that a large number of Indian merchants belonging to Surat and Bombay had regular and prosperous trade with those ports and had faced many maritime problems. We also have significant and valuable information, which had not been taken note of relating to the blockades organized by the East India Company, to warn the government of Sanaa and punish the governor (Daulah) of Mokha. The documents clearly indicate that how the merchants from Bombay and Surat had lodged complaints with the East India Company, pleading that their goods were either seized, or robbed. The Company’s officials were requested to direct the Resident at Mokha to take care of the safety of ships and goods belonging to the Indian merchants.
During our period the items of exports from India mainly constituted the cotton piece goods, silk and silk goods. As far as the imports of goods into India were concerned we are told that the demand for horses still continued in India till the end of the 19th century. The other import commodities were dry and green fruits, woolens, carpets and sena leaves, besides import of bullion which still continued in India.

The steam shipping, the opening of Suez Canal and tele-communication revolutionised trade from India to Europe and the Red Sea. Apparently the steam shipping and Suez Canal helped the European trade more. India’s European maritime trade because of steam shipping, increased from £ 99.6 million in 1859 to £ 162.8 million in 1877. With the introduction of steam shipping by EIC in Arabian Sea its trade naturally increased. The trade of the Gulf regions, Arabian coast and Eastern coast of Africa had risen from 4.3 million tons in 1884-85 to 13.5 million tons in 1904-05.

Trade between India and the Red Sea by sailing ships during the above period declined from 2.3 million tons to 0.3 million tons. Nonetheless, the introduction of steam shipping
and the opening of the Suez Canal did considerably affect the increase in the volume of commerce as well as the trade destinations. Now Aden and Turkey emerged as potential marts for the goods imported from India. The Gulf countries alone remained no more the target of Indian goods which were now directed to Aden and Turkey where new markets for Indian piece goods came into being. This fact reveals that although the trade between India and Gulf countries would appear to be declining, but infact the total volume of trade Aden and Turkey had increased. The East India Company with the introduction of steam shipping to Persian Gulf compensated their earlier losses.