

# **REMNANTS OF A RECEDING EMPIRE**

*Portuguese Trade with Goa and the East*

( C 1750—1800 )

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THESIS SUBMITTED FOR THE DEGREE OF Ph.D ( ARTS )

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Preface

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This research work was initially started in Calcutta and then continued in Goa with a U.G.C. Junior Research Fellowship granted through the History Department of the Calcutta University. Later, the Institute de Cultura e Lingua Portuguesa, Lisbon, funded my one year stay in Lisbon. The Calouste Gulbenkian Foundation, Lisbon also sanctioned a contingent grant for the purchase of books and microfilms. I would like to express my indebtedness to all these institutions.

The work was carried on under the supervision of Sri Gautam Bhadra, Reader, Department of History, Calcutta University. I am grateful to him for the interest he took in my work and for his suggestions which improved the work considerably.

Portuguese is a language with which few people are acquainted in this part of India. I had much difficulty in gaining a working knowledge of this language. Incidentally, I happened to meet Sri Pratap Chandra Roy of Calcutta High Court, who gave me the elementary lessons. Later, I carried it on with Mrs. Elmira Menezes of Panjim, Goa. I express my thanks to both of them.

I also thank the staff of the archives and the libraries where I have worked, particularly those of the National Library, Calcutta, the Historical Archives and the Xavier Centre of Historical Researches in Goa, Biblioteca Nacional and the Arquivo Historico Ultramarino in Lisbon.

Professor Ashin Das Gupta had initiated me to the study of maritime trade in his classes in Visva Bharati, Santiniketan, and later gave valuable suggestions. During my stay in Lisbon I also benefitted from discussions with Professor Dauril Alden and Dr. M.D.D. Newitt. I am grateful to all of them.

Dr. D.P.Boot of Centre for Himalayan Studies, North Bengal University prepared the maps and Sri Shyam Mitra and Achintya Ganguly did the typing. I also thank them all.

Finally, my parents Dr. Bhabatosh Datta and Dr. Gargi Datta and my husband Sri Parimal Sarkar have been the constant source of inspiration and encouragement. Without them the thesis could not have been completed.

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INTRODUCTION

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V.M.Godinho wrote in 1958 that with the partial exception of Brazil, all or almost all remained to be done in the economic and social history of the Portuguese expansion. [1] Though he had failed to take into account the small number of serious studies then available on the Portuguese in Asia, the statement was, in general substantially valid. Since then, many significant works of magnitude on the economic history of the Portuguese expansion have been published, one of the most important among them being by Godinho himself.

Godinho's study of the economic structure and development of the early Portuguese empire, originally begun in 1949 in French, was published in 1969. Meanwhile, two volumes were published from Lisbon in Portuguese from 1963 to 1971. Finally, a modified and enlarged version of the Portuguese edition was published in four volumes from Lisbon from 1981 to 1983. The wide scope of the work is indicated by the title itself - Os Descobrimentos e a Economia Mundial (The Discoveries and the World Economy).

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In this, Godinho has integrated Portugal's economic history for the period 1415 to 1640. In the context of the economic conditions that had initiated the expansion, he has discussed the worldwide repercussions and reactions caused or affected by it. In the process, he has drawn together the threads which connected Portugal's commercial and maritime empire and shown how its economic ramifications connected various places situated far apart across the many continents.

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1. Quoted in A.R.Disney, Twilight of the Pepper Empire, Portugese Trade in Southwest Asia in the Early 17th Century, Cambridge Mss., 1978, Introduction, p.v.

C.R.Boxer's masterly summing up of the Portuguese experience in different parts of the world in the contexts of the policies pursued at home was published under the title Portuguese Seaborne Empire in 1969. In addition, numerous articles and monographs by him on the history of expansion, settlements, race relations, shipping and local governments are published and still being published regularly. Prof. Boxer's work is wider in scope than Godinho's in terms of the period covered. It comes down to the 18th century that he termed as the period of 'stagnation and contraction in the East (1663 - 1750). Further, he has also studied the religious, racial and social policies pursued by the empire in the colonies thereby giving a more human face and social dimension to the economic history of expansion.

Though the focus of these two sets of works, by Godinho and Boxer is diffused, encompassing the entire Portuguese world, these are indispensable to the study of any particular region under the Portuguese administration as they provide the broad canvas against which that small region is to be placed.

Coming down specifically to the commercial history of Portuguese Asia, there are the works of M.A.P. Meilink Roelofsz, K.S. Mathew, M.N. Pearson, A.R. Disney, G.B. Souza, Afzal Ahmad, etc. and of course the analysis of the nature of the Portuguese enterprise in Asia by Niels Steensgaard. Holden Furber's Rival Empires of Trade in the Orient (1976) is also a basic text providing useful comparison of the trading patterns of the Portuguese, Dutch and the English.

The appearance of the Portuguese in the Indian Ocean was significant in history not only on account of the discovery of a new sea route from Europe to Asia but for the Portuguese claims of monopoly over the trade of the Indian Ocean as well. Portugal's attempt to enforce their supremacy on the maritime trade of the Indian Ocean by restricting the freedom of the others through issue of passes was by itself a novel concept. The impact of the policy, the reactions and repercussions in Asia, the nature and extent of the maritime empire thus built up and the causes of its failure in the face of Dutch competition have been the major thrust of most of the studies published so far. Accordingly, the first one hundred years or so of the Portuguese presence in Asia has received the maximum attention from the historians.

K.S.Mathew's and M.N.Pearson's monographs were among the earliest serious studies of the Portuguese commerce in India. Both of these deal mainly with the 16th century. While Mathew (Portuguese Trade with India in the Sixteenth Century, 1983) describes the nature, volume and organisation of the trade carried on by the Portuguese in initial stage of their presence in India, Pearson (Merchants and Rulers of Gujarat, The response to the Portuguese in the Sixteenth Century 1976) had tried to analyse the reaction of the merchants of Gujarat to the Portuguese claims of monopoly. Later, Pearson published several articles highlighting the social and economic aspects of the settlements and administration. Recently, he has put emphasis on the social aspects in his monograph on the Portuguese in India as a whole published as the New Cambridge History of India 1.1 in 1987.

Afzal Ahmad's study of the Indo Portuguese Trade in the Seventeenth Century 1600 -1663, (1991) is a descriptive account of the trade carried on from India during that period. He gives details of the export of cotton cloths and other items from India, the suppliers of these items and the financiers of the Portuguese in Goa but fails to reflect the economic, organisational and military crisis that had already set in in the Estado.

These crises, on the other hand, is the theme of A.R. Disney's Twilight of the Pepper Empire (1978). The book concentrates on the Viceroyalty of the Count of Linhares at Goa between 1628-1636. An attempt was made in this period to modernise the Lisbon Goa trade by forming a company on the Dutch and the English model for pepper trade from Kanara and Malabar. The collapse of the company in 1633 was followed by the signing of a truce with the English East India Company which ultimately spelt the abandonment by the Portuguese of their monopoly claims to the Cape trade route and their reluctant recognition that the Northern European nations in Asia were there to stay. The book broke a new ground in Indo Portuguese historiography by concentrating on the aspects of crisis rather than on the period of glory. Disney's article on the 17th century Goa, compiled in the First Portuguese Colonial Empire (1986) edited by Malyn Newitt describes the economic life in the port of Goa and the private channels of trade in the face of this period of crisis. These two, along with the work of Dr. Ahmad more or less complete the account of the Portuguese commerce in Goa in the 17th century.

Disney's study of the futile attempt at the formation of the company assumes particular importance in the context of Niels Steensgaard's analysis of the cause of Portugal's failure in the face of Dutch challenge. (Carracks, Caravans and Companies, 1973)

In doing so, he has used the new concept of 'redistributive enterprise' and has shown how the Portuguese enterprise had remained closer to the spirit and form of the Middle Ages rather than the emergent commercial capitalism represented by the joint stock companies of the Dutch and the English.

Among the very recent publications on the Portuguese history is the one by Sanjay Subramanyam. In this book, The Political Economy of Commerce : Southeren India 1500-1650, (1990) the author explores the relation between long distance trade and economic and political structure of Southern India. He also questions some traditional views regarding the relation between external trade and the precolonial economic growth in India. Though his approach is different from the traditional discriptive account of trade carried on by the Europeans, the focus is on the 16th and the early 17th centuries.

With regard to Macao, G.B.Souza's The Survival of Empire : Portuguese Trade and Society in China and South China Sea 1630-1754, (1986) is the study of the Portuguese enclave of Macao, surviving within the orbit of its own economic networks, its markets, traders and finally the relations with the headquarters of Estado in Goa. Despite such progress in scholarship, the history of the Portuguese commercial empire in the Indian subcontinent is far from complete. One obvious limitation of the existing publications is their preoccupation with the early period of the 16th and early 17th centuries.

Barring a few exceptions, the period from late 17th century onwards has remained more or less totally unrepresented. M.N. Pearson, in his bibliographical essay in the New Cambridge History of India has described the period from 17th to 20th centuries as terra incognita. The tendency to discard the period outright as one of decline and degeneration has been the trend for many years now. As early as 1912 all that the Cambridge Modern History had to say on the period after 17th century was :

'As the crusading spirit died down, corruption and incompetence made their appearance and from 1650 onwards, their annals form a dreary record of degeneration. The conquerors were absorbed and degraded by the conquered, for the Portuguese, more than other European nations intermarried with native races. By the beginning of the 18th century, petty disputes between the Viceroy at Goa and the English Governor at Bombay are almost the only visible records of the empire founded by Almeida and Albuquerque. [2]

Even authorities on the subject like C.R.Boxer is almost silent on what happened to the Portuguese empire of India in the 18th century. For him, the 'isolated settlements of Goa, Daman and Diu on the West coast of India, Macau in China and part of the island of Timor in the East Indies were all that remained of the once proud state of India after Mozambique had been made a separate government in 1752.' [3]

2. The Cambridge Modern History, vol v. eds, A.N.Ward, G.W.Porthero, Stanley Heathes, 1912.
3. C.R.Boxer, Four centuries of Portuguese Expansion - 1415-1825, A Succint Survey, Johannesburg, 1916, pp.79-80.

The Indo Portuguese history seminars have failed to fill up this gap in the historiography. Proceedings of the first seminar, Indo Portuguese History Sources and Problems (1981) contain articles by specialists in the field. The subject matter ranges from the theoretical discussion in general of the problems of reconstructing Indian history from European sources by Prof. Ashin Das Gupta to discussion of some specific works of documentations and translation by Prof C.R.Boxer, and others. But Both the problems and the sources of information are picked up from the 16th century itself. Only exception is the article by V.T.Gune who introduces the many volumes, particularly of the customs records from the Goa archives belonging to the 18th century and later.

The second volume of proceedings, Indo Portuguese History, Old Issues, New Questions edited, by. T.R.de Souza too selects the issues mainly from the early period alone. Hence, the 'new questions' too come from this period only. T.R.de Souza edited Goa Through the Ages, Vol.II, An Economic History, 1989 is wider in scope. Celsa Pinto's article on Goa based coastal and overseas trade is an attempt at covering both the 18th and the 19th centuries. The actual discussion about the 18th century, however, is rather sketchy, the author's strong point visibly being the 19th century alone. Rather, M.N.Pearson's article on the 17th and 18th centuries reveals more insight into the role of Goa in the international trade of Portugal.

Myra Pinto Masc<sup>a</sup>rhanas' unpublished M.A.dissertation on the Pombaline era in Goa is a refreshing break in the pattern of Indo Portuguese historiography.

Even though the main thrust of the work is political, it takes into account some other aspects of life of Goa as well. The chapter on agriculture is long and thorough but suffers from certain shortcomings arising out of the acceptance of the contemporary records on their immediate face value and unawareness of the controversy that had broken out on the issue. Despite its obvious shortcomings, the work is significant for placing Goa in the context of the rule of Pombal in Portugal.

In this dissertation we have concentrated on a relatively unexplored area by trying to study the Estado during the second half of the 18th century. In this period, the 'Empire' despite its obvious weakness lingered on within the changing structure of trade in the Indian Ocean.

The mere use of the words 'decline and degeneration' does not recognise the problem of lingering on and fails to explain the logic behind the occasional efforts to reorient itself within the new structure of trade. In order to understand the mechanics of this, we have of course taken only one aspect of it, granting that there might be many others. The thrust is on the trade structure and its networks.

The mid 18th century marked the height of the 'second' Portuguese empire in the Atlantic, based on slaves, sugar and gold, in which Angola and Brazil were the major partners. [4]

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4. Three distinct phases can be identified in the imperial history of Portugal. It is customary to regard the maritime and commercial enterprise in Africa and Asia beginning from 1415 as the 'first empire'. The 'second empire' based on Atlantic lasted until Brazil became independent in 1825 while the 'third empire' was founded in Africa at the time of the scramble. It survived until the Portuguese Revolution in 1974. Malyn Newitt in the Introduction to 'The First Portuguese Colonial Empire', Exeter, 1986, p.1.

The importance of the isolated pockets of settlements along the Indian Ocean littoral, though relegated to the background, was not yet totally exhausted. The study therefore is an effort to highlight the role played by the remnants of this 'first empire' for retaining the rate of returns from the 'second'. This was done through the supply of cotton cloths for the use of the slaves in the plantations of Brazil. In the last quarter of the century, these cotton cloths were used for a second purpose, that of meeting the adverse balance in Portugal's international trade.

In Portugal, it was the era of the Marques de Pombal, the dynamic minister and his immediate successors. The focus of the study therefore is on the repercussions of the policies pursued at home by Pombal and his successors in the Estado da India (The Portuguese Empire in Asia).

The theme of the Portuguese imperial connections and networks has been explored in part one of the first chapter and the second chapter.

In India this period is generally regarded as one of decline and degeneration that ultimately paved the path for the emergence of the British East India Company as the supreme power over the subcontinent. In part two of the first chapter we have discussed the fundamental changes brought about in the Oceanic trade of India by the political developments of the period and the emerging importance of the British private traders. Goa's position, in this structure has also been located in this. Afterwards, the specific trading connections of Goa with the other regions of the Indian Ocean during the second half of the 18th century have been discussed in chapter three. Chapters four

and five discussing the role of the local trading communities, their relation with the government and the futile experiments with cotton weaving centres and expansion of agriculture are included as a part of the story of Goa's survival.

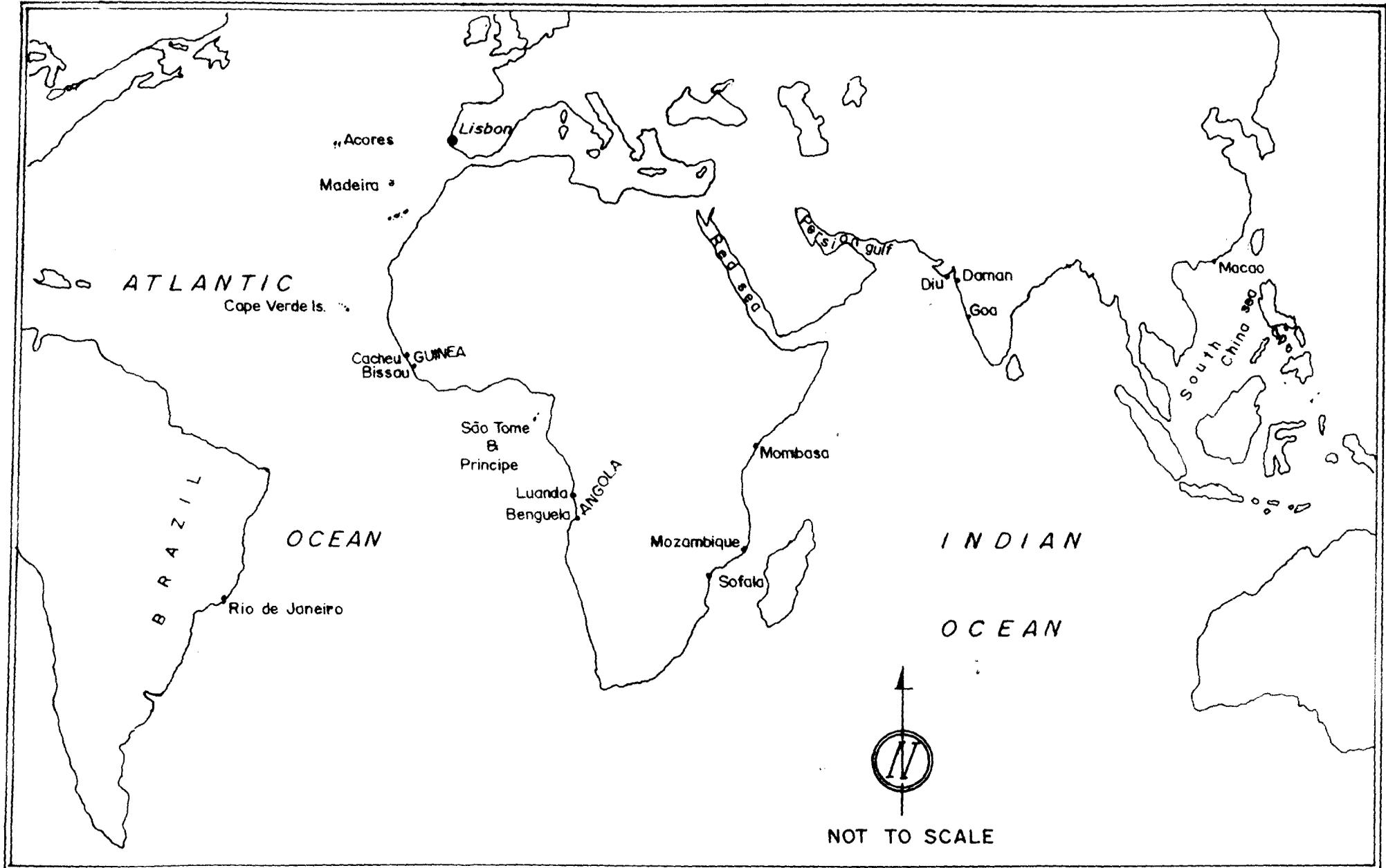
We hope it will reveal the twists and turns growing out of the contradictions and conflicts at various layers and between the government and the social groups. It seems that the very strength of the weakness of the empire was characteristic of the oldest surviving empire in India.

