

■ **Vedic Age (1500 BCE - 1000 BCE)**

The Rigvedic Aryans primarily lived in rural areas and had an economy based on subsistence. Livestock rearing was their primary economic activity, while agriculture played a secondary role. Cows held great significance in their lives, as seen in the use of the word “gopa” for the king and “godhuli” to denote a specific time (Dusk). Agriculture had limited importance in their economic system, resulting in a subordinate position for the agricultural sector. This limited the role of art and trade as well. They used copper or bronze, referred to as “ayas,” for crafting purposes. The discussions also mention a non-Aryan merchant named “Pani.” Currency circulation was not common during that time, and descriptions of currency appear as “nishka” and “shatamana.” Nishka likely served as decorative ornamentation, while shatamana represented a measure equivalent to the value of 100 cows. The Rigvedic economic system was primarily rural, as the term “nagar” (city) is not mentioned in the Rigveda.

■ **Later Vedic Period (1000 BCE – 600 BCE)**

During the Later Vedic period, agriculture took center stage as the primary occupation. In contrast to the earlier Vedic period, where only barley (yava) was mentioned as a crop, the Later Vedic period saw the introduction of other crops like wheat (godhuma) and rice (vrihi). The Yajurveda specifically highlights five rice varieties, with vrihi being the term used for rice. The Atharva Veda mentions two rice varieties, vrihi and tandula. However, trade and craftsmanship remained limited during this period, with the Vaishyas being primarily associated with trade. Texts from this time mention various guilds or shrenis of traders, led by a head merchant known as a shreshthin. The practice of lending money on interest, known as kusidin, was also present. Although regular

coin circulation had not yet begun, there is mention of a new coin called krishnala, which is other than Nishka and Satamana. Overall, there was a significant shift in the Later Vedic economy compared to the earlier period, as semi-animal husbandry and a semi-nomadic lifestyle gradually transformed into settled agriculture, becoming the primary means of sustenance for the people.

■ **Buddha Era (600 BCE – 400 BCE)**

During this period, agriculture underwent a remarkable transformation. The Central Doab region experienced extensive deforestation, leading to the expansion of agricultural practices. Rice cultivation gained prominence, surpassing wheat as the primary crop. Additionally, advancements in agricultural technology, particularly the use of iron tools, were observed. While iron was initially utilized for warfare during the later Vedic period, it found practical application in agricultural implements, resulting in increased productivity and surplus production.

Furthermore, these advancements in agriculture had a positive ripple effect on crafts, fostering the growth of commerce, trade, and the establishment of a money-based economy. Punched-marked coins were introduced as an early form of standardized currency, predominantly made of silver with occasional blends of silver and copper. Notably, the Indian subcontinent witnessed a significant phenomenon known as the Second Urbanization, where cities re-emerged following the collapse of the Indus Civilization around the 6th century BCE. It is worth mentioning that the Indus Valley set the foundation for the first urban civilization, while the middle Ganga plain played a pivotal role in the establishment of the second urbanization. Buddhist texts mention the existence of 60 cities in North India, including

six major metropolises.

■ **Mauryan Period (400 BCE – 200 BCE)**

The archaeological and literary evidence indicate that the Mauryan period witnessed expansion of Economy in every sectors. The expansion of the economy was the result of interactions among various factors like development in rural agricultural productivity, the emergence of iron-based craft production by specialized laborers and artisans and trade.

- **Agriculture** - The state also had a share in agriculture. The state owned land was called 'Sitaland' and the officer associated with it was called 'Sitadhyaksha'. He used to carry agrarian production with the help of slaves, karmakaras, workers, and Dandpratikarta (criminals). Various types of crops were grown i.e., wheat, barley, paddy, pulses, cotton and sugarcane. The state took steps to develop irrigation. Sudarshan lake was built to facilitate the water supply by Pushpagupta, an officer of Chandragupta Maurya.

likely to it, some craft and craftsmanship were under state monopoly. for example- Iron tools, ship building, mining etc. in this period textile was an important industry.