Chapter 1  
-----THE CONTEXT  
-----Part 1. Portuguese Colonies in Brazil and West Africa  
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Portugal, one of the smallest countries of Europe in the Iberian peninsula, had set up an extensive network of colonies spreading over the three continents of Africa, America and Asia, of which the Estado da India in the Indian Ocean was only a part. In the 18th century, when the Estado had shrunk in size, retaining only a few pockets in India, Macao in South China Sea and Mozambique in the East coast of Africa, Brazil, in South America was still expanding its plantations by introducing new crops. The other colonies in the North Atlantic and along the coast of West Africa were bound to it as the suppliers of slave labour, so much in need in the plantations and mines of Brazil.

In this chapter we have attempted at giving a short description of these colonies in order to provide the backdrop against which Goa has to be placed as a part of Portugal's colonial empire in the 18th century. This will help us appreciate the relative importance - however little it may be, of Goa in the economy of Portugal and the significance of the measures undertaken by the Crown, in relation to the colonies in Brazil and Africa. The economy of the Estado will become meaningful only in this context because it was operating within the imperatives of the above mentioned colonies.

PRINCIPAL PORTUGUESE COLONIES: 18th CENTURY



## The Mines and Plantations in Brazil

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Brazil had become so indispensable to the economy of the mother country that even though the profits from this colony had taken a downward curve from the mid 18th century, the Portuguese ambassador to Paris, Dom Luis da Cunha commented in 1738 'that in order to preserve Portugal, the King needs the wealth of Brazil more than that of Portugal itself.' [1]

This wealth came from the gold and diamond mines and the extensive sugar and tobacco plantations.

Despite disagreements among the historians regarding the exact date and place of discovery of gold, it is generally accepted that it was discovered in the end of the 17th century in the remote region of 200 miles inland from Rio de Janeiro which later came to be known as Minas Gerais. In course of time, more mines were discovered in the fields of Ciuba, Goias, Mato Grosso etc. [2] The peak period of gold remittance to Portugal was short. Begun in 1699, it reached the maximum of 25,000 kg. in 1720, after which, the production reached a downward trend until 1760, when about 14,000 kg. could be extracted per annum. After this the mines gradually exhausted and decline became even more steady. [3]

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1. CHLA Vol. I, p. 469.

2. For a detailed account of the discovery of gold, see C.R. Boxer, The Golden Age of Brazil 1695-1750, Growing Pains of a Colonial Society, Berkeley, 1969, pp. 30-60, Portuguese Seaborne Empire, Pelican, Harmondshire, pp. 157-159, James Lang, Portuguese Brazil : The King's Plantation, New York, 1979, pp. 123-131.

3. A.H. de Oliveira Marquês, História de Portugal, vol. II, Lisbon, 1984, p. 380.

Receipt from the Minas gold tax, which averaged over 100 arrobas of gold during 1752-62, dropped to 85 during the next decade and only 68 arrobas of gold between 1774 and 1785. Also, gold coinage minted in Portugal totalled 17.6 millions crusados between 1753 and 1757 but only 8.9 million between 1769 and 1773. [4] A little insignificant amount of gold yield was registered in the early years of the 19th century. In 1801 for example, gold represented 15.2% of the total exports of Brazil which was reduced to 5.6% in 1805 and a mere 0.29 in 1816. [5] Some other precious stones like emerald and diamond were also discovered in Minas Gerais, Mato Gross and Bahia. The diamond period roughly coincided with that of gold.

Calculated in terms of pound sterling, the value of gold and diamond together reached a total of 7,28,000 during the period of 1711-15, 17,15,201 during 1721-25, 13,11,175 during 1736-40 and 13,71,680 during 1741-45. In all, around 72,48,669 sterling worth of gold and diamond entered Lisbon or Europe during a period of 34 years. [6]

Coming to plantations, the most important product of the country was sugar which had become important in Brazil from 1570-80. Brazil remained the largest producer of sugar till 1680 after which the production was hard hit by a depression caused by the fall of international prices resulting from the increased production in the Antilles. Actually, sugar production passed through many cycles and no final trend could emerge in the 17th century.

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4. James Lang, Portuguese Brazil, p.166.

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5. A.H.de Oliveira Marquês, História de Portugal, Vol. II, p.380.

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6. Ibid., p.381.  
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The industry was revitalised for the second time in the 18th century, when Italy and other Mediterranean countries provided the biggest market. This continued till about 1788 when Jamaica began to export more than Brazil.[7] Market condition in Europe improved once again during the 1790s as a result of the collapse of production in Saint Dominique, Haiti, after 1792 due to slave revolts and French military action. Exports stood at 7,20,000 arrobas in 1783, topped two million arrobas in 1796 and reached 2.5 million in 1800. Sugar became so profitable at the end of the century that a Vatican chronicler commented 'there is no one who does not wish to be a sugar planter.' [8] Among the secondary items of export which remained important in the 18th century was tobacco. This item too, as sugar, had a beginning prior to the 18th century but remained important throughout the period. Tobacco was produced on hundreds of plantations concentrated in the township of Cacheira and Bahia. Its cultivation expanded in the late 17th century when sugar production dropped in the 1680s. The King encouraged its production by restricting its cultivation at home and the Atlantic islands. Tobacco even surpassed sugar in certain areas like Bahia where it maintained a monopoly over other products. In course of time, it also spread to Pernambuco and some other areas. In terms of quantity, exports averaged about 25,000 rolls [9] during the period 1700 and 1710.

7. For details of sugar production and trade cycle, see CHLA I, pp.457-459 and James Lang, Portuguese Brazil, pp.81-87, 108-113.

8. K.N. Maxwell, Conflicts and Conspiracies : Brazil and Portugal 1750-1808, Cambridge, 1973, pp.213, 257-58.

9. Approximately of eight arrobas each.

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From 15,000 to 20,000 rolls of lower grades weighing three arrobas -----  
 were set aside for Mina slave trade. About 3000 rolls went to Rio  
 de Janeiro, much of it for the city's slave trade with Angola. [10]  
 Between 1756 and 1759 about 6600 rolls were sold domestically in  
 Portugal and 12,000 rolls reexported. It was exported even to Goa  
 and Macao but most of it went to Italy, Spain and Hamburg. Tobacco  
 contract itself was one of the most lucrative incomes of the  
 Portuguese Crown fetching as much as 1.8 million crusados as early  
 as 1722. [11] -----

In the second half of the 18th century, wheat and rice were  
 also cultivated and exported from Brazil. By the turn of 1781 the  
 entire amount of rice consumed in Portugal was supplied by this  
 American colony. [12]

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10. James Lang, Portuguese Brazil, p.141, C.R.Boxer, The Golden  
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 Age of Brazil, p.151.  
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11. James Lang, Portuguese Brazil, p.142.  
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12. A.H. de Oliveria Marquês, História de Portugal, Vol. II, p.386.  
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Cocoa and coffee were two other items of export from Grão Pará and Maranhão. Of these, Cocoa began to yield profit after 1750 doubling its export within 20 years. This was in terms of both quantity as well as the price at which it was sold. [13] Hide and horses too were raised on a large scale to be sent out to the Metropolis.

Finally, there was cotton to be cultivated on large scale plantations in the late 18th century. The series of innovations in the cotton industry, in form of spinning jenny, water frame, mule etc. closing the technological gaps between weaving and spinning led British cotton industry to look for increased supplies to Asia, West Indies and Brazil. Between 1785 and 1789 British manufacturers purchased 13 million pounds of Brazilian cotton, the amount going up to 68 million pounds during the 1790s. The Brazilian supply made up 23% of all Britain's cotton imports. [14]

Pernambuco, Ceara and Maranhao were the chief cotton captaincies of Brazil. Together they produced 7.5 million pounds per year in the 1790s. Joint exports doubled by the first decade of the 19th century. Portugal herself retained approximately 1.7 million pounds for its domestic workshops.[15]

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13. Rice production expanded, especially in Maranhao from 1,64,000 arobas in 1783 to 3,13,000 in 1798. In 1796 Rio de Janeiro sent 1,76,000 arobas of rice to Lisbon. Export of cocoa often exceeded 1,00,000 arobas from Para alone by the turn of the century. For details see James Lang, Portuguese Brazil, p.162, and A.H.de Oliveira Marques História de Portugal vol II, p.387.

14. James Lang, Portuguese Brazil, p.185.

15. Ibid.

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The significance of these articles of exports lay not only in their mere quantity and variety. Actually, only a small amount was meant for consumption in Portugal itself. A large portion of it constituted Portugal's export outside, where these were exchanged for manufactured goods. Gold from Brazil went to centres of foreign trade as official means of balancing the trade deficit. In fact, gold was so important in Portugal's foreign trade that her trade with England over £ one million annually in the 1750s dropped 43% during 1766-70 as a result of sagging gold output in Brazil. [16] It recovered in the 1790s but that was due to the economic policy pursued by Pombal. Yet, despite this crisis in gold production, Brazil remained important to Portugal. Its falling income from the mines were compensated to some extent by rising production of sugar, tobacco, cocoa, rice and cotton. The Crown, fully aware of this trend, tried to tighten its grip over as much territory as possible and ensured that the Brazilian economy developed strictly to the exclusive benefit of the metropolis. As a part of this policy, industries were kept undeveloped in Brazil with sole exception to that of ship building and manufacture of cheap cotton cloths either for use of the slaves or for making sacks. All other industries were totally prohibited by an order of the Crown in 1785. [17]

Slave Trade from Atlantic and West Africa.

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The plantations of Brazil thrived on the supply of labour force from Africa. The Portuguese colony that was the principal supplier of slaves to Brazil was Angola.

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16. James Lang, Portuguese Brazil, p.166.

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17. A.H. de Oliveira Marquês, História de Portugal Vol. II, p.387.

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The important ports of this settlement in this period were Congo and Luango in the North and Luanda and Benguela in the South. Guinea and Cape Verde also had their share in the supply of slaves but their golden period had passed off in the 15th and 16th centuries while Angola became the chief supplier a few decades later and retained its predominance well into the 19th century as well. The Portuguese were the pioneers of plantation slavery on a large scale from as early as the 15th century. In the early years most of the slaves were taken from Guinea and from the last decades of 15th century onwards from Angola. For the Portuguese, buying slave from Angola was cheaper than from Guinea, where they had been ousted from their original settlements by the Dutch and supplanted from other places by the English. [18] Even though it is difficult to ascertain the exact number of slaves thus exported, there are some rough estimates available to us. At least 3,00,000 slaves were reported to have been supplied to Portugal from Guinea coast via Cape Verdes, during the 16th century. Angola became the chief supplier from the last decades of the 16th century. Between 1570 and 1600 Angola supplied Brazil with over 50,000 slaves. According to one rough estimate for the decade 1670, an average of 7,500 slaves had entered Brazil, the majority of them from Angola. As for the 18th century, Angola exported almost 7,00,000 slaves to Brazil during the 70 years from 1701-1770. Over half of these went to Rio de Janeiro. [19]

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 18. C.R. Boxer, *The Golden Age of Brazil*, p. 4  
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19. Estimates of slave imports are scattered in the books on Brazil.

See for example, CHLA vol. 1, pp. 456-457. James Lang, *Portuguese Brazil*, pp. 29, 87, 89, 143 etc.  
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In the 18th century, the demand for slave particularly increased as a result of the boom in the goldfields. The number of slave population went on increasing so fast that in the beginning of the century (1702) the Archbishop of Bahia informed the Crown that there were some 90,000 souls in his diocese, of whom the majority were Negro slaves. [20]

Philip Curtin, the historian of slave trade, has shown how the number of slave imports into Brazil had increased from 1720 onwards.

We have the following number of slave imports into Brazil from his estimate. The share of Angola, both in number and in percentage is also given.

Table 1.1.1

Slave imports into Brazil from Angola. (1701-1800)

Year :	Total Number of Slave Imports	Country of Origin (Angola)	Share of Angola in Percentage
1701-10	1.53.700	70.000	45.54
1711-20	1.39.900	55.300	39.52
1721-30	1.46.300	67.100	45.86
1731-40	1.66.100	1.09.300	65.80
1741-50	1.85.100	1.30.000	70.23
1751-60	1.69.400	1.23.500	72.90
1761-70	1.64.600	1.25.900	76.48
1771-80	1.61.300	1.31.500	81.52
1781-90	1.78.100	1.53.900	86.41
1791-1800	2.21.600	1.68.000	75.81

Source : Philip Curtin : The Atlantic Slave Trade, Madison, 1969, p.207.

20.C.R.Boxer, Golden Age of Brazil, p.2.

The estimates presented by Curtin point out that Angola alone accounted for 70% of the total Brazil bound slaves and 26% of the total Africans who were forced to migrate by all nations in the 18th century. [21]

Within Angola itself, the principal source was Luanda. Even though the port of Luanda was not colonised until 1575, slave trading in the region was already a fully developed system in the first half of the century and Luanda dominated the trade well into the 18th century when its supremacy was beginning to be challenged by the so far minor port of Benguela. Until the middle decade of the century only about 1000-2000 slaves left the shores per year. After 1760, however, its participation expanded greatly and by the 1780s it accounted for 1/4 of the trade, a share it maintained till the end of the century. As for the period from 1741 to 1780, Luanda itself accounted for 69% of the total Portuguese slave exports from Angola. Cabinda was the third leading slave zone from Angola where the French, the British, and the Dutch as well as the Portuguese traded. It was a free area until the end of the century. [22]

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21. H.S.Klein, The Middle Passage : Comparative Studies in the Atlantic Slave Trade, 1978,p.25.  
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22. Ibid., pp.25-26.  
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Klein has compiled and compared the figures of slave exports from both Luanda and Benguela during the 18th century and in the process differed with the estimate of total slave exports from Angola as presented by Curtin. We quote the table prepared by him.

Table 1.1.2  
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Estimates of African Slave movements from Angola in the 18th century.

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K L E I N ' S E S T I M A T E  
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Decades	Luanda	Benguela	Total Angola	Curtin's estimate
1701-10	-	-	-	70.000
1711-20	58.841	-	-	55.300
1721-30	73.488	-	-	67.100
1731-40	98.632	17.035	1.15.667	1.09.300
1741-50	1.06.575	12.796	1.19.371	1.30.100
1751-60	1.07.697	23.709	1.31.406	1.30.100
1761-70	82.842	49.465	1.32.307	1.32.500
1771-80	97.533	54.732	1.52.265	1.31.500
1781-90	1.04.429	64.104	1.68.535	1.53.900
1791-1800	1.03.616	74.908	1.78.524	1.68.000

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Source : H.S.Klein : The Middle Passage : Comparative Studies in  
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the Atlantic Slave Trade., Princeton 1978, p.27, Table 2.1.  
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In view of the widely scattered nature of information preserved in various archives all over the world, or the absence of port registers for all consecutive years, such difference of opinion and gap in knowledge is only acceptable. [23] But what becomes clear from the available estimates is that despite falling income from the Brazilian mines, the demands for slaves was steadily on the rise. Angola proved to be the main prop of this trade, contributing the lion's share of exports to Brazil.

#### Indigenous Economy of the Colonies in the Atlantic

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While Angola remained important to the Portuguese Crown as supplier of slaves, the internal economic conditions of the colony was not in a very good shape. During the Governorship of Dom Fransisco de Souza Coutinbo (1764-1772) some experiments were made with administrative as well as economic reforms. The Governor encouraged industry and settlements in the hinterlands, but unfortunately, all of these proved to be shortlived. In the absence of any economic development, Angola continued to remain more or less as a colony of Brazil until the latter's independence in 1822. [24]

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23. Curtin has discussed in details the problems of giving exact numbers. He has also examined the views expressed by the other historians as well as the reason of his preference for the estimate as one of imports into Brazil rather than as exports from Africa. For further details, also see. H.S. Klein, *The Middle Passage*, p. 26-27.

24. A.H. de Oliveira Marquês, *História de Portugal*, vol. II, pp. 431-32.

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Among the other colonies, Cape Verdes and Guinea were grouped together as one captaincy. In addition, there were Sao Tome, Principe, Madeira and Açores in the Atlantic.

Of these, Guinea was unprofitable and had to live out of its economic relations with Cape Verdes. The latter, too, despite its production of some rice, cotton, fruit and sugar, manufacture of salt, development of fishing and even some export of slaves to Brazil, yielded very little profit and suffered from a chronic shortage of money through out the 18th century.

A few companies were founded in Portugal during the 17th and 18th centuries to control the trade from these two places. the first, raised in 1676 was named Company of Cacheu and of the Rios of Guinea. It failed to yield any practical result.

From 1680 to 1706 trade from this captaincy remained under the control of the Company of the Cape Verdes and Cacheu. This enjoyed the monopoly of supplying slaves to Spanish America. But this company lasted only six years and eight months and was never taken seriously. The archipelago and the entire coast succumbed to inactivity after the fall of the Company. Attempts to introduce certain commercial crops failed and from the middle of the 18th century, these places survived mainly on cotton, maize beans and fish which yielded very little profit.

The places were handed over to two more companies, that of Grão Pará and Maranhão to be followed by the Company for the Monopoly of Commerce in Islands of Cape Verdes, Bissau and Cacheu. (Companhã para o Monopólio de Comércio as Ilhas de Cabo Verdes, Bissau e Cachéu).

These functioned till 1786. Both the companies only marginally succeeded in stimulating the economy of the islands. Like the other Portuguese possessions, Cape Verdes too was subjected to foreign attacks- by the French and the English. The latter tried to secure a foothold in some of these islands and they succeeded in Guinea where they founded a factory in Bolama in course of the closing years of the 18th century. [25]

The companies which were set up for the control of trade from Cape Verdes and Guinea were also entrusted with the management of commerce from São Tomé and Príncipe. Situated in the Gulf of Guinea, these and some other neighbouring islands were very rainy, humid and full of Tropical diseases which put off the European settlers from permanent settlements. The Archipelago mainly survived by raising cattle and manufacturing sugar. [26]

The main source of prosperity was, however, their geographical location. It was the best halting point in the overseas trade route to India and later of the slave trade between Africa and Brazil. A heavy traffic of slaves was carried to Brazil from here and commercial relations were also maintained with the neighbouring islands.

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 [25] For a detailed description of Cape Verdes see Joaquim Verissimo Serrão, História de Portugal, Vol. VI, pp. 144 -149, A.H.de Oliveira Marquês, História de Portugal. Vol. II pp.38-41, 265,422-23.

[26] For details of sugar trade in São Tomé see A.H.de Oliveira Marquês, História de Portugal vol. II, pp.266-267.  
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The companies, once entrusted with the management of commerce from these places, vitalised trade to some extent and established factories at Jaquem, Apa, Popo, Calabar and Camarao along the coast and in the islands of Corsico and Fernão de Po. Ships trading in tobacco of Bahia loaded the slaves from these places. The Company also developed trade from the islands of Principe. The fall of the Company of Cape Verdes and Cacheu (1706) led to a phase of stagnation and commercial decline in this part of the Gulf. [27] Later, Marques de Pombal initiated certain reforms in these places. The most important of these was the elevation of the principal village of the island of Santo Antonio into a city and the capital of the Archipelago and nomination of a Captain General with total authority over Sao Tome. [28]

Towards the end of the century, Portugal realised the uselessness of maintaining some of the possessions in the Gulf. The majority of the factories were abandoned. Fernão de Po and Ano Bom were ceded to Spain by the treaty of San Idalfauso of 1778. The attention henceforth was focussed on the two islands - São Tomé and Príncipe only.

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27. Ibid., p.425.

28. Ibid.

Finally, there were the islands of Madeira and Açores. Both the islands were uninhabited when discovered and explored in the early 15th century and passed through several stages of agricultural experiments. Commercial crops like sugar and fine wine were introduced in Madeira [29] in its third stage of agriculture, which eventually transformed Madeira into a huge commercial centre. From this island sugar began to be shipped to markets in Portugal, the Mediterranean and Northern Europe by way of the Royal factory at Antwerp. [30]

Açores on the other hand, never reached this stage of developments and stopped with the cereal stage when wheat became the primary export in course of the 15th century.

By the 18th century, the islands were able to develop their own economic resources. In Madeira, the trade of wine went on expanding while Açores introduced extensive cultivation of oranges. A weaving factory, established with the assistance of the French in the island of St. Miguel in the beginning of the 18th century added to the prosperity of the island. Whaling had begun from 17th century simultaneously with the cultivation of potatoes. These yielded a positive balance of trade and the islands were able to meet their own expenses without turning to the Crown for assistance. Funchal, Angra and Ponta Delgada developed into big cities in the 18th century.

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 [29] In the early years only animals were put ashore to proliferate rapidly in the new surroundings to be rounded up in course of time for sale in Portugal. At the second stage of development, the cultivation of cereal was embarked upon. In Madeira, this followed only a few years after the first, due to an unexpected migration of settlers, who abandoned the Moroccan outpost at Ceuta. Wheat was cultivated at this stage.

[30] James Lang, Portuguese Brazil, p.9.  
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Both the islands were inhabited by white colonists and these two places became more or less like any other province of Portugal. In the 18th century, many of them left for Angola and Brazil. [31]

#### Conclusion

To sum up, the picture that emerges is that not all the colonies outside the Estado da Índia were equally profitable. The most prized possession was, beyond doubt, Brazil. Even though the yield of gold was on the wane from the mid 18th century onwards, the products from the plantations still constituted the greatest share of Portugal's income. It also made up a considerable portion of Portugal's exports to the other countries of Europe.

The following table will show the relative importance of the colonies in the economy of Portugal, during the closing years of the 18th century.

Table 1.1.3

Average share of the individual colonies in percentage in their trade with Portugal. (1796 - 1800)

Name of the Colony	Export from Portugal	Import into Portugal
Brazil :		
Rio de Janeiro	32.26	28.68
Bahia	23.96	25.24
Pernambuco	15.88	15.64
Maranhão	6.46	8.64
Pará	3.50	3.40
Paraíba	0.44	0.64
Santos	0.32	0.66
Asia :	8.96	14.56
Islands of Madeira & Açores	4.66	2.44
Africa	3.56	0.10

Source : Jose Jobson de Andrade Arruda : O Brasil no Comercio Colonial, Sao Paulo, 1972, pp.249-257

31. For further details, A.H. de Oliveira Marquês, História de Portugal, Vol. II, pp.35-38, 258-263, 371.

The table confirms the overwhelming importance of Brazil in the colonial network of Portugal. She alone consumed 82.8% of the articles exported by Portugal to the colonies while she also supplied 82.9% of the goods that the metropolis received from her colonies. The share of the other colonies together were insignificant 17.2 and 17.1 respectively. So, Brazil, in this period served as both a supplier and a market for the metropolis, while both Africa and the islands of Madeira and Açores acted more as markets for the Portuguese products than as suppliers to the metropolies. Asia, on the other hand, had more to offer to Portugal by way of export than to consume the produce that the latter could send to India.[32] The term Asia, in this context indicate all the parts of the Continent that Portugal traded with-including of the Estado da India. The share of the latter alone cannot be ----- deduced from this.

The economic policy pursued by the Portuguese Crown, towards Brazil had originated long ago. In the 18th century, the Crown was merely continued with this old policy of priority to the same, ie. to maintain the rate of returns from these plantations.

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 32.A comprehensive idea about the nature of mutual dependence of the colonies and the metropolies can be had from the series Balança Geral do Comercio, preserved in the two archives of INE and AHMOP in Lisbon. They give a clear idea about the items imported from Asia into Portugal and their reexport to the other colonies. In fact, some articles (in small quantities) like tea, pepper, Cassas, Cinnamon and few cotton goods were ----- even reexported to the other countries of Europe. Arruda's conclusions are based on these documents only.

In order to preserve the colonial interests over Brazil, the Portuguese Crown had issued order as early as February 2, 1591 prohibiting the foreign ships to visit the ports of either Brazil, or for that matter, any other colony under the Portuguese Crown. Even the Portuguese subjects were forbidden to carry any foreigner to these ports. The penalty prescribed for contravention of these orders were confiscation of the ships as well as the Cargo and death of those foreigners who might dare visit those ports.

Similar orders against Brazil's trade with any foreign ship were issued repeatedly, on March 18, 1605, October 10, 1715, May 28, 1757. The scope of the order of December 12, 1772 was even broader. Under penalty of confiscation of the entire cargo, it absolutely prohibited all the Portuguese ships from the Estado da India, any other part of Asia or from any area beyond the Cape of Good Hope to even halt at any port of Brazil.[33]

No other island and coastal settlement in North Atlantic and West Africa, with exception to Medeira and Açores was profitable for the sake of indigenous products. Rather, they were being encroached upon by the French and the English as happened in Cape Verdes and Guinea. Yet, these were maintained for the sake of their strategic location which helped develop a network of slave traffic around which revolved the economy of Brazil. In this way, they were contributing towards Portugal's national economy by catering to the needs of a constant labour force in Brazil. Viewed from this angle, the figures relating to Africa in the above table are not to be accepted as absolute.

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33. AHU, Moz. cxa. 36, Doc. 33. cover reference 1781. Unsigned document dated 19.6.1781.

The Balance of Trade series of documents, on which Arruda has based his findings, does not include the slaves which was the most important item of export from these African settlements as already discussed above. [34]

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34. Arruda himself pointed this out by saying that the deficit in the trade of Africa is not real as the settlements of Angola, Cacheu and Bissau were doing slave trade with Rio de Janeiro by order of the credotroes in Lisbon. Jose Jobson de Andrade Arruda, O Brazil no Comercio Colonial p.246.

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Chapter I

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THE CONTEXT

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Part II

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Part II. The Changing Scene of India's Maritime Trade

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Goa, the headquarters of the Portuguese Estado da India was situated in a commercially viable location in the middle of the West coast of India. To its North was situated Gujarat, the traditional production centre of textiles and to its South were the pepper producing lands of Kanara and Malabar. The Persian Gulf and Red Sea, the two gateways to West Asia could be reached easily from the Northern dependencies of Daman and Diu. In fact, Goa, which had never produced of any of the articles that the Portuguese exported to Europe, mainly survived as an entrepot, where all the articles were collected and then despatched off to Portugal.

By the second half of the 18th century, the Portuguese had lost their string of settlements along the Malabar and the islands of the South - East Asia mainly to the Dutch. Their presence in India, at this time, was primarily confined to the three pockets of Goa, Daman and Diu with her trade restricted to a few nearby ports along the coast. In this period, some basic changes took place in the overall direction and composition of the maritime trade of India, which altogether changed the economic, profile of the coast, both to the North and to the South of Goa. As a result of this, the West coast of India, the traditional lifeline of India's maritime trade, was eventually relegated to the background and the eastern markets of China were brought to the forefront.

Even the participants of this trade were the comparatively newcomers in this field, viz. the servants of the English East India Company.

This chapter is a short description of the changes that set in during the 18th century based on existing research works. It is divided into three sections. The narration of the changes as they were is preceded by a short description of the traditional trade from the West coast and followed by a note on the emergence of the private traders of the English East India Company.

Trade from the West coast as it used to be

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The 400 mile long coastline to the south of Goa was a pepper producing area that also yielded other spices like cardamom, cinnamon and sandalwood. There was also a modest trade of textiles and some amount of coconut products.

The coast was divided into two parts, the North and the South. The North, under the King of Mysore, was dominated by the port of Calicut, while the South under the King of Travancore was represented by the port of Cochin. The other important ports of the region were Mangalors, Angengo and Tellicherry. Of these, Cochin was a Dutch settlement while the English maintained factories at Angengo and Tellicherry. The merchants of Calicut were the wealthy ship owning Muslims while there were also some Jews and Moplas. [1]

The trading community of Cochin was dominated by the Konkani Brahmins who had migrated down from the vicinity of Goa in the early 16th century. Jews, represented by the family of Ezechiel Rahabi, formed another strong community. [2]

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1. Ashin Das Gupta, 'Trade and Politics in 18th century India,' in D.S. Richards, ed. Islam and the Trade of Asia, Bruno Cassirer, Oxford and University of Pennsylvania Press, 1970, pp. 196-97.

2. Ibid.

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Going up to the North of Goa, Daman and Diu, the most important port of the region was Surat in the province of Gujarat. Bombay had not yet risen to prominence. Only a few Englishmen carried on their private trade from there. Surat did not have any production of its own but acted as the chief outlet of the products of the heartland of India. Textiles, which was the most important item of export, was produced in the village surrounding the cities of Ahmedabad, Broach, Baroda, Cambay and even Lucknow. Indigo, another item of trade, had two qualities - sarkhej and jamboser. Both were produced in the region of Agra.

There were merchants of various races and communities in the port. One of those was that of the Bohras to which belonged Abdul Ghafur, the richest merchant perhaps of the whole of India in the late 17th century. There were also the ship owning community of Chellabis, Multanis, Kashmiris, Northern Khattris from the Persian Gulf or Red Sea, the simple Muslims or Mughals etc. The Banias of Rajasthan and Gujarat - acting mainly as brokers and money lenders, were also present in the city.

Among the Europeans, the Dutch East India company still had the largest foreign factory with a personnel of 57. The English and the French also maintained their factories in Surat. [3]

In the Persian Gulf, Basra in Turkish Iraq and Gombroon or Bandar Abbas in Persia were the two important ports. Of these, Gombroon had developed after the capture of the Portuguese base of Hormuz by the Persians and the English in 1622. The English East India Company maintained a factory there and carried on trade custom free in return of the services rendered by them.

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3. Ibid, p.187. For detailed description of the port, see Ashin Das Gupta, Indian Merchants and the Decline of Surat, c.1700-1750. Weisbaden, 1979, pp.20-92.

Indian items with markets in the Persian Gulf consisted of various kinds of piecegoods, slik, rice, sugar etc. These were distributed in the Ottoman Empire by river and caravan routes. The return cargo was composed of copper, rose water, Shiraz wine, date, almonds, horses and asafoetida. A large part of the exports was paid in bullion. [4]

The second gateway of trade with West Asia was the Red Sea, the two major ports in the region being Mocha and Jidda. Large quantity of coffee from Yemen was exported to Europe and Asia through Mocha, while goods from India, sent from Surat, were carried by camel caravan to Egypt from Jidda, which was actually a mart between India and Egypt. In the 18th century, some Bengal piecegoods of medium and coarse quality, 'cheap' white muslim used by the Turks for summer dresses also were in demand there in addition to ginger and silk of Bengal. Bengal ships normally brought back bullion from there. [5]

Thus, in the early 18th century, some very important trading centres of India were, situated in the West coast of India and the main thrust of India's export trade was towards the Persian Gulf and the Red Sea region. A conglomeration of political events, both in and outside India was to change the picture drastically in course of the next few decades. This will be analysed in the following section.

#### The Changes during the 18th Century

This section is divided into three parts :

1. The decline of Surat.
2. Growing government control of trade in Malabar.
3. From West to East.

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4. P.J. Marshall, East Indian Fortunes : The British in Bengal in the Eighteenth Century, Oxford, 1976, p.81.

5. Ibid., pp.83-84.

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The Decline of Surat - A long and complicated story and divided into three distinct phases by its historian Prof. Ashin Das Gupta, [6] it was the direct consequence of the breakdown of Mughal authority in the heartland of India in 1707, when the Mughal Emperor Aurangzeb died.

The death of Aurangzeb and the immediate disappearance of the security of transport affected the fortunes of Surat in two ways : on one hand, Gujarat was cut off from the centres of production and on the other, the Gujarati merchants lost the markets for their articles in India. A glut developed at the port of Surat which was noted as early as February 4, 1708 by the Dutch directorate J. Grootemhuijs. Also, the shroffs, who remitted money in Agra had to suspend business and all the merchants trading in that area were in trouble. The depressed condition of market was repeatedly noted in the 1720s.

The crisis was almost simultaneously followed by a breakdown within Gujarat in general and in Surat in particular.

This began with the attack of the Marathas in 1721. They besieged the city for several weeks in 1723, plundered its suburbs and even extracted chauth or a fourth part of the revenue, first from the neighbouring villages and in 1730, from the city itself. In the struggle for revenue, the Mughals gradually lost to the Marathas, but somehow managed to retain their control over the urban centres including Surat. Desperate for money as they were, to meet the expenses of the war, they adopted the easy way of extracting it from the merchants. Even though the developments of Surat alone can be studied in depth, the condition seems to have been the same in all the trading centres of Gujarat, viz. Cambay, Broach, Ahmedabad etc.

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6. Ashin Das Gupta, Indian Merchants and the Decline of Surat, pp.8-9.

Taking advantage of the helplessness of the administrators, the English began to exert pressure for a share of the customs revenue of the port. This ultimately led to the removal of the Governor himself, when the former tried to appease the English by exploiting the merchants.

This was followed by the blockade of the port first by the English East India Company and then by the African Sidis - both taking it as the last resort to preserve their private interests and realise the money due to them.

All this took Surat down the path of disintegration in course of the third decade of the century. By 1750, virtually the entire trade with Delhi and Agra was lost and with the transport system broken down, very little connection remained between the port and the heartland of India.

In the port itself, the Muslim ship owners lost much of their possessions. The commercial sail comprising of about 60 in all, virtually disappeared. While at least 40 ships used to sail every year from the port before, there were only five ships that sailed. In a list of the 'capitalists' and their fortunes not more than 30 people appeared with their fortunes, ranging in the region of mere Rs. 1,00,000. The total trade of Surat dwindled roughly to a third of its previous volume. Even that was mainly carried on by the private English traders. Ahmedabad too lost its previous prosperity and trade in textiles. Three quarters of the city was laid waste and it became difficult even to procure a few pieces of cloth. The situation was more or less the same in Cambay and Broach, the condition of Cambay being worse than that of Broach.

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7. For details of the story, Ashin Das Gupta, Indian Merchants and the Decline of Surat, pp. 134-196, 197-239.

Growing Government Control of Trade in Malabar—Even though Calicut was the traditional centre of pepper trade of Malabar, the absence of figures relating to its production renders it difficult to estimate the production of the coast at any time. Prof. Ashin Das Gupta, on the basis of figures from the south of the port, suggests a tentative amount of nine million pound for the port of Calicut. Of this, not more than a third was ever claimed by the European companies, the rest being sold to the Indian and the Arab merchants, and private Europeans.[8]

The decline of Surat came as a boon to the merchants of Calicut as the price of pepper shot up during the 1730s and continued to remain high till about 1770, when the advances of the state of Mysore under Haider Ali and his son Tipu Sultan brought it to a halt. Haider Ali conquered Calicut for the first time in 1766. Even though he did nothing at this stage to dislocate the trade, business became hampered by the lack of stability in the interior. The price of pepper rose steadily from Rs.90 a Khandi in 1765 to Rs.130-40 in 1767. After this, large scale purchase broke down and pepper was snapped up in small quantities.

Even though the situation deteriorated in 1773 when the army of Mysore returned, the actual blow fell under Tipu Sultan, who adopted some deliberate measures against the commerce of Malabar. Out of his belief that the Europeans were waging war against him for the commodities of trade only, he cut down all the sandal trees and imposed a monopoly by prohibiting his subjects to sell their produce to anyone but officials of the Government. The

8. Ibid., Malabar in Asian Trade, 1740 - 1800 Cambridge, 1967, p.25.

sumtotal of all this was not a fall in demand in Calicut, but a sharp fall in trade, due to political unrest and the disappearance of free trade from the region for the first time. [9]

The more fundamental and long lasting changes in the trade from Cochin in South Malabar set in during the reigns of Martand Varma (1729-58) and his son Rama Varma (1758-98), who began to build up a bureaucratic state in the Kingdom of Travancore. In the process, Martand Varma organised the commercial department and established a strict monopoly first on the trade of pepper and then on the other articles as well. The first move towards the monopolisation was taken in 1743-44, when, by a declaration, the king took upon himself the 'direction of pepper trade', giving instructions to the foreigners regarding from whom to buy and to the Indian merchants as to whom they should supply.

The richest pepper producing areas of Thekkumkur, Vedakkumkur, Peritally and Atingel were brought under the control of the King, who bought up the entire production of 8,10,000 Khandis at a low price of about Rs.30-32. per Khandi. The King even exercised control over all the routes by which pepper used to be transported to the Dutch from south Malabar. He also controlled the four major markets where his pepper could fetch a price much higher than the Dutch paid for it. Not only the indigenous merchants but even the Dutch became dependent on the King in course of time. The price of pepper being too high, the latter began to rely entirely upon the commercial department of Travancore to supply them with the amount they needed.

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9. Ibid., pp. 111-112.

The sumtotal of all this was that the trade survived but in a new way, where the profit went to the state. It was the free merchant who was eliminated in the process. [10]

Trade through both the ports of Cochin and Calicut became stagnant by the end of the century. Their places were taken to some extent by Aleppy, the new port of Travancore, but in the absence of relevant and adequate statistics, it is impossible to say how far these changes denoted a decline in the trade of pepper. The direction of whatever trade remained was changed from Muscat to China. Prof. Das Gupta has shown that the number of vessels which called at Cochin from the North and the West fell from 146 in 1774-75 to 22 in 1797-98. Much of the pepper was being transported to the East. [11]

From West to East - Trade with Red Sea and the Persian Gulf region  
diminished considerably during the first half of the century, the reason being not only the political instability of Gujarat and the subsequent decline of Surat but uncertain market and unfriendly terms of trade in those ports as well. This section is based on the findings of Prof. P. J. Marshall. [12]

10. Ashin Das Gupta, 'Trade and Politics in 18th century India' pp. 196-197 and Malabar in Asian Trade, pp. 33-72.

11. Ibid., 'Trade and Politics in 18th century India'. pp. 134-137.

12. Prof. Holden Furber was the first to point out this shift in the direction of trade from West to East and to describe it as a commercial revolution. He also mentioned 'four processes' of change in the whole fabric of the Indian Country trade that went on simultaneously at varying speeds during these decades. One of these four was the change in direction. Later, it was for P. J. Marshall to point out that the thrust towards the East was not immediate to the decline of trade with the West but there was a gap of about 30 years in between. Holden Furber, John Company at Work : A Study of European Expansion in India in the late Eighteenth Century, Cambridge, 1951 and P. J. Marshall, East Indian Fortunes.

His being a discussion of the British trade from Bengal, the data relate to the British shipping alone, but, in view of the lack of any comprehensive discussion of the contemporary trade between West Asia and Gujarat - where indigenous shipping had come to almost a halt, these can be accepted as indicators of the trend that had set in at this period.

Though profitable in general, trade was a vulnerable business in this region even in a normal season. To the usual hazards of sea were added the threat of French attack on the English ships during the days of Anglo - French rivalry.

The markets there, for example, those of Basra and Jidda, were also fickle by nature.

From the third decade of the century, the whole course of the Gulf trade became even more upset by the Afghan invasion of Persia. Gombroon suffered so much that the trade there became almost impossible. The English traders moved on to Basra but from 1731 onwards, routes to that port also became disrupted due to attacks by both the Arabs and the Persians. Bad and good years alternated with the English traders shifting between Gombroon and Basra accordingly. Finally, Gombroon was captured by the French in 1759 and virtually abandoned by the Company in 1763. The Company as well as other private traders tried to explore the possibilities of trade in other outlets of Persia, in the Gulf of Bushire and Bandar Rig, but, by 1772, the whole coast came to be regarded as hostile.

Trade with Red Sea followed a similar course. As in the Persian Gulf, in Red Sea ports also, there were bad seasons even in the buoyant years.

as early as 1721, the English Company's resident in Mocha described the market as precarious, where even a small surplus could easily fluctuate the demand. There were no more than four or five substantive merchants and the competition was even narrowed down by any single merchant's ability to buy the favour of the governors of the ports, whereby he managed to have a monopoly of dealings with Europeans and fix the prices.

These problems, coupled with the difficulties in obtaining prompt payment of goods, only accentuated over time. Merchants began to ask for credit for one or two years and huge debts piled up in Jidda. Trade between Calcutta and Red Sea were largely abandoned by 1770. However, Asian ships, operating at low costs and prepared to accept lower returns, continued to ply between Calcutta and Surat, Basra, Muscat, Mocha and Jidda. It was only the Europeans and the Company servants with lucrative options of trade with the East, who lost interest in trade with the region. [13]

The trade with East, particularly China, grew tremendously after the grant of Diwani in 1765 that led to an expansion of private trade by the Europeans. These private traders turned more and more towards China out of their need on the one hand, to remit their profits to England through bills on London and on the other, to raise more cash money by the Company. In fact, it was the latter, that led to the growth of opium trade with China. Apart from opium, the other articles transported to China from India included raw cotton, tin and pepper.

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13. P.J. Marshall - East Indian Fortunes, for further details, Holden Furber, Rival Empires of Trade in the Orient 1600-1800, Oxford, 1976.

These were obtained either from the West coast of India or by trade in the straits of Malacca on the way to China. One new item that began to be taken to Europe from China was tea. Sale proceeds on tea alone rose from L 1,16,000 in 1712 to & L 3,48,000 in 1744. [14]

Simultaneously with this change in the direction of trade from West to the East, there was the emergence of new trading centres in the East. The most important of these was Calcutta, which replaced Hugli in Bengal. In fact, Hugli in Bengal and Masulupatnam in the Caromandel were the two other centres of traditional trade in Eastern India, that matched by the decline of Surat, also went into oblivion in the 18th century. The process however, was not as drastic as that of Surat. Masulipatnam, according to Prof. Das Gupta, suffered due to the breakdown of political order that created anarchy from the 1730s onwards. In the 1750s, it became one of the focal points in the Anglo-French rivalry. The French captured it in 1750 and the English took it over in 1759. The contemporary accounts of Ananda Ranga Pillai as quoted by Prof. Das Gupta, brings out the picture of overwhelming collapse in Coromandel in this period. [15]

Hugli, on the other hand, was not affected by any such political disturbance. The collapse of Mughal authority that affected Gujarat and other Mughal provinces did not affect Bengal so acutely, nor was the impact of Maratha invasion so lasting. The pressure, however was felt to some extent as its procurement of

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14. For details of trade on tea, Holden Furber, *Rival Empires of Trade in the Orient*, pp. 125-184.

15. Ashin Das Gupta. 'Trade and Politics in 18th century India;' pp. 202-206

merchandise from the interior became difficult. Its decline was gradual and to some extent caused by the disappearance of Muslim shipping from Gujarat and disturbances in West Asia. As Hugli maintained close ties with both the regions, the impact of disturbances in the West affected Hugli adversely. This is borne out by the decreasing number of ships coming to Hugli from Surat. [16]

The trade with China from Bengal was carried on mainly from Calcutta. In addition, Calcutta also increased her trade with Indonesia and Malaya. In the East India Company's Canton diaries, there are mentions of halts at the ports of Selangir, Riaiu, Palembang and Treggana. Calcutta ships went to Pasir in South Eastern Borneo after 1766 and ambitious men were also considering plans for possible trade with Celebes and then Batavia. [17]

#### Emergence of English Private Traders

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Around 1713-14, as Prof. Holden Furber pointed out, ships owned by the Dutch East India Company were still moving in terms of both bulks and value, more goods on voyage between Asian ports than all other Europeans put together. The number of Dutch private country ships, however, was very few. But, there was a sharp drop in Dutch Company's country trading fleet during the fifty years from 1690 - 1740. This was due to the Dutch Company's restrictions on private trade of its servants. [18]

The diminishing share of the Dutch in country trade of Asia was being matched by a corresponding growth in English country

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16. Ibid., pp. 199-202.

17. P.J. Marshall, East Indian Fortunes. pp. 95-97.

18. Holden Furber, Rival Empires of Trade in the Orient. pp. 272 - 73, 275-76.

shipping. This is indicated by the following set of figures. In the first decade of the 18th century, Calcutta had been the home of about 10 ships owned by resident Englishmen. The figures grew to 40 in 1722-23. There was a decline in the 1730s and the number of 25 for 1736-37 remained the highest till 1750s. Then it rose again to 30. There was a great spurt during the last 20 years of the century. The number of English private ships using the port of Calcutta rose to 128 in 1783 and 591 in 1791. [19]

This growth in English country shipping was the result of the political developments of the period. The English East India Company's nature had been completely transformed in course of the 18th century. On the one hand, Clive's success in making the Company a revenue collector in Bengal created an illusion of wide vistas of profit, on the other, the process of empire building required large increase in personnel. In fact, however, the Company was loaded with debts from which it could come out only with the facilities provided by its own servants, either individually or through the agency houses. The remittances, that the Bengal Government wanted to make to the other Presidencies, could be made only with the assistance of the country traders, many of whom were also Company servants. In fact, the country trade had become such an established practice and the Bengal economy had become so intertwined with this trade, that people from various spheres of occupation were drawn to this profession. Thus there were 'seamen, who either deserted or left European ships with the consent of their employers, servants of the East India Companies, resigned or retired from service, who loved life in the East, mercenary soldiers with mercantile experience, adventurers of many diverse

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19. Ashin Das Gupta, 'Trade and Politics India in 18th century India' p.201.

backgrounds'. [20]

The increase was equally reflected in trade with Malabar and the West. A study of British country captains' names on Cochin shipping list shows an increase from 17 to at least 28 between 1724-42. Also, in the trading season of 1719-20, 15 British commanded country ships called at Cochin with tonnage at least 3,000. During 1741-42, the number of British calls reached probably 29. As several of these were large ships, their aggregate tonnage reached at least 7,500 tons and may have reached 9,000.[21]

In Surat also, the British private traders were equally active. Around 1746-47, the English country ships were taking out 8221 bales of cotton, piecegoods, raw silks and small amounts of smuggled spices. They were bringing in large assortments of sundries, copper, copra, areca nuts, coconuts, guns and rice of all varieties. This trade was being supported by the English Company's own funds, which its Councillors at Surat lent to country traders on respondentia, secured by the value of ship and payable after the sale of the cargo.[22]

These traders were equally active in West Asia. Throughout the first half of the century, they carried Bengal textiles, silk and sugar to Gujarat and West Asia. They turned towards the East after the 1750s when the market became less attractive. The list of ships calling at Mocha in the 1730s show that ships commanded by the seven to 10 English captains had the largest share of European controlled trade.

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20. Holden Furber, Rival Empires of Trade in the Orient, p.276.

21. Ibid., p.274.

22. Ibid., pp.282-282.

By the middle of the century these private traders were advancing their own interests even at the cost of their own company, so much so, that the directors in London realised that the Company's expenses were increasing while the trade was managed 'only to serve the corrupt ends of our servants formerly there.' [23] Remitting the money made out of this country trade was another problem faced by these English traders. For this, they often had to depend on the Company's bills of exchange and sometimes on the bills of the French, the Dutch or even the Danish East India Companies. At times, they also invested on respondentia bond of any of the private 'adventurers' of Lisbon, Ostend, Copenhagen etc. [24]

This is how the capitals of the many European financial communities viz. London, Amsterdam, Paris, Copenhagen and Lisbon became deeply concerned, directly or indirectly in the affairs of the English East India Company. In all of these European capitals lived bankers and merchants, whose affairs would be greatly affected by any radical reforms in the English company designed to prevent the British subjects from sending remittances through their foreign channels. [25]

Thus, nearly ousted by the British private traders from the Indian country trade, these other European nations were, in a way pushed to a brink, from where they had to, in one way or another, take 'part in the work of building a British Empire in India', for the sake of their own survival. [26]

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23. Ibid., pp. 283-284.

24. Holden Furber, John Company at work, p. 28.

25. Ibid., p. 29.

26. Ibid., P. 31.

Conclusion

To sum up, the traditional pattern of maritime trade of India did undergo some transformations in course of the 18th century. The nature of the changes varied from region to region. While in Gujarat it was the breakdown of political authority that triggered off a series of turmoils in the port city of Surat, finally relegating it to the background of commercial importance; in the South, in Malabar, it was the tightening grip of the local rulers on the trade that changed the traditional commercial practices. In the East, the changes, again, were of a different nature. Some new centres developed there on the ruins of the old and the scope of trade widened in the ports of China. Above all was the emergence of a new pattern of trade, where the Indian merchants, whether in Surat or in Bengal lost their previous independence and began to work merely for the British private traders. The presence of these British country traders were felt in all parts of the country and in no time, they surpassed their own European rivals in both the number of ships and the volume of cargo. Their increasing dominance was facilitated by the political developments in Bengal, where following the Battle of Plassey in 1757, the British gained foothold into the administration of the state from where in course of time, they came to rule over the whole of India.

The Portuguese on the other hand had long ago left back their supremacy in the waters of the Indian Ocean. Their presence, in this period, was confined to the three pockets of Goa, Daman and Diu, directly under the rule of the Crown. Some individuals, however, were spread out and settled in scattered pockets of Malabar, Coromandel or Bengal, carrying on their own trade.

In fact, the Portuguese had considerable share in the private trading world of India even in the first decade of the 18th century. At this time, according to Prof. Furber, their share was probably next only to the Dutch and the English. Some traces of it were still felt in the 1740s, when they moved out cotton from Surat. [27] Even in the later part of the century, there are references to some private and influential Portuguese merchants who were settled in Surat and carrying on trade in textiles—as representatives of their companies in Lisbon. The Portuguese records, however, do not reveal the quantity of the cargo taken out by them. Their share in trade from Surat however seems to have considerably reduced by the middle of the 18th century. According to an estimate prepared by Jan Schreuder of the Dutch factory, there was a total of Rs. 87,42,000 of trading capital operating at Surat around 1750. Of this, Rs. 27,86,000 operated under the protection of the four European powers, the Portuguese, Dutch, English and the French while the rest was independent. The share of the Europeans were as follows — Rs. 17,60,000 operated under the Dutch protection Rs. 8,86,000 under the English, Rs. 1,30,000 under the French and a mere Rs. 10,000 under the Portuguese. [28]

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27. Holden Furber, *Rival Empires of Trade in the Orient*, pp. 273-74.

28. *Ibid.*, *Bombay Presidency in Mid Eighteenth Century*, p. 64.

Despite an apparent insignificance of the Estado da India in this period, the role of the Portuguese in India will be better understood in the context of the ongoing changes all over India and particularly in the areas surrounding Goa. This will generate a better understanding of the policies formulated by the Crown from Lisbon towards Goa and the objective behind the direction of the Portuguese shipping towards the East by surpassing their own ports in the West.[29]

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29. This is discussed in chapter two below.

## Chapter : 2

## GOA : ITS LISBON CONNECTION :

## From Lisbon to Goa : Some General Characteristics of Trade.

With the decline of the Portuguese as a power in the Indian Ocean in course of the 17th century, the number of ships plying between Portugal and Goa had considerably decreased. Driven from the South East Asia, Sri Lanka and Malabar by the Dutch, the ivory trade with East Africa partially lost to the Omanis and the Northern Provinces of Bassein and Salcette surrendered to the Marathas, the Portuguese in India were left with little cargo collected from Asain ports which could be transported to Lisbon.

Trading connection with Portugal therefore became partially limited to a single or couple of ships that plied between Lisbon, the capital of Portugal and Goa, the seat of power of the Estado da India. Even these ships often became irregular - sometimes they arrived late from Europe while even instances of their late departure from the port of Goa due to the latter's inability to collect the cargo on time is not rare. In 1750, for example, the two ships, São Fransisco Xavier and Nossa Senhora de Monte Alegre left the port much later than usual due to the failure of the Goan authorities to collect the pepper within in the stipulated time. Finally, they had to be loaded more with stone than actual cargo for which they waited so long. The consolation, however, was that 'the same problem that year at least, was faced by the French and English as well'.[1]

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1. HAG,MR 122B, fl. 481, 26.1.1750.

The irregular arrival of the ship along the Carreira da India seems to have become a routine during the period. In December 1778, the Governor complained that for the last three years, the ships were arriving only in December or January and that of 1778 had not arrived till the middle of December. Goa, in absence of any other commercial activity was badly affected by this irregularity. The few merchants that there were, looked forward to its arrival for the remittances to be made by their partners in Lisbon. The factories in Diu and Daman geared up their production according to the schedule of the arrival of the ships and so did the imports from Balaghat. The late arrival of the ships, without any prior notice, caught them unaware and without any provision. In addition, it also adversely affected all the departments of the government that depended on supplies from Lisbon. The hospital remained without a replacement of medicines, tobacco, both leaf and powder ran short and the troops without new recruits. It also caused shortage of the many other articles that used to be imported from Europe. [2]

This reference to tobacco has a particular significance, as during the following years, to its supply from Brazil would be related the very prestige and authority of the Portuguese Government in Goa. [3]

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2. AHU, India, Maço, 126, Doc. 82 30.12.1778.

3. Karubaki Datta, 'Portuguese Experiment with Brazilian Tobacco in India in the Eighteenth Century,' Indica, vol. 28 (1991), No. 2, pp. 95-111.

In short, the Goa government became disgusted with the falling price of the renda of tobacco from 1760 onwards, which they explained in terms of machinations of the Goan merchants. [4] The Goa government, with the consent of the Crown in Lisbon, finally decided to impose a monopoly on the import of the article in 1776, which was then to be handed over to the rendeiros. It would serve several purposes. Collected from its own plantations in Brazil, its monopoly could now be used to curb the power of the Goan merchants whom they always looked down upon with mistrust and suspicion. In addition, it would also serve the State's fiscal interests in more ways than one. On one hand, it would check the drain of precious metals from Goa to the southern states, [5] under the pretext of collection of provisions, on the other, the prices of Brazilian tobacco being much lower than its Indian counterpart, this monopoly would provide the state with a profit even if sold at a price which was the lowest during the few previous years. The success of the plan depended on two preconditions, 1. regular arrival of ships with the provision and 2. an assurance of the quality of the tobacco. While the quality of tobacco was a different story altogether and had to be tackled from Brazil itself, it was the irregular supply of provisions that created a serious problem for the Goa administration.

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4. HAG, MR 151, fls. 166-174v and MR, 168, fls. 651-58, 18.4.1776. The same document is reproduced in MR 158C, fls. 908-918.

5. The names of these states are not given. In general, southern states and ports of the south are used to indicate the ports of Malabar with which Goa maintained trade relations. Sometimes they are also described as ports under Tipu Sultan.

As early as 1783 the ship came very late leading to a complaint from the Governor to the Secretary of State. [6] Henceforth, complaints like this only increased in frequency and from 1790 onwards, became a regular annual feature. The contract holders made repeated complaints regarding both the late arrival and bad quality. [7] The Goa Governor, caught in a dilemma, was often left without an option but to order provisions from the South, Balaghat and even from Bengal. There are several instances when the contract holders were left without supply from Brazil. Ultimately, towards the end of the century, this monopoly, though still in force, remained merely on paper only. [8] Born out of the intention to curb the self interests of the rendeiros, it further undermined the government's position vis-a-vis theirs as the irregular arrival of the ships made them to turn for supply of provision, to the very people whom the government distrusted.

An item of export from Lisbon to Goa in the mid 18th century, which however, died out in course of years, was arms. Board swords and fire arms, were brought in by the ship's officials for use in the Estado itself but ultimately passed on to the neighbouring states. The period, being one of rivalry and warfare among the Indian princes, this became a coveted article, specially to Tipu Sultan, who depended on Europeans for training of his troops.