- **Trade** - During the Mauryan period, the state played a significant role in trade and commerce. The goods belonging to the state were referred to as "Raajapany." The supervision of trade activities was entrusted to a position known as "Panyadhyaksha." The state imposed customs and trade duties on goods.

In northern India, several important trade routes flourished during this era. The foremost among them was the "Uttarapath," which was even mentioned by Megasthenes. This route stretched from Mathura to Peshawar. Another route ran from Kaushambi to Ujjain and further to Bharuch. In the eastern region, the trade route extended from Pataliputra to Tamralipti, which served as a crucial port at that time. Additionally, the Arthashastra by Kautilya mentions the

presence of "Dakshinapatha," the southern trade route.

- **Money economy and urbanization** - Punch-marked coins were widely used as a form of currency during this period, indicating the presence of a well-developed monetary economy. However, it is important to note that these coins were not issued by the state but by private corporations. Kautilya's Arthashastra mentions a type of coin called the 'Pan,' which was made of silver.

Furthermore, the period witnessed significant advancements in commerce, trade, and administrative activities, which further facilitated the process of urbanization. Ashoka's inscriptions mention the existence of seven cities besides Pataliputra, highlighting the growth and prominence of urban centers during this period.

■ **Post-Mauryan Period**

The post-Mauryan period witnessed significant economic development. On one hand, the agrarian economy experienced rapid expansion, while on the other hand, there was a surge in crafts, commerce, trade, and urbanization. This period marked the culmination of the second phase of urbanization.

- **Agriculture** : During this period, agriculture expansion had taken place on border regions of states through land grants, and individual efforts to expand agriculture were also encouraged. An example of such encouragement can be found in Manu's words that the person who cultivates the land first becomes its rightful owner. The state took on the responsibility of developing irrigation systems, as demonstrated by Rudradaman's efforts in repairing the Sudarshan Lake.

- **Craft and Industry**: During the post-Mauryan period, there was a notable growth of crafts and industries. An ancient text from this era, known as the 'Milindapanho,' enumerates a list of 75 different occupations, with a remarkable 60 of them exclusively dedicated to

various crafts. This period witnessed the regional specialization of different crafts and industries. For instance, Ujjain gained renown for its expertise in bead-making, Mathura excelled in producing a distinct type of fabric called 'Shatka,' while Magadha was celebrated for its production of iron implements. Furthermore, Nalgonda and Karimnagar in the Andhra region were recognized for their excellence in ironworks, and Arikamedu and Uraiyur were renowned hubs for dyeing industries.

- **Trade:** India's exports to Rome encompassed a diverse range of goods, including main commodities such as spices, particularly black pepper (known as Yavanpriya), silk, iron tools, precious stones, and medicinal articles. In return, valuable commodities like gold and silver, wine, gems, glass, lead, and exquisite Arretine pottery were imported from Rome. The significant influx of bullion from Rome to India indicated a trade balance in India's favor, a phenomenon aptly described as the "drain of wealth" by the Roman writer Pliny.

Historical records shed light on numerous ports along the western and eastern coasts of India. In the northern region, Barbarikam situated at the mouth of the Indus River and Barygaza (Broach) along the Gujarat coast stood out as important ports. Tamralipti held strategic significance as a major port in Bengal, while Tondi and Muziris played prominent roles on the Malabar Coast. Along the eastern coast, namely the Coromandel Coast, Kaveripattanam, Arikamedu, and Korkai emerged as vital trade ports.

- **Money Economy** - In ancient history, the maximum number of coins were issued during the Maurya period. This era saw the minting of coins not only in gold and silver but also in materials like copper, bronze, and even lead. Much like the Roman Empire's Dinar currency, the Kushan Empire introduced pure coins. A noteworthy development during this time was

the introduction of coin divisibility, which enhanced the convenience of transactions. To illustrate, the Satavahana rulers introduced lead coins as a part of this trend.