6. HAG,MR 174B, fl. 562 25.2.1792.

7. HAG, Assentos, pp. 245,262,271,7.5.1791,21.2.1794, 3.10.1795.

8. Ibid., 1491, p.269, 17.6.1795.

The trade was ultimately prohibited by the Governor by an order in 1746 which was later confirmed by the Crown in 1748. [9] After the 1750s, there is no document on this trade which, of course does not rule out the possibility of clandestine transactions. The trade however, lost its profitability for the Portuguese in course of time. The Governor, in one communication of 1790 pointed it out, explaining that many French embarkations now openly came to Malabar with arms and ammunitions that sold all over the coast at a good price. [10]

Among the traditional items of export from India, the Portuguese having long ago lost control over the producing areas of Malabar, pepper ceased to be of prime importance in the cargo bound for Europe, though, it still continued to be exported in small amounts as and when available. That it was still in demand in Lisbon in the mid 18th century is indicated by the fact that money used to be remitted occasionally for its purchase. In 1757, 1044 sacks of pepper worth 72,626 xeraffins were remitted, which was bought out of funds sent from Portugal. However, in view of the acute shortage of pepper in the season, the whole amount of 1,29,000 xeraffins earmarked for the purpose could not be utilised. [11]

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9. AHU, India, Maço 66, Doc.65, HAG,MR 121A, f1. 7, 24.2.1748.

10. AHU, India, Maço 159, Doc.30.

11. Ibid, Maço 93, Doc. 91, 15.1.1758.

The next year also, 1200 sacks of pepper of one quintal each were exported by one ship, its value being 8,20,054 xeraffins. [12]

Unfortunately, we do not have any comprehensive chart of total amount of pepper thus remitted in course of the century. Even the stray reference [13] of pepper gradually thin out during the consecutive years. Pepper is mentioned as an article 'imported from Asia' in the end of the century but those very documents are silent about their volume or the area of procurement.

Saltpetre also was sent regularly from India. It had high demand in Portugal for use in manufacture of ammunition. This was collected from different ports of India, viz. Surat, Bombay and Calcutta. Sometimes, it was also collected from the ports of the South through Goan merchants, while that of Bengal was supplied by a private Portuguese merchant Luis Barreto, who was settled in Calcutta. [14]

In the late 18th century, the saltpetre of Calcutta was preferred to that of any other place, as its price was found to be the lowest.[15] This was shipped either directly from Calcutta to Lisbon or sent to Portugal via Goa.

12. Ibid., Maço 52, Doc. 305.

13. Ibid., Maço, 30, 28.5.1766.

14. Ibid., Maço 36, 26.2.1772., Ibid. Maço 30, 28.5.1766 and 12.7.1787, Maço 35, 1779-1782 Maço 36, 26.4.1790.

15. Ibid., Maço, 35 Cover reference 1779-1782.

Traditionally, Goa also used to be an outlet of diamond to Lisbon. This was particularly so in the middle of the 17th century when the merchants showed a preference for investment in the precious stone, which, being concealable, paid little or no customs duties in Lisbon and required little space on vessels at a time when the tonnage of the Carreira shipping was declining rapidly. But this proved to be shortlived as Madras soon replaced Goa as the outlet of diamond. [16] Hence, coming to the 18th century, no trace of this trade is found in Goa, but Goa still acted as a centre of trade in corals, which was imported from Lisbon. though it is difficult to say exactly when it originated and till when continued, there are a few stray documents to give an idea about its volume and value. For instance, 3,064 arratels and seven onças of coral was imported in the trading season of 1771, which valued little more than 2,22,115 xeraffins. Imported by Goan traders from Italy via Lisbon through their trading partners in small quantities, the corals either sold in the city itself or were sent to the North and to Balaghat. Prominent among the dealers of coral in Goa was a lady, the widow of Gopala Camotim, a trader himself. As in the case of diamond, coral too used to be brought in clandestinely at times by the various officials of the ships. [17]

16. Afzal Ahmad, Indo Portuguese Trade in Seventeenth Century (1600-1663) New Delhi, 1991, p.90, Anthony Disney, 'Goa in the, Seventeenth Century', in The First Portuguese Colonial Empire ed. Malyn Newitt, Published by the University of Exeter, 1986, p.92. For details of diamond trade, see Anthony Disney, 'Jewel Trading in Portuguese India in the VI and XVII Centuries' in Indica, vol. 25, (1988) No. 2.
17. AHU, India, Maço 36, Cover reference 26.2.1772, Ibid, Maço, 120, HAG, Codice 628, p.148, 30.1.1784.

On the whole, trade between Goa and Portugal continued in a limited and routined manner during all these years. Ships coming directly from Lisbon to other ports of India though not absolutely rare, was highly limited in number. There were some instances of private initiative to trade with this part of the world. A person named Feliciano Velho Oldenburg obtained permission from the Crown in 1753 to send 11 nãos to India in a period of ten years. Permission was also given to Nicoláo Grenier to send five ships from Lisbon to Goa, the first of them leaving in March 1753. [18]

According to one estimate, there was a total of 38 ships that went to India during a period of 11 years from 1738 - 1748. Yearwise, the consecutive numbers were four, six, five, two, one, two, one, two, three and six, while there was no date for two ships. [19]

18. AHU, India Maço 58, cover reference 1753, There are four documents with the applications, Permissions and conditions of the voyages of Feliciano Velho Oldenburg dated 16.3.1753, 18.8.1753, 14.8.1753 and 24.12.1753. For Nicoláo Grenier, Ibid., Doc. dated 15.12.1752. He was asked to transport the soldiers to Goa and his first ship was allowed to visit the other ports of India including those of China and Coromandel after Goa. One of his ships would be of 250-300 tons while the others upto 800.
19. Ibid., Maço 43. Prof. Boxer has given a list of the total number of ships that left Lisbon and arrived at Goa in the 18th century. From it appears that the number of ships had fallen from 1751 onwards. While the total number of ships that arrived at Goa during 1701 - 1750 was 91, it was only 70 for the period 1751 - 1800. C.R. Boxer, 'The Principal Ports of Call in the Carreira da India (16th - 18th century)' in From Lisbon to Goa, 1500-1750, Studies in Portuguese Maritime Enterprise, London, 1984.

The status quo was maintained for the greater part of the century till the last quarter when ,the Crown once again turned its attention to India. The main item regarding which this fresh interest was generated was Indian textiles and cotton piecegoods.

#### Indian Cloths in Portugal's Asian Trade

Indian textiles was not a novel introduction in the cargo list of the Portuguese ships engaged in the Indian Ocean. In fact, it did constitute an important item from the very early period of their appearance in the waters of the Indian Ocean. But, at this period, it was more used in the country trade, the piecegoods being exported to the ports of South East Asia to be exchanged for pepper and others spices. A very negligible volume ever seems to have been exported to Portugal.

A sudden change had occurred in the 17th century, when the Portuguese started transshipping this commodity to the metropolis in bulk, a practice which continued till the end of the third decade. After this, both volume and value of cotton cloths in Lisbon began to decline. This is discussed at length by Afzal Ahmed.[20] The reason behind this growth, according to his analysis, was the rivalry between the Dutch and the Portuguese.

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20. Afzal Ahmed, Indo Portuguese Trade in Seventeenth Century, pp.90-105.

The confiscation of the Dutch cargoes and their ships by King Philip II and closing of the Iberian ports in 1585, 1595 and 1597 brought the traditional practice of this country trade to a standstill. Thereafter, the Portuguese began to import directly for their own internal market. In addition, the demand in the African countries, especially São Jorge da Mina, from where they obtained the maximum number of slaves in exchange for Indian textiles, also generated a demand for these articles in Portugal. Due to frequent wars during this period, the Portuguese need for slaves increased, since they were employed as sailors on the ships and also as soldiers and artillerymen.

This demand began to decline in the later period of the fourth decade of the 17th century onwards. Ahmad points out various reasons for this among which were the financial condition of the Portuguese Estado da India, corruption among the officials, the diversion of private capitals in commodities other than textiles which saved a lot of duties, the famine of Gujarat that made collection difficult, the blockade of Goa during 1637-1641 and the Luso Dutch wars of 1644-1658. All these factors proved to be disastrous for the trade. On the other hand, these wars and rivalries in India affected the prices of the cloths which went on increasing [21].

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21. Ibid.

Ahmad's conclusion that Portuguese trade in Indian textiles declined after a short spell of expansion is certainly contrary to the general trend that had set in during the 17th and 18th centuries. That Indian textiles enjoyed a growing importance in the home bound cargo of the European companies has been discussed at length by Prof. Holden Furber who points out that this demand in Europe, especially in Northern Europe was of slower growth due to extensive use of wool and linen but, even there, it accelerated after 1650. Trade in piecegoods was a trend common to the European companies till the 19th century, when Manchester made cloths replaced Indian handwoven textiles.[22] Moreover, in context of expansion of plantations and discovery of mines in Brazil and employing increasing number of slaves from Africa render it highly improbable that Indian cloths should lose importance in the economy of Portugal.

In documents also, there are stray references to funds remitted from Lisbon for purchase of Indian cloths in the middle of the century. In addition, there is one document which clearly shows the nature of the trade carried on with the Indian cotton cloths.[23]

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22. Holden Furber, *Rival Empires of Trade in the Orient 1600-1800*,  
Oxford, 1976, pp.239-243.

23. AHU, India, Maço 32, 19.6.1772.

According to the document, cotton cloths of India, suitable for consumption of the slaves in Brazil and Angola had developed into a channel of lucrative trade in the middle of the 18th century and proved detrimental to the official Portuguese trade. Unfortunately for the Crown, the scope for this type of action was provided by a Royal order itself.

Permission was given on November 17, 1761 to vessels returning from India to halt at the port of São Paulo de Assumpção of Angola and even to trade with the articles they might be bringing in from India. One customs house was set up for the purpose.

The officials of the ships took the advantage to start full fledged trade in cloths which were plain and coarse and denominated as those for the Negroes, not only for consumption within Angola but to be sent to Brazil as well. Since there was no permission to anchor at the ports of Brazil, an entrepot was set up in Angola itself. This adversely affected the interests of the Metropolis which reserved the right of trade with the colonies for itself. Only those pieces that did not sell in Angola were now carried on to Portugal and there they failed to fetch the desired price. This interrupted the usual trading practices of the country. Also, some cotton factories had been set up in Portugal to process the raw cotton imported from Brazil and produce some piecegoods for Angola. This parallel illegal trade blocked that line as well.

The quality of Asian goods was no doubt better than the Portuguese, but, it was desirable that they should reach Portugal first, as that helped the merchants to fix the prices.

With a plan to check this practice, the King issued a new order whereby all the ships were obliged to transport their stock of piecegoods directly to Lisbon. No longer were they allowed to unload their cargo of textiles - irrespective of whether for the use inside the metropolis or elsewhere - in any port prior to reaching Lisbon. Heavy punishment and fine awaited those who contravened the order.

As expected, this curb on the fiscal interests of the Indian merchants created resentment among them. They complained to the Secretary of State in Lisbon, stating how this roundabout way of carrying the articles in demand in Angola and Brazil first to Portugal and again to Angola subjected them to repeated payment of customs dues. [24]

There is no evidence that the government in Lisbon paid any heed to their grievances. Rather, the discovery of mines in Brazil and employing increasing number of slaves from Africa may suggest that Indian cloths retained an importance in the economy of Portugal during the first half of the 18th century.

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24. Ibid., Maço 126, 24.4.1778.

The trade in Indian cloths further expanded in the last quarter of the 18th century. This is indicated by another upsurge in its transactions by the Portuguese. M.N.Pearson has located the reason of this upsurge to the Napoleonic wars and the political alignments in Europe at this time. In this period of war between England and France, Portugal remained a neutral power throughout. The English could do little to stop them and the Portuguese made profits exporting these goods to Europe while the other traders were stopped by the British blockade. [25]

The documents, however, give an impression which is slightly different than the one presented by Pearson. While it is true that the Portuguese trade in Indian cotton goods benefitted from the Napoleonic wars, the upsurge had begun a few years before the war broke out.

If the increasing volume of documents about the trade of cotton textiles of India and frequent references to the ships leaving and returning to Lisbon from India can be taken as any indicator, then this resurgence was an event of the 1770s and this revival was maintained for the rest of the century.

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25. M.N.Pearson 'Goa-based Seaborne Trade (17th - 18th centuries)', in T.R.de Sanza, ed. Goa Through the Ages, Vol III, An Economic History, New Delhi, 1989, p. 171.

According to Pearson, this trade continued till about 1815 when the war ended. Till that time, Lisbon remained a major entrepot for Indian piecegoods and Chinese tea. But, one wonders, how many of these ships actually visited Goa. Even in 1778, when the Governor was complaining about the late or irregular arrival of the ships from Lisbon to Goa, there were Portuguese ships doing business in the waters of the Indian Ocean. This is brought out by another communication of the same year by the Governor addressed to the Secretary of State. It pointed out that though many Portuguese ships were actually coming to Asia, they were bypassing Goa. Hence he had asked José Sanches de Britto to give his observations in these regards, whose remarks he attached to his communication.

The chief, as expected of him, disapproved of these practice adding that the entire trade from the Cape Comorin to the North should be made dependent on Goa. Yet, at the same time, he referred to the disadvantageous customs rules in force since 1774. It seems to have prompted the ships to avoid the port of Goa. As a result, they were not halting at the port at all, except at the last leg of the journey and that too in order to take in the provisions. [26]

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26. AHU, India Maço 126, Doc. 44, 30.4.1778. The same document also in HAG, MR 158A, fls. 56 - 58v.

In order to regulate this trade and channelise it through the port of Goa, the government in Lisbon began to issue from 1779 onwards some regulations declaring tax concessions for articles which were taken from Portuguese ports in India by ships owned by the Portuguese.

In fact, these reforms were introduced with this very expectation that these would connect Goa with the other colonies of Portugal through a renewed bond with Africa, Asia and South America, at the same time encouraging production within the Estado itself of articles, which as a result of these privileges, ----- would add to the volume of trade carried on from India.

Some special privileges were also declared for those items which were to be reexported from Portugal to other European countries. This is to be explained not only in terms of consumption by slaves in Brazil but also in terms of Portugal's own economic compulsions at home. We have given below a brief summary of the regulations as they were. This description, followed by an analysis of the possible link between those and the internal economic condition of Portugal would help us understand the motives of the Portuguese Crown to revive the sluggish trade around Goa in the third quarter of the 18th century.

Whatever the actual reasons may be, Goa, in this period came to occupy a position of importance in the Portuguese Crown's policies to its colonies.

The Customs Regulations and Crown Policy Towards Asian Trade

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The first of the series of legislations was issued in the name of the Crown on March 12, 1779. As per this order, the basic structure of customs dues was retained but it was declared that any article, coming from the ports of Asia or remitted to Goa with the sole aim of transporting them to Europe by Portuguese ships belonging solely to Portuguese subjects would henceforth be given the privilege of Baldeação (transshipment) in the two ports of Goa and Lisbon. They were given the permission of unloading in Goa for taking either to another ship or to the warehouse belonging either to the Government or to private individuals to await either the monsoon or another Portuguese ship that would transport them to Lisbon upon the payment of the dues of transshipment alone. [27]

The underlying principle of this legislation of 1779 was to encourage Portuguese shipping in the ports of Asia and export of articles to Europe.

The next order, coming in 1783, was broader in scope, as some concessions were also granted to the articles exported from the ports of Brazil and the islands of Madeira and Acores.

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27. HAG, codice 8089, fl.1.

Simultaneously, patronage was extended to cloths that would be further processed in the factories of Portugal. The main clauses were as follows : a. The ships, either national or foreign, loaded in the ports of Lisbon with destination to Goa, with commodities meant for consumption therein or for reexport to other ports of the continent and unloaded in the ports of Goa for that purpose, would henceforth be allowed to halt at the islands of Madeira and Acores, as well as in the ports of Brazil. They were allowed to load wine, liquor, sugar, or any other product of those islands with the sole exception of tobacco (which was a state monopoly) to carry them to the port of Goa. Those articles, would not have to pay any tax but 4% charge of transshipment in the customs house of Brazil and Lisbon.

There were some other provisions. It was stipulated that the ship leaving Lisbon with destination to other ports of Asia but in its way compelled to halt at Goa due to one reason or another would have to trade with the articles that they were bringing from Europe. They would have to take certificates from the customs house at Goa stating that those articles, had, in fact, been unloaded, sold and taxes paid. The taxes, already paid in Lisbon minus the 4% of transshipment dues would be returned to the owners of those articles upon submission of those certificates of Goa. The same rule was to be followed in the islands of Madeira and Acores and the ports of Brazil.

Some concessions were also declared for the articles which were produced either in Goa or in any other Portuguese or foreign countries of Asia or China but loaded in the Portuguese ships at the port of Goa. According to this order, only those commodities, which were to be reexported from Portugal were not required to pay more than 4% of transshipment dues. No such concession was given to those commodities which were to remain in the country meant for consumption in Portugal itself.

Even in this category, some exceptions were made in favour of certain cotton cloths like Zuartes, Coromandels, Chellas, Cadeas, Lenhas, Languis and some more qualities from Gujarat which were commonly grouped together as cloths for the blacks. These, no matter whether reexported or not, would have to pay only half the taxes. Those meant for export, however were to pay the consulado da sahida in addition to this.

Concessions were also declared for the varieties like Elephantes, Befetas, Cassas, Doreas, Dotis, and some varieties of cotton fabrics purchased for printing in the factories of Portugal. Even though, these would have to pay the entry taxes at a rate at par with what was paid by those of the same quality but meant for consumption inside the country of Portugal, it was stipulated that there would be a refund of those taxes after they were sent back to the casa da India (India House) with the prints.

This was applicable to all the cloths, irrespective of whether they were remitted from Goa or from any other port of Asia. [28]

The main orientation of this regulation, it seems, was twofold. While import of coarse cotton cloths mainly used by the slaves into Portugal was encouraged as a general rule, the main thrust was on the reexport of the piecegoods to other European countries as well as the patronisation of the factories set up in Portugal for printing and further processing the plain cotton cloths.

This regulation of 1783 did succeed in raising the volume of export of Indian textiles from India but still, it was not enough. It was found that despite the encouragement given to reexport of this article from Portugal, most of the articles of reexport were piled up in the Casa da India or remained with the private businessmen. Some changes were, therefore, brought about in the provision for their reexport in 1789. [29]

In this regulation, it was directed that piecegoods exported to the ports of Brazil and the coast of Africa by ships - either Portuguese or foreign, would henceforth be exempted from the payment of consulado da Sahida. In addition, those despatched to the ports of Brazil would also be free from paying all the taxes that existed in the ports of that country.

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28. HAG, Codice 628, pp. 136-141.

29. Ibid., Codice, 8089, fls 22-23.

The cloths for the blacks and piecegoods from Malabar coming by Portuguese ships from Goa as well as from other ports of the coast, after payment of the due taxes in the port of Goa would, from now onwards have to pay taxes in full, if sold for consumption within the country. However, the same articles, when reexported to foreign countries would enjoy a 10% reduction on the taxes in the Casa da India. A similar concession of 12% , coupled with an exemption from the consulado da sahida was also announced for the articles which were to be exported by Portuguese ships to the ports of Brazil and the African coast.

Some specific regulations were announced for the same articles that came directly from the ports of Malabar and not through the port of Goa.

Those items were classified into three categories.

1. Those which were for sale within the country had to pay all the taxes in full.
2. Those for reexport to foreign countries were to enjoy a concession of 10% but had to pay the consulado da sahida.
3. Those which were to be reexported to the ports of Brazil and the coast of Africa by ships owned by Portuguese subjects were given a concession of 12% on the taxes and a total exemption from all the taxes in Brazil. They, however were required to pay the consulado da sahida.

The main objective, behind the regulation was, once again reexport from Portugal. Thus tax concessions were granted to those articles which were to be reexported to the other countries of Europe, though export to Brazil was given special encouragement by grant of concessions at higher rates. The articles in demand in Brazil were mainly the coarse cotton goods. Hence, this points to a need of this item in that colony. Secondly, the categorical provisions for the articles exported from Malabar indicates a realisation of the potentiality of export from the Indian ports other than Goa.

These clauses, as well as the basic principles of the regulation of 1783 were once again changed in 1795. [30]

As per the clauses the new order, all the articles loaded in the port of Lisbon with destination to Malabar or any other port - either national or foreign, stretching as far as the Cape of Good Hope-if transported by Portuguese ships would henceforth enjoy the benefits of Baldeação and pay only 4% of tax.

These ships, stopping at the islands of Acores and Madeira or at any port of Brazil with the purpose of loading wine, sugar or any other product of those colonies (except tobacco) and transporting them to the above mentioned ports of the East, would also get the benefits of Baldeação in the customs houses of those islands and Brazil.

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30 Ibid., fls. 26-27v.

Regarding exports from the Estado de India, it was laid down that all the articles, irrespective of their place of origin - i.e. either Goa or other Portuguese dominions or foreign ports of Asia or China- when transported by Portuguese ships, would enjoy the benefits of Baldeação, if meant to be sold outside Portugal.

The same articles, if brought for consumption within Portugal, Brazil or Africa, would not be admitted for despatch in the customs house of Lisbon unless those from the coast of Malabar were accompanied by authentic certificates stating that they were despatched through the customs of Goa, Daman and Diu. The final clause which related to the Regulation of May 1789 stated that henceforth, all the articles and piecegoods of India brought in for consumption within Portugal and her colonies were required to pay all the taxes as per the rules of the Casa da India and the customs houses of those dominions.

Finally, the last order was issued on November 25, 1800 where it was explicitly stated that the previous regulations had not proved to be sufficient to equalise the trade from Malabar with that from the other ports of the 'Coast of India'. It was admitted that the former still dominated the trade at the cost of the important establishments maintained by the Crown at Goa, Daman and Diu.

With this problem in view, some new trading conditions were announced for the ships anchoring at the ports of Goa, Daman and Diu. No longer did it remain obligatory for the ships to unload more articles than they wanted, in those ports and nor did they have to pay tax on what they did not unload. Taxes would be paid only on the articles sold while a 2% duty of Baldeação would be enough for the articles loaded there and reexported.

The articles produced in Goa, Daman and Diu and loaded in Portuguese ships and passing through the customs of Goa were to enjoy the concessions already granted to them. The commodities which were not produced in those ports were subjected to higher taxes, consulado da sahida as well as the taxes in existence in the ports of Brazil and Africa. This new order was to continue for a period of six years.

Ships going to Surat were henceforth required to inform the authorities in Goa of the items carried. They might do it by producing a list, if not by actually unloading the cargo.

From January 1802 onwards, the India House at Lisbon would accept the coloured fabrics - woven, printed or stamped with exception to those sent through the customs house of Goa, Daman and Diu. Only the white bordered cloths and coloured scarfs were to be treated as the sole exceptions.

The commodities from the coast of Malabar, actually in store in the Casa da India and those that had not passed through that, would henceforth be treated as equal to those that would be remitted from Malabar in future.

Articles other than the finished cotton piecegoods, when transported by Portuguese ships but not through Goa would be required to pay all the taxes in the Casa da India and the consulados of both entrada and sahida (entry and departure) in the ports of Brazil.

Finally, it was stipulated that all the articles coming from the ports of Asia by Portuguese ships would enjoy the advantages of Baldeação for foreign countries and pay 4% as per customs.

As for Macao, the existing rules were to continue for the time being [31]

#### Indian Textiles and Portugal's Home Economy

The textiles thus carried from India were used in Portugal in three different ways.

1. Consumption within the country itself
2. Reexport to the ports of Brazil and African coast
3. Reexport to the other European countries.

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31. Ibid., fls. 30 - 31.

The above quoted regulations also reflected Portugal's policy towards the utilisation of these imports, which were generally in keeping with the general economic policies pursued at home. Here follows a description of the same.

The period was the aftermath of the rule of Marquês de Pombal, who had tried to regenerate the Portuguese economy through his definite industrial and trade policies. [32] Pombal was removed from power in 1777 but the basic principles of his economic policy which had started showing positive results, were continued. The policies adopted towards the imports from India also reflected a continuation of those economic measures.

In industrial field, Pombal's ideas had rested mainly on two elements :

1. obtaining raw materials within Portugal itself and its colonies and

2. maintaining and developing small manufacturing units, whose output could be integrated into the working of bigger concerns which undertook the finishing process.

He set up the Junta do Comercio in 1755 to promote industry by recruiting foreign master craftsmen, creating workshops, factories and production units.

Factories producing cotton, linen, wool and silk goods, hats, leather goods, hardware, glasware, tapestries, clocks, watches, buttons, metal buckles, ivory combs and many luxury items were set up in 1765-66, mainly through private initiative.

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32. For details of his policies, see C.R.Boxer, Portuguese Seaborne Empire, Harmondshire, 1969, pp.180-206. CHLA, vol. 1. pp.487-497.

These manufacturers maintained close ties with the Brazilian trading companies, which supplied them with the raw materials for dying and weaving. The finished products were subsequently supplied to Brazil. In keeping with this practice, patronage was extended towards the cloths which were to be further processed or printed in the factories set up within the country.

The decision to grant 10% concession on the imports of plain white cloths seems to be related to this policy. This would ensure a supply of raw materials to the units for dying and printing. After being printed or dyed, these could either be reexported or used within the country itself.

Secondly, there were the varieties of cloths for reexport to the ports of Brazil and Africa, where they could be used by the slaves. These were covered by the fiscal concessions announced by the orders of 1783 and 1789. This is understandable, as from the early 17th century itself, these cloths were produced with the objective of supplying them to the slaves. In this period also, there was the exports of slaves from the ports of Africa to Brazil and these cloths were used for their consumption. The export from one colony was thus geared up to serve the greater interest in the other.

Finally, there were the varieties meant for reexport to the other countries of Europe. A concession of 10% was granted on the customs duties paid on such articles in 1789 and no alteration was made on this clause even when the other clauses relating to articles meant either for home consumption or for reexport to Brazil was put to various changes.

This indicates a definite encouragement to the reexport of Asian commodities to other European trading partners of Portugal. This also brings in the question of the compulsions of the economy of Portugal to encourage exports. This is also rooted in the economic policy fashioned by Pombal.

During the first half of the 18th century, Portugal's main economic problem was the adverse balance of trade where imports exceeded exports by a huge margin. The deficit was paid with the gold of Brazil. England was the largest trading partner of Portugal and statistics of trade with England alone can be taken as a pointer to this. Portugal's deficit unusually large at the beginning of the century, was £ 3,89,000 on average during 1705 - 1715. This even kept on rising till the 1760s. Volumes of imports from England grew enormously after 1755, when, after the earthquake of Lisbon materials in bulk were imported for the rebuilding of the town. [33] From 1760 onwards the shrinking purchasing power of the people of Brazil due to declining production of gold, recurring crisis in the sugar trade, slave trade and diamond mining resulted in the fall in the total volume of Anglo Portuguese trade. English exports declined from an annual average of 12,00,000 in the decade of 1750-60 to about £ 6,00,000 in 1766-75. The resulting severe and protracted economic depression was further aggravated by Portugal's brief but unfortunate participation in the Seven Years War that involved heavy military expenditure.

Pombal's main economic objective was to reverse the trend. A pragmatist with some elements of mercantilism, he tried to achieve this through a new policy towards Brazil. His idea was to maximise

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33. C.R.Boxer, Portuguese Seaborne Empire, P.186.

the profits from the colonies which would then be channelised for the benefits of Portugal.

With this objective in view, he enforced various legislative measures relating to the production prices and transportation of the products of Brazil. [34] The exports of African slaves to the plantations and mines were also facilitated. According to the available data, between 1757 and 1777, a total of 23,365 slaves were exported to Pará and Maranhão from West African ports, Particularly from Cacheu and Bissau in Portuguese Guinea which had hitherto been of minor importance in Africa's slave trade.

Their transportation was carried on to a large extent by the monopoly trading companies - formed on the model of those of England, Holland and Spain. The companies actively involved in this business were those of Grão Pará and Maranhão (1755-1778) and Pernambuco and Paraíba (1759-79). Large scale transportation of slaves, it was hoped, would contribute to agricultural development and revive the production and export of sugar, leather, tobacco and new commodities like cocoa. Finally, there was also the Company for whaling along the coast of Brazil (1765-1801) to increase the quality and the quantity of whaling and extraction of oil and whalebone. During the period, colonial trade was also reorganised with shipping controlled, capital concentrated and monopolies reinforced. [35]

The measures proved to be fruitful. Between 1755 and 1777 the export of cocoa developed, in both quantity and sale. Rice, cotton and hides also became important export crops for the first time and stagnating sugar trade also experienced a temporary revival.

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34. CHLA vol.I pp. 488-89.

35. Ibid., pp. 490-91.

Even after Pombal's removal, the Queen's government carried on with this policy of stimulating agricultural productivity and the export of sugar, rice, cotton and cocoa from Brazil. Rice cultivation and expansion of indigo plantations were also fomented. In addition, the development of any Brazilian manufacturer e.g. textile, which might compete with the manufactured goods exported from Portugal was forbidden. This was done so that the Crown could derive a substantial part of its revenue from the duties levied on such goods. [36]

These new economic policies also benefitted from two international events, viz. the American War of Independence in 1777 and the French Revolution and the Napoleonic Wars after 1789. These provided Portugal with profitable outlets in the international markets for her colonial products of sugar, cotton, tobacco, indigo, cochneal (used for making dye) and cocoa.

The efforts initiated by Pombal began to pay off and the objective with which he had launched this was realised when the trend of deficit in international trade actually reversed in 1780.

This is indicated by the following figures.

Table 2.1  
Anglo Portuguese Trade during 1751 - 95.

Years :	Exports Portugal - England	and	Imports England - Portugal	Balance
1751-55	212		1098	- 826
1756-60	257		1301	- 1044
1761-65	312		964	- 652
1766-70	356		595	- 239
1771-75	365		613	- 248
1776-80	381		525	- 144
1781-85	340		622	- 282
1786-90	597		622	- 25
1791-95	724		594	+ 130

Source : E.B.Schumpeter, English Overseas Trade Statistics (1697-1808) Oxford, 1960, pp.17-18.

From 1796 onwards, there was a constant favourable balance for Portugal, which, though, irregular, continued till 1809. Only 1797 and 1799 were the two years of exception. Between 1776 and 1795 Portugal's exports to England increased by 90% while imports from England increase by only 13%. Similar changes were observed in trade with other countries. Portugal's European trade produced a surplus in 10 out of 12 years during 1796 - 1807 for a net gain of 88 million crusados. Now gold flowed back to Portugal, some of it for reshipment to Brazil, a dramatic reversal of the dependency that pombal so detested. While England remained one of the main trading partners, she was no longer the exclusive one. Regular trade relations were maintained with about 15 countries including Hamburg, Spain and Russia.

The encouragement to export of Asian commodities has to be placed in this context of Portugal's economic problem and prospects at home. It is true that the Asian trade was not the most important for European export but its importance lay in Portugal's trade with Brazil. Hence, in order to keep this portion of trade active and growing in consistence with the positive trend in the international trade of Portugal, scope was created, through fiscal concessions, for the export of those articles from Asia, even though the economic value of these articles was little.

Thus, it seems that the legislations regarding trade with India and Goa were born not out of a mere goodwill to regenerate the Estado but, out of a definite motive to use the imports thereof to serve the interests of the metropolis and her colonies of greater importance. While the cloths thus imported could be utilised for the growing slave trade in the North Atlantic, portion of it could also be utilised to patronise the small industrial units in Portugal as well as add to the exports to the trading partners in Europe. Thus, Goa, whose contribution to the overall economy of Portugal had become negligible during the greater part of the century, was once again brought in that orbit through a policy of encouragement of trade from Asia, passing through that port.

#### Goa and the Asian Trade : A Brief Intertude of Hope

Born out of the awareness that Goa was being eclipsed by the other ports in Malabar and elsewhere, the legislations were aimed at reviving the importance of Goa. Hence the special concessions to

the articles that passed through that port. This began with the order of 1779, when patronage was extended to all the remittances through this port whereby the articles were allowed to be unloaded without payment of any extra tax.

In 1783 also, this objective to maintain Goa's importance was retained by the incorporation of the clauses that the ships, even if forced to halt at Goa due to one reason or another, would have to trade with the articles they might be bringing from Europe. The prospect of this forced trading was made to look financially lucrative by announcement of tax concessions. Similar concessions were announced for articles produced elsewhere but loaded in the port of Goa. The regulation of 1789 also tried to maintain the primacy of Goa through the clause that even the commodities from the coast of Malabar would have to be despatched through Goa in order to enjoy certain fiscal advantages in the Casa da India at Lisbon. The clause of compulsory trading and unloading of articles in Goa of 1783 however, was withdrawn in 1800, though the articles produced in Goa, Daman and Diu loaded in Portuguese ships and passing through the customs house of Goa continued to enjoy certain fiscal advantages.

To judge the actual impact of these regulations on the Portuguese trade in the Indian Ocean is a difficult task, specially in the absence of comprehensive lists of ships and accounts of the business they did with the names of the ports they visited. But even the available stray and sometimes contradictory references to shipping do give some impressions about the general trend of Portuguese shipping in this period.

During the decade of 1770 - 1779, 24 ships were reported to have left Lisbon for Asia. This number does not include the regular official ships on the Carreira da India. [37] There is another set of documents with two reports stating that the number of ships visiting Asia during this period were 39 and 36. Even though both the documents of this set give the names of the ships with the dates of their departure, there are slight variations in both the names and their numbers. [38]

The number of ships entering and leaving Lisbon for purpose of trade with Asia was higher during the next decade. According to one correspondence of the Secretary of State, addressed to Governor Fransisco de Cunha e Menezes, 24 ships had entered Lisbon from Goa during the period 1783 - 1789. The total number of ships from the ports of Asia as a whole during the corresponding period was 75. [39]

37. AHU, India, Maço 64, undated and unnumbered document.

38. AHU, Maço 81, Document under title 1779, Baldeação a favor das navios que fazem o comercio da Asia. In one set of undated and unsigned document there are two rough copies of the same report with slight variations in the names of the ships. In the second set of documents there are 36 names of ships. It is signed Casa da India, 26.9.1779, Manoel Cardoso e Vasconselos Ferrao Castel Branco.

39. AHU, India Maço 161, Cover reference 1791 India, Correspondencia Official enviada pelo Nau Nossa Senhora de Conceicao, No. 1, 31.3.1791.

From another document, we have the following yearwise information.

Table 2.2

Movement of ships between Lisbon and Asia (1784 - 1788)

N U M B E R O F S H I P S		
Year	Entered Lisbon	Left Lisbon
1784	19	12
1785	16	13
1786	14	12
1787	12	9
1788	14	10

Source : HAG, MR 171B, f1.491v.

Due to reasons, so far unexplained, the mention of ships in business, in Asia thin out after this. However, this does not necessarily mean a fall in the number of voyages or a shrinking volume of trade with India.[40]

40. Prof C.R.Boxer has given the following figures regarding the number of ships arriving at the port of Goa from 1771 - 1800.

Year	N U M B E R O F S H I P S	
	Left Lisbon	Arrived at Goa
1771-1775	7/8	7/8
1776-1780	5	5
1781-1785	7	7 (No figure is available for 1784)
1786-1790	8	8
1791-1795	4	4 (No figure is available for 1793 - 95)
1796-1800	5	5 (No figure is available for 1796)

C.R.Boxer, 'The Principal Ports of Call of the Carreira da India,' pp. 64-65.

On the whole, this was a period of increased interest and activity for the Portuguese in this part of the world. Even the Companies, formed for trade in Brazil by Pombal, viz. that of Pernambuco and Paraiba took part in this trade by sending one ship at least [41] and so did the contractors of tobacco in Bahia. Some private individual merchants began to visit India in connection with this trade and also sent their representatives to be stationed in India to look after the business. The port they selected for this purpose was Surat, which became the centre of Portuguese private trade in India. One such person was Jacinto Domingos who came as he agent of the company of Colffs, Loureiro, Guimarains and others, He maintained close ties with the Portuguese headquarters at Goa and was also appointed the Portuguese factor at Surat. They carried on their trade mainly from the Malabar and later they sent ships to Macao as well. [42] Another trading company was formed among Mayne and Co., Joao Houvison and Guilherme Williamson. The names suggest that they were not Portuguese but no further information about them is available excepting that they concentrated mainly on the aspects of trade from Bengal. [43]

Not all the ships that came to India with Portuguese flag were actually Portuguese. Since only the ships owned and manned wholly by the Portuguese were to enjoy the fiscal advantages contained in the regulations, some non Portuguese owners also sent their ships under Portuguese guise.

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41. The company's ships were denominated Neptuno and Principe do Brazil. For stray references to their voyages to India HAG, MR 159D, f1.1291, 18.4.1780 and AHU, India Maço 34, 22.12.77.

42. AHU, India Maço 170, Doc.43, 25.3.1793 and Maço, 76, 3.9.1799, HAG, MR 177B, f1.517, 25.3.1798.

43. AHU, India Maço 164, 19.9.1785.

There was at least one case in which this came into open. The ship St. António and Gratidão arrived from Lisbon under a Portuguese flag with one Caetano Barreto of Goa claiming to be its owner. He disbanded some mariners in Bombay who came to Goa in utter distress. It was in course of communication with them that it was revealed that the ship was actually owned by a certain Englishman and Caetano himself was an inhabitant of Bombay. [44]

This naturally brings in the question of how much did Goa and the Portuguese ports benefit from these trading activities of the Portuguese in India.