- **Urbanization** – Urbanization reached its peak during this period, with cities such as Mathura and Banaras flourishing under the rule of the Kushans. Meanwhile, Ujjain emerged as a significant urban center during the Shakas' reign. This period marked the initial phase of urbanization in peninsular India, witnessing the establishment of new cities like Tagara, Paithan, Amaravati, and Nagarjunakonda under the Satavahanas. Even in the southern regions, cities began to thrive, for example the development of port cities like Muziris, Arikamedu, and Kaveripattanam.

■ Gupta Period

The Gupta period is considered an era of economic prosperity.

- **Agriculture** - Due to land grants the agricultural economy expanded. The increasing pressure over land grants played a crucial role in expanding the agricultural economy, leading to the establishment of detailed land arrangements to manage the growing land pressure. Ancient texts like Amarakosha and BrihatSamhita provide valuable insights into innovative agricultural practices of that time, including the technique of grafting mentioned in BrihatSamhita. While farmers heavily relied on rainfall for irrigation, the state also took initiatives to provide artificial irrigation. Skandagupta's Junagadh inscription highlights his efforts to repair the Sudarshan lake for irrigation purposes.

During this period, a new irrigation technology called Arghatta likely emerged. The early mention of Arghatta can be found in the Satavahana scripture Gathasaptasati, and later Banabhatta referred to it as GhantiYantra.

- **Crafts and industries** - The Gupta period witnessed flourishing craft and industry, particularly in the textile manufacturing sector,

where cotton, silk, and wool production were specially promoted. Four prominent centers emerged as hubs for textile production: Mathura, Banaras, Dasapura, and Kamrupa. The paintings at Ajanta and the literary works of Kalidas offer us glimpses of the exceptional quality of clothing crafted during this era.

Furthermore, metallurgy reached an advanced state during this era. Notable examples include the Iron Pillar of Chandragupta Vikramaditya in Mehrauli, Delhi, and the Gupta gold coins. These coins, in particular, serve as a testament to the remarkable metallurgical skills of the Gupta period. Apart from this, one tonne statue of Buddha made of bronze recovered from Sultanganj in Bihar also points towards skilled metal crafting. Even Vatsyayana's Kamasutra acknowledges metallurgy as one of the 64 crafts.

- **Trade** - In the third century CE, it is believed that India's trade relations with the Western Roman Empire were disrupted, leading to a decline in certain cities in northern India and ports such as Arikamedu, Mujris, and Kaveripatnam in South India. However, during the same period, northern India established trade connections with the Byzantine Empire in the Western world, which halted the decline of urban centers.

The Gupta rulers played a significant role by issuing a large number of gold coins. Vatsyayana, the author of 'Kamasutra,' attested to the prosperity of city life during this period. Additionally, the foreign traveler Fa-Hein observed the growth of Madhya Desh and Pataliputra.

But, towards the end of the Gupta period, India's trade relations with the Eastern Roman Empire deteriorated, resulting in adverse effects on trade.

■ **Post-Gupta Age**

This period had shown unprecedented development and expansion of the agricultural economy. The agricultural economy was further expanded through land grants. The development

of irrigation was also promoted during this period, with wells, reservoirs, and ponds being utilized for this purpose. The production of horticultural crops was also encouraged.

However, on the other hand, this period witnessed a decline in urbanization, money economy, and trade.

■ **Early Medieval Period**

The agricultural economy continued to expand throughout this period, with the settlement of new lands, the introduction of new crops, and advancements in irrigation.

However, the situation regarding trade, money economy, and urbanization can be divided into two distinct phases:

- **First stage (750 AD-1000 AD)** - During this period, there was a decline in trade, money economy, and urbanization.
- **Second stage (1000 AD-1200 AD)** - In this period, both external and internal trade experienced a revival. The emergence of a large Arab empire in West Asia resulted in increased demand for Indian goods. As trade flourished, the money based economy and urbanization also revived, marking the onset of the third phase of urbanization.