One direct result of this increased shipping by the Portuguese was the revival, to some extent, of the shipyard of Daman. Some of the ships engaged in trade were newly constructed in Daman as were the couple of ships owned by the Company of trade of Loureiro, Guimarains etc. This also served the purpose of the annual ship on the Carreira da India. [45]

Judged from another point of view, the rationale behind the legislations to regulate the trade was to attract a part of it at least to the port of Goa.

The ships that came to India in this period had their destinations variously described as Goa, Macao, the Coast of India, Asia, Madras and Coromandel, while destination of some were not mentioned at all.

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44. AHU, India Maço 158, Doc. 46, 15.3.1793.

45. Ibid, Maço 76, 3.9.1799.

Some of these terms are ambiguous and the ships with destinations to elsewhere also could have halted at Goa.[46]

The available documents give the idea that keeping in pace with the changing direction of trade in this period, Macao turned out to be important in the trading destinations of the Portuguese ships. The port was frequently visited by the ships directly from Lisbon as well as from the other parts of Bengal or Bombay. The cargo taken in bulk was tea of various qualities followed by porcelain and many other articles and specialities of China.[47] Ships were also coming to Bengal and Coromandel, the traditional centres of production of cotton textiles, while Surat was catering to many of the ships coming to India. As already stated, it also became the centre of settlement of some Portuguese private traders who settled in India and conducted the trade with Lisbon.

The impact on Goa was at first, somewhat encouraging. As early as 1781, the annual ship of the Carreira da India failed to carry the whole cargo kept prepared and packed by the merchants thereof. In order to avoid the total loss, a Muslim, Amzam Saibu, was persuaded to send his ship to Lisbon with those articles. This was the first instance of sending a private ship to Lisbon from Goa. [48] The volume of export was kept up through out the remaining years of the century. Request was sent to Lisbon for sending a second ship every year to transport the cloths collected mainly from Balaghat by the merchants.

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46. For scattered references to ships going to Asia in AHU, India Maço 16A, 26, 34, 35, 36, 47, 76, 81, 101, 143, 146, 166 etc. Also see HAG, MR 164C, fls, 885-88., 164E, f11337.

47. Documents with cargo lists of ships are scattered in AHU, Macao cxa 7, Doc. 18A, cxa 15. Doc. 22, Cxa, 16, Docs, 16, 17, 13, Cxa, 17, Docs. 20, 23, 18. Doc 1, Cxa. 19. Doc 37, Cxa 23, Docs. 31, 32, etc. and HAG, Correspondencia de Macao vols. 1272, 1277 etc.

48. AHU, India Maço 135, 10.4.1781.

In fact it was the government in Lisbon that failed to support this increased amount of export passing through the port of Goa. Their failure to send the second ship hampered the trade from this port - as was pointed out by the Viceroy in 1788. [49] This was a problem that was faced now and again throughout the period. Even though two or sometimes even three ships did come to Goa, occasional failure prompted the merchants to arrange ships on their own to transport their goods to Lisbon. For this purpose they usually contacted Jacinto Domingos for the ships belonging to his company, constructed in the dock of Daman. In 1799, the merchants informed the Crown that in the previous season 500 bundles of cloths of Balaghat and Surat had accumulated as no Sobrecarga could be found for the ship Marques de Marialva. In addition, they had another 650 bundles of cloths, 450 that of pepper, incense and cardamom ready. The Sobrecarga of the ship Nossa Senhora da Conceição had refused to load more than 400 of those bundles. So they had to request the Crown to arrange a second ship through Jacinto Domingos. In fact they pointed out the frigate, St. Francisco Xavier could be arranged for the purpose, the King understood the necessity and gave the permission. [50] The regulation of 1783 particularly, had a positive impact and succeeded in regenerating the trade from Goa to some extent. Even merchants from other places began to flock to this port. 24 ships visited Goa between 1783-87 and transported huge amount of cloths to Lisbon. This also generated extra income from the customs revenue. The taxes in Goa customs alone amounted to xeraffins 4,33,998; 4,50,322; 3,60,432; 5,52,557 and 4,22,476 in the years 1783 - 87.

49. Ibid., Maço 155, Doc.2, 8.1.1788.

50. Ibid., Maço 176, Doc.21, 20.4.1800.

The pace however was not to last long. One immediate result was a glut and a consequent fall in the prices of the articles. The Governor in Goa, in letters dated 4 and 23 February and April 5, 1790 pointed out the resultant lack of interest among Goan merchants to send goods to Lisbon any more. The Secretary of State, however, dismissed this as a temporary and passing phase. [51]

The next Regulation of May 27, 1789 also failed to satisfy the merchants. The latter were unhappy with the clause that reduced the rate of customs duties payable on the articles exported from Goa as well as from the other foreign ports of the coast. They argued that they would no more be in a position to compete in Lisbon, or to sell their articles at their price. Nor would any businessman come to Goa - either to purchase from or despatch their articles through this port. After the payment of duties in the port they stood to lose a total 8 1/2%

The rate of interest payable on the articles despatched from Goa and from outside Goa as per the two regulations of 1783 and 1789 were as follows : [52]

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51. Same as 39 above.

52. AHU, India Maço 145, cover reference 24.5.1789.

Regulation of 1783

	Tax in Percent	
	In Goa.	In Lisbon.
A. Cloths despatched from Goa.		
1. For Consumption in Portugal.		
a. Not for use by the blacks	8 1/2	29
b. For use by the blacks.	8 1/2	14 1/2
2. For reexport to foreign countries		
a. Not for use by the blacks.	8 1/2	9
b. For use by the blacks.	8 1/2	19 1/2
B. Cloths despatched from Ports outside Goa.		
1. For Consumption within Portugal irrespective of whether for the blacks or not.	--	29
2. For reexport to foreign countries irrespective of whether for the blacks or not	--	34

Regulation of 1789.

A. Cloths despatched from Goa.		
1. For consumption in Portugal	8 1/2	29
2. For reexport to foreign countries.	8 1/2	24
3. For reexport to Brazil and Coast of Africa	8 1/2	17
B. Cloths despatched from Ports outside Goa.		
1. For consumption in Portugal	--	29
2. For reexport to foreign countries		24
3. For reexport to Brazil and Coast of Africa.		22

In a petition, signed by 20 local merchants, it was argued that the regulation of 1783, though not sufficient by itself was a step in the right direction. The trend was reversed by the order of 1789. In support of their petition, they referred to the yields from the customs duties of Goa that had already begun to show a downward trend. While the income was 2,84,244:2:30 xeraffins in 1788, it had already fallen to 1,76,291:1:14 in 1789. [53]

The Secretary of State dismissed this complaint too. He pointed out the great amount of profit, as much as 60% that the merchants had made from the cloths exported from Goa. Goa alone was in a position to supply the products of Balaghat, so much in demand all over Brazil. He also pointed out the higher yield from the customs revenues in Goa. All this, he held had been made possible by the customs regulations in various phases. The losses mentioned by the merchants were temporary and not to be taken as final. [54]

By participating in the Asian trade on a greater scale in the closing quarter of the century, Portugal only followed the general trend of the period. Indian cotton textiles and Chinese tea were the two most important articles carried by all the companies to Europe which the Portuguese too began to export on a larger scale. However, thanks to her cotton plantations in the fields of Brazil, she did not have to carry raw cotton from India which also was coveted by the others as an item of export.

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53. Ibid., Maço 160, Doc. 53.

54. Same as 39 and 51 above.

However Portugal herself was faced with problems to absorb the imports that had increased as a result of the regulations. The Napoleonic wars, as an outside influence, eased to some extent, her problems, but even though the increased volume of trade continued till the end of the wars. [55] problems began to appear as already mentioned, from as early as 1790. It recurred again in 1800. Documents suggest that around this period, piecegoods, which no longer could be exported, piled up in the Casa da India of Lisbon. In 1800, there were seven ships engaged in business with Bengal, two were to leave Lisbon shortly, while two more had been captured by the enemies, four were in Malabar with one more ready to leave shortly and four were in the waters of China. The goods from the Asian ports stored in Lisbon, however, were enough for three to four years while those from Bengal would suffice for six to seven years and finally, those from Malabar and the port of Macao for about two years. So a question was raised in the court of Lisbon as to why then, would more ships be sent to Asia. [56]

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55. M.N. Pearson, 'Goa based Seaborne Trade', p.171.

56. AHU, India Maço 171, 4.12.1801, Maço, 48, 11.11.1801. Even prior to this, in an undated but post 1783 document the merchants of Lisbon, interested in trade with Goa and Malabar had pointed out this problem in a petition made by them to the King. In it they explained that there was so much stock of the cloths of India in Portugal that it had become virtually impossible to sell them off without incurring some loss. This was particularly so for the cadeas of Balaghat which had to be sold at half the cost price in the ports of Brazil. Hence, they requested for the grant of the privileges of transshipment for the foreign ports which were finally granted to them. Maco 2, cover reference post 1783, January 8.

In this period, even though Goa recovered, to some extent her importance in the colonial orbit of Portugal, the trade regulations failed to serve the purpose of reviving the importance of the port of Goa, as the centre of Asian trade. Rather, the boom merely exposed how Goa had really lost the feasibility of coming to the forefront in Asian trade. Despite the special advantages declared for trade from this port, it could no longer match the challenge put up by the ports of Malabar, Bengal and Coromandel. There was constant opposition, ultimately successful, from the power groups and administration from other parts of Portuguese Asia, such as Macao to visit Goa. [57] Also, the general impression that one gets from the contemporary shipping list is that the Portuguese merchants from Lisbon too were more interested in visiting the other ports of Asia than Goa as such.

This was only natural in view of the items of trade in this period, none of which could be produced in Goa. Nor did Goa exercise political control over those areas, and nor did she have the resources to collect those articles in huge quantity to assemble them in the port of Goa and make it the entrepot from where they could be transported to Europe. This realisation was actually brought home to the court in Lisbon before the end of the century as is reflected in the legislation of 1800.

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57. This is discussed in chapter III below.

## Chapter

## GOA : THE PORT FOR COUNTRY TRADE IN THE INDIAN OCEAN.

## Goas's Trade : Its Problems and Prospects in the Indian Ocean.

In the words of the Goan Viceroy Marques de Alorna, in 1745, the Portuguese settlements in the Indian Ocean consisted of Angediva - an admirable source of pepper of Sunda, the factory at Mangalore, important for its supply of rice, Calicut, the supplier of timber and ammunition, São Thome on the Caromandel serving as a base for trade with Bengal. Some Portuguese were also settled in Pegu as well as Siam. Timor and Solor were important for supply of sandalwood and the Portuguese were also there as far as in Macao which was a link with China. Finally, their establishment in East Africa was crucial for supply of the most precious articles of gold, ivory, Mana, Tortoise shell and Cauris which were vital for transactions with Bengal.

'Yet, the condition of Goa was lamentable. Its former glory and prosperity was reduced, as though by wrath of God, to mere ruins from which alone one could get an idea of how magnificent it used to be. The parishes, which previously had had 30,000 souls without any at all. The churches stood as mere testimony to the prosperity of the bygone days. The people lived scattered and dispersed, at a distance of two or three leagues from one another, a fact, which caused delay in business and communication more than in any other country.' [1]

1. AHU, India Maço 40, 27.12.1745. More or less the same sentiment was echoed in 1758 when the Viceroy commented that there were hardly 15 or 20 Portuguese residents in the city of Goa and only a few churches and convents. The number of houses corresponding to the number of inhabitants, was very few so much so that the city was likely to become totally deserted in a short period of time from now. HAG, MR 130A, f1.109.

Then he went on to describe the other Portuguese settlements, where the condition was equally deplorable. Daman had become a burden to the Estado due to an absence of resources from its own districts with which to sustain itself. About 70 to 80,000 xeraffins had to be sent there per year for its sustenance. The Muslims and the Gujaratis, in absence of trade had been deserting the place to go elsewhere. Lack of vessels restricted commerce in Diu which had such a scope of trade.

Angediva did not have any territory to support it and 20,000 xeraffins were sent to this place per year. The factor of Mangalore served the sole purpose of fixing with the representatives of the king of Canara, the price of salt that was exported to that place from Goa and that of rice which was sent from there in exchange.

São Tome was almost uninhabited, there being no more than four Portuguese settlers over there. It being the best port on the coast with the best water for dying the cloths, the English settled themselves in Madras and won them over there. Trade was carried on directly between Bengal and Europe without serving any interest of Goa. The port of Macao was the last in that direction and it too, due to the bad management of its inhabitants, was in a state of decline. Even though the Portuguese were the only ones with a permission to visit Philippines and extract silver from there, they were not bothered to visit that place.

Timor and Solor were almost abandoned, there being no means to send vessels with aid to those places from Goa. The trade from the Coast of Africa was no more flourishing than these. The Rio de Sena had the best resources but it was administered by the factors and clerks who, along with the private individuals cheated the Fazenda Real (Royal Treasury) like the leeches who abounded there. There were only a few Portugueses and they were surrounded by the blacks. 'Cheat by nature', the latter, took advantage of the present weakness of the Portugueses and indulged in insulting them in their own territory. The port of Mozambique was important as a halting and mending places for the ships on their way to and from the Metropolis. It had neither the stores, nor vessels to transport the provisions. This caused extreme hardship to the people. Provision was sent there from Goa once a year during the monsoon and it was sent a second time from Sena. The terrain was so infertile that it did not even produce the necessities for its sustenance.

The English and the French did not miss the opportunity to advance their own interest in the coast. The Portuguese did not possess even a small vessel to send the aid to someone who might land up there in trouble, not to talk of the means to thwart any such advance made by the foreign powers along the 200 leagues stretching from the Cabo de Correntes to the 'Cabo Delgado.' [2]

In another document, the same Viceroy pointed out that the Portuguese could ill afford to antagonise the French or the English on whom they were so hopelessly dependent. When the Crown

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2. The above passages are based on AHU, India Maço 40, 27.12.1745.

issued an order to take all possible means to check the commercial advances made by the French in Mozambique, as well as in any other port of the Estado, [3] the Viceroy pointed out the difficulty of enforcing any such restriction.

According to his analysis, not only was Goa a neutral power open equally to the French as well as the English, in absence of any direct commercial relation between Goa on one hand and Bengal and Coromandal on the other, she had to depend on the foreign ships for supply of the products of those regions - the most important of them being saltpetre, sugar and cloths.

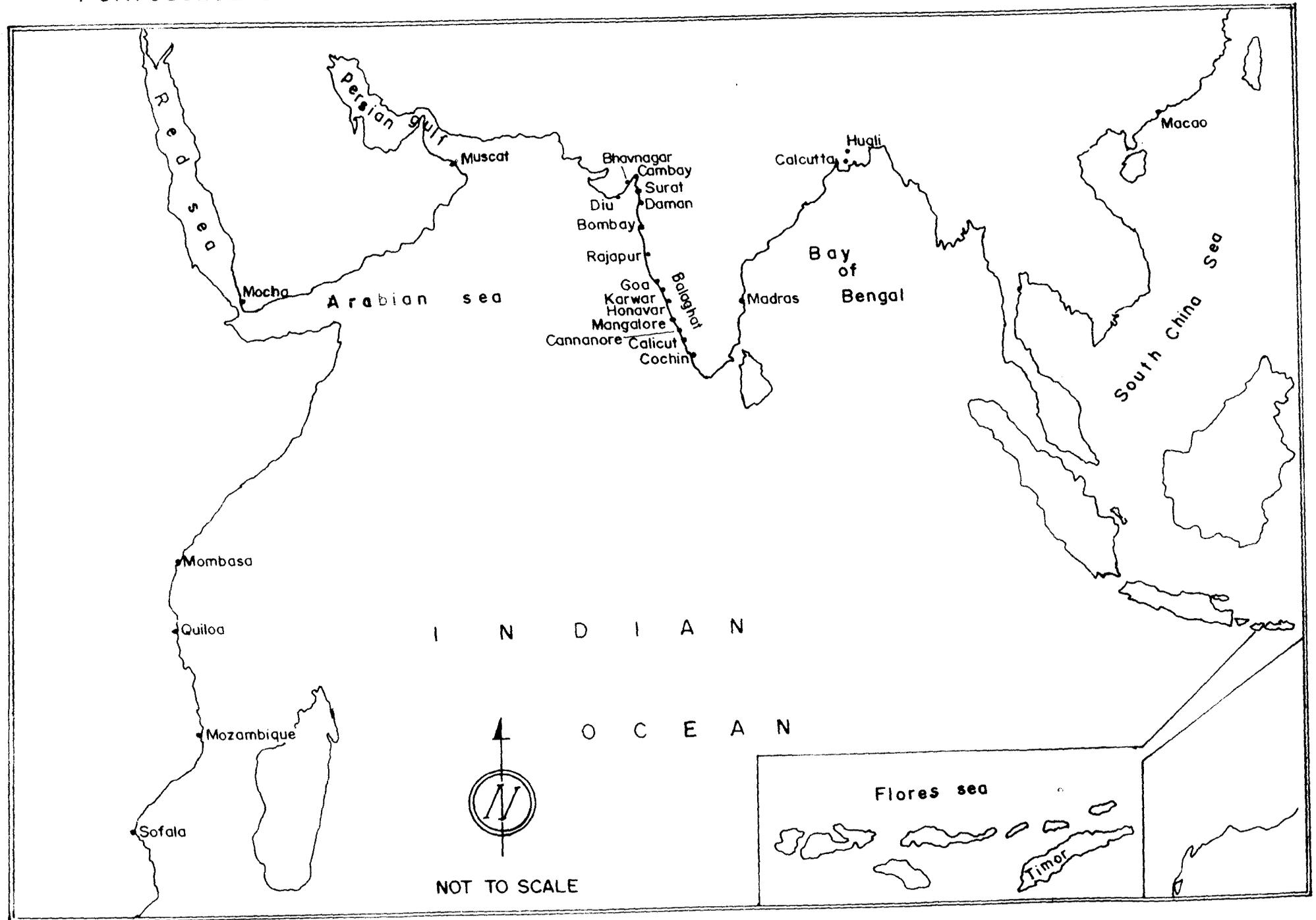
The greatest shortcoming of Goan economy was that it did not have any product of considerable importance. Order had to be sent to Bombay, Mahem, Tellicherry and Cochin even for an article as insignificant as a dress. It was for Daman and Diu and not Goa to survive independent of those places. Daman and Diu, being encircled by Gujarat and Surat, were in position to procure their necessities from those places. The only Goan products with outside market were salt, in demand in Canara and Balaghat, wines and coconut, exported to Bombay, Tellicherry and Mahem. All of these ports were foreign - under control of the English and the French. Hence, if prevented from trading in the Portuguese territories, these foreign powers might, in their turn, reciprocate by a similar gesture, by preventing Goa from trading in theirs. This would deprive Goa of both the market for her few products as well as the sources of so many articles of her need. [4]

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3. Ibid., Maço, 77, 21..2.1748,

4. Ibid., 15.1.1749.

PORTUGUESE SETTLEMENTS AND COUNTRY TRADE IN THE INDIAN OCEAN- c.1750



These two documents of the mid 18th century bring out the problems faced by Goa in this period. Though she was still the headquarters of the Portuguese seaborne empire in the East, her actual possessions had now been reduced to a handful of settlements, almost none of which was in a condition to justify its possession as a source of revenue of any consideration.

Founded with the aim to control the entire Indian Ocean trade - not only that of spice to Europe but the trade between various specified ports in Asia as well and for that matter, any other trade in Indian Ocean - European or Indian, the Portuguese Estado da India was at a low ebb in the mid 18th century. Trade with Europe was restricted to a mere one or two ships plying between Portugal and Goa and the former country trade with wide ramifications was now no more than a nominal transaction with the few local ports. Yet, there was an operative net work that somewhat sustained the port and gave a semblance of 'staying on'

In this chapter, we will describe the country trade in the Indian Ocean from the port of Goa as it was during the period under review. It is divided into several sections describing the local, coastal and country trade with each port separately, to how the nature of its dependence on the surrounding ports, her ties with the hinterland, and finally her relation with East Africa and Macao - the two places outside India, which were still under the control of Goa.

This will give an idea of the value and volume of the trade still carried on from Goa at the local level. It will also

how its importance was being eclipsed by the other ports of the coast as they began to attract even the Portuguese traders from China who preferred to bypass Goa, the latter having little to offer to the traders to exchange the commodities they brought in.

#### Daman and Diu

Though located in the vicinity of Gujarat, the textile producing centre in the North of Goa, these two places had become more of an economic burden on the Estado, where aids had to be sent regularly for their maintenance. Despite the advantageous location of the port of Daman, which could still be developed into a mart of Gujarati cloths, actual trade of this port was highly limited. Navigation, proportionate to its limited commerce, extended only upto Cambay in the North and Cape São João in the South. A few items of textiles viz. Canequins, Chitas and Cubertas were collected from there. [5] If taken care of, the strategic location could be utilised to develop an organised network of transactions with the entire coastline along the Gulf of Gujarat, Persia, Arabia, East Africa, Mauritius, Mascarhanas and Madagascar. [6] A plan to do so, by developing it into a mart and a trading centre of importance, was advanced in 1793 by Jacinto Domingos, the Portuguese factor in Surat. Unable to collect the textiles in time for the Portuguese in the face of competition from the English, he felt that the only way to counter the problem was to develop Daman into a mart, where, all the cloths needed by the Portuguese could be obtained from. His basic proposal was to

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5. Ibid., Maço, 166, Stray document of 1793.

6. Ibid.,

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turn it into a free port, where, at least, all the piecegoods from the surroundings could be assembled without paying any tax upon their entry, as was the practice in Surat. If introduced in Daman, this system, he argued, could attract the textile from the production centres surrounding Surat itself, from where they had to be carried to Surat for the final touch. Carrying them to Daman would be easier than that. [7] His proposal was forwarded to the Crown in Portugal. An order issued in the name of the Queen on 26.9.1798 declared that the articles manufactured in Daman would henceforth be granted the same exemption from taxes upon their export from that place and entry into and reexport from Lisbon as was enjoyed by the products of Goa.

Encouragement should also be provided to the weavers engaged in production of textiles. They should be allowed to sell their products to the foreigners as well and steps should also be taken to encourage export. [8] While the impact of this order on the economy of Daman is not very clear, it does not seem to have boosted the trade either, as some proposals for development of Daman were offered again as late as 1801. [9]

Daman, however, continued to function as the ship building centre of Portuguese India, where Brazilian ships, slaves galleys and even ships of private traders were constructed and repaired. [10] In the early 70s, we have records of at least three ships, one of them a frigate, being constructed there at a cost of 11,413; 16,8,767 and 11,970 xeraffins respectively. [11]

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7. HAG, MR 174B, fls. 342-343V.

8. AHU, India Maco 171, 26.9.1798.

9. Ibid., Maco 33, 15.1.1801.

10. Celsa Pinto, 'Goa based overseas and Coastal Trade - 18th and 19th Centuries', in T.R. de Souza ed. Goa through the Ages, vol. I. An Economic History. New Delhi, 1989, p. 194.

11. AHU, India Maço 121, 27.2.1772, Maço 78A, 8.2.1770.

Trade, however as in other Portuguese centres was stagnating there. Daman provided some textiles, furniture and teak to Goa, in addition to bamboo, soliano, Patingas, rice, wheat and sesame oil collected from the surrounding areas. Goa in turn, had coconuts, saffron, arecanuts, cashew and palm liquors, coconut oil, wax, vinegar, tea, butter, money bills etc. to offer. [12]

Diu was in a state no better than Daman. Goa's connections with Mozambique and West Asia, tenuous as they were, were maintained through Diu. That the condition of the port went from bad to worse in the last quarter of the century is indicated by the Goa authority's concern over the death of three rich merchants who used to send vessels to Africa and Arabia and encouraged local manufactures and textiles. They paid the lion's share of the customs revenues and the Goa Governor expressed concern that their successors were either minor or lacked an aptitude of business. Income from the taxes paid by the other merchants, he apprehended, would not be enough even for the payment of the salaries, not to think of the other extraordinary expenses. [13] Regarding trade with Goa, the articles were similar to that between Daman and Diu. [14]

#### Gujarat and Bombay

In the 16th century Goa's links with Gujarat ranked above all others. Around 1600, for example, the annual capital involved in Goa - Gujarat trade was well over Rs. 40,00,000 a year. [15]

12. HAG, MR 177A, fl. 325V, Celsa Pinto, 'Goa based Overseas and Coastal Trade,' p. 194.

13. AHU, India Maço 130, Doc.5, 2.1.1779.

14. HAG, MR 177A, fl. 326.

15. M.N. Pearson, 'Banias and Brahmins' Their Role in the Portuguese Indian Economy', in Coastal Western India : Studies from the Portuguese Records, New Delhi, 1981, p.105.

The volume of trade diminished over years and the decline of Surat in the early 18th century also contributed to the lessening importance of Gujarat in the trade between Portugal and India. Whatever remained of the bygone prosperity of Surat was enough to meet the little demand of the Portuguese, who continued to maintain their factory in that port. They also enjoyed certain privileges there. While all the foreign ships paid duty at the rate of 6%, the Portuguese, thanks to an old favour granted to them by the Mughals, continued paying taxes at a lower rate of 4% in their factory. [16]

A great part of the Indian piecegoods exported to Portugal in the late 18th century came from Surat. Jacinto Domingos, who had come to India as the representative of the Company of Ribeiro and Hubens of Portugal, was appointed its factor and Director of the Portuguese Nation at Surat. [17] The items of export from Surat were many. The most common of those viz Zuartes, Chellas, Cadeas and Linhas, though available in Coromandel as well, were picked up by the Portuguese from Surat only as its price was found to be lower there than in Coromandel. These were the articles in high demand in West Africa. Some were also used for reexport to foreign countries. Among the items of lesser importance were the Lunguiz, Chitas and Lencos, while Aljofres, Cotonias, Silk, Cortes and Dotis were also taken in fewer number. Some of these were further processed in the factories in Portugal. The Dotis for example, were used for printing and dying in Portugal. [18]

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16. AHU, India Maço 32, undated document.

17. HAG, MR 169B, fl.712, MR 173, fl.419.

18. AHU, India Maço 81, unsigned and undated document.

In an undated document of late 18th century, it was estimated that textiles worth Rs. 8,00,000 were taken to Europe from Surat per year. The share of the English Company was the greatest, about Rs. 3,00,000 and that of the Dutch Rs, 2,00,000. The French, whose business from this port was irregular, also took goods worth about Rs. 50,000. The share of the Portuguese was only second to the English, about Rs. 2,50,000. The cloths were taken in 6-700 bales [19] The documents, however, do not make any distinction between the private trade of the Portuguese and the official trade of the Estado. It is therefore not clear as to how many of these bales ----- were transported to Europe via Goa.

The Portuguese, however, managed to maintain their presence in Surat well into the 19th century. Even though in 1802-03 only ship of 600 tons had sailed from Surat to Lisbon. Their position improved considerably in course of the second decade of the century, when even the English described their trade as something considerable. However, the resurgence was shortlived and by 1822 they had practically no trade at all. [20]

Some cloths were also imported into Goa from Bhavnagar along with provisions like wheat, grams, butter and sesame oil. Goa's export to Gujarat was insignificant, consisting of the usual items of arecanuts, wax, coconut and cashew nuts. [21]

19. Ibid., Maço 32, Undated document.

20. Gazetteer of the Bombay Presidency, vol. II, Bombay, 1877, p 170

21. HAG, MR 177A, f1.325 - 325v.

Bombay, by this period, by virtue of its strategic location, had developed an elaborate network encompassing the Red Sea, Persian Gulf, East Africa and South and South East Asia as far as China. Goa maintained trade relation with Bombay as well. This intensified in course of the late 18th and early 19th centuries. In addition to textiles of various qualities from all over India that were picked up from Bombay her imports included articles like sugar of China, Bengal and Java, porcelain items of all qualities from China, glasswares, liquors, oil, olives, rice, wheat, vegetables, onions and sesame oil. The exports were rather insignificant both in quantity and variety. They were arecanut, coir, palmwine, wax, mangoes, cashewnuts, coconut, chillies etc. [22]

#### West Asia

Goa's trade relations with West Asia had almost come to a halt in the middle of the 17th century. But even then, she was visited by ships annually from Muscat though not more than five in number, laden with dry fruit, Arabian glue, copper, incense, saltfish, ink, drugs etc. A maximum of 20 annual shipments would, carry supplies of bamboo, beans, coconut products, coffee, salt, wax etc. from Goa in return. In the 18th century trading list also we come across a reference to Muscat, the items of import into Goa being the same as these. [23]

22. Ibid., fl.325.

23. Celsa Pinto, 'Goa based Overseas and Coastal Trade,' p.191. HAG, MR 177A, fl.327.

In our period the shipping lists make almost no mention of trading contacts with that region, though it is possible that contacts, however, tenuous that might be, did exist through the ports of Daman and Diu - if not directly from Goa. This is indicated by an unsigned document of 1781 stating that the merchants of those two ports had planned to send one ship per year with precious cargo of high value to Mocha and other neighbouring ports of Arabia. The articles were to be collected from Surat, Cambay, Iambuceira and other nearby ports with help of small vessels. It was actually a petition for the favour allowing payment of tax at a lower rate by treating those as transshipment. In view of the decaying condition of the port, and the guidelines laid down by the Crown, the favour was granted to them. The documents, however are silent about the outcome of the attempt. [24] There are also some stray references to merchants of Diu maintaining their connection with the ports of West Asia. [25] At a later date of 1802 also, Captain António José Freire, in command of the vessel Nossa Senhora da Conceição was expected, to deliver at Lisbon on behalf of Rodrigues de Souza Coutinho of Goa, a chest containing two arrobas of coffee from Mocha. [26]

Some connection seems to have been maintained with West Asia by the Portuguese from the port of Surat as well. This is indicated by the fact that the Bombay government in 1806 even found it necessary to deprive the Portuguese of their special privilege of trading at the old charter rate of 2 1/2% as their competition with the English had become formidable. [27]

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24.HAG,Correspondencia, 2408, f1.24.

25.AHU,India Maco 130, Doc.5, 2.1.1779.

26.Celsa Pinto,'Goa-based Overseas and Coastal',Trade p. 176.

27.Gazetteer of the Bombay Presidency,vol.II, p.170.

The Southern ports of Canara and Malabar

Prior to the 17th century, Canara and Malabar used to be the traditional sources of pepper for the Portuguese. In Canara, it used to be collected with the help of the petty chieftains, but the situation altered radically in course of time, when the Portuguese had to surrender their spice monopoly to the Dutch. Their open conflict with the Nayaks of Ikkeri also affected the supply of pepper. [28] Since the beginning of the 18th century, however, the tide turned in favour of Goa. The latter, a grain deficit pocket heavily dependent on Canara, was assured of regular rice supplies by way of tributes extracted from local chiefs. [29]

The Dutch deprived them of the source of pepper in Malabar as well. Goa however resumed her trade relations with Malabar on a moderate scale after the departure of the Dutch from the Indian Ocean waters. The important port with which Goa maintained a regular contact over there was Cochin. The principal component of Goa's import cargoes from there were some textiles, copra, sugar, various products of China, country crafts designated tonas etc. Goa's export to these places were gold pagodes, meias doblas, salt etc. [30]

In Canara, Goa maintained relations with Calicut, Mangalaoire and some other small ports grouped together as either ports of the South or ports of Tipu Sultan. The Portuguese continued to maintain a small factory and a small fort in Mangalore even after the place was taken over by Haider Ali around 1767-68

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28. B.S.Shastry, Studies in Indo Portuguese History, Bangalore, 1981, pp, 203 -204.

29. Ibid.

30. HAG, MR 177A, f1.326.

With Haider's permission, they also continued to enjoy certain tax concessions and jurisdiction over the Christians residing there. Some of his officials however, attacked the factory and frightened the Portuguese officials. The latter refused to continue staying there without more assistance and protection from Goa. Despite the problem, the Portuguese had to be dependent on Mangalore, as Goa received her provision of rice from Canara particularly through this port. [31] It was also frequented by the vessels from Macao.

The Portuguese continued to maintain a factory in Calicut. Absence of assistance from Goa rendered staying in this port difficult. Lack of security and the general decline of the Portuguese fortune in commerce led to a steady migration of the Christian population from this to other lucrative neighbourhoods under the Dutch and the English. In fact, the situation had become so grim in course of time that even the factor Jose' Fransisco de Amarel abandoned it in 1780. the Franciscan Fr. Jose' da Conceição was then put in charge of the factory but he too, proved to be of no worth and the Portuguese position in the port deteriorated from bad to worse. [32]

The English takeover of the port created further troubles for the Portuguese as the former even dismantled their factory and took away the timber and the stones needed for the construction of houses of the English officials. They also established a monopoly over the collection of pepper from the area.

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31. AHU, India Maço 81, incomplete and undated document.

32. Ibid.

As a result of this, the Portuguese virtually failed to get any pepper from there in 1793. Whatever little they could collect, was procured with the collaboration of the English who were selling it secretly at a high price.[33]

Among other items exported from there were paints, timber, wax, sharkfin, sandalwood and of course rice and coconut. Timber for construction of ships and tobacco leaf in times of need were also brought in from Calicut. Import from Goa into Calicut were more or less the same as that into Malabar. [34]

Even though the supply of pepper from these ports gradually dried up over time, Goa's fate remained closely linked to these ports through the other articles, particularly rice and coconut.

Despite the cultivation of coconut tree, Goa herself used to import coconut, copra and coconut oil from these ports of the South. This dependence was highlighted by a controversial legislation prohibiting the import of coconut into Goa in the early 80s of the 18th century. The objective behind the prohibition was to patronise the local planters in Goa. By creating an expanded market for the home products, the Governor aimed at facilitating the expansion of plantations and raise the price of Goan coconuts.[35] The act had its impact on the price of rice as well. In fact, the small vessels that used to transport the coconuts, now, after the prohibition, switched over to transportation of rice. This increased supply of rice brought down the price of a Fardo of rice from 6 1/2 pardaos to less than four. The price of coconut, on the other hand, went up from 30 xeraffins a thousand to 60 xeraffins or even more.

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33. AHU, India Maço 165, Doc.40, 14.3.1793.

34. HAG, MR 177A, f1.326.

35. AHU, India Maço 140, Doc.67, 16.3.1782.

It was also accompanied by a shortage of oil, so much so, that in one of the petitions against the prohibition, the traders pointed out that in view of the high price and shortage in supply, many houses had to go without light at night. [36]

Finally, it was the income from the customs revenue that was affected in two ways. It was calculated that in course of the three years during which the prohibition remained in force, the loss in the customs revenue had amounted to 52,207 xeraffins. [37] Secondly, equally hampered was the usual trading pattern in the district of Bardes. This was because, the Goan traders used to bring coconut from the southern ports along with the other articles of copra, sugar, pepper and some local products. The traders from Balaghat, who frequented the local marts, particularly the weekly fair of Mapuça, in the district of Bardes, picked up these articles. After the prohibition, the traders of the South transported their products - both coconut and other, to the ports outside Goa, particularly those under the kingdom of Bhonsle. The traders from Balaghat deserted Goa and thronged to those ports, thereby giving a blow to the economy of Goa. [38]

The entire population was divided in opinion over the issue and submitted their resolutions- some in favour and some against the prohibition. The merchants were more or less unanimous in their demand for a revocation of the controversial legislation.

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36. HAG, Requerimentos, 2212, fl. 10V.

37. AHU, India Maço 140, Doc. 67, 16.3.1782, Annexures 9, 10 with certificates from the customs officials.

38. Same as 36 above.

Finally, it was their interest that prevailed over the administration and, following an order from the Crown in Portugal, the prohibition was lifted. Goa, a grain deficit area was dependent on the same ports for its supply of grains. The ban had, in fact, indirectly helped her overcome the problem of rice supply. Yet, the controversy, brought in to the fore, the delicate balance in which both rice and coconuts were held and above all, exposed how closely was the fate of Goa and that of her merchants linked to the trade relations with the South.

#### Bengal and Madras

The Portuguese, from a very early period maintained close ties with the ports of Bengal. Many of them also settled in numerous pockets of Eastern and Western Bengal, where they quasi monopolized the trade of salt and many other articles. The Portuguese Christian community settled around the church of Hugly was big. Almost independent of the authority of Goa, they were placed nominally under Ceylon. The heyday of Portuguese settlements in Bengal was reached in the late 16th and early 17th centuries. In 1628, they were expelled from Hugli by the Mughal Emperor Shahjahan, after this, despite a come back to nearby Bandel, they gradually passed into oblivion by their failure to maintain a continued control over the trade in Bengal.[39] In the 18th century, the Christian communities had become dispersed and some stray reference aside, there is hardly any documental evidence of direct link between Goa and the ports of Bengal.

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39. For detailed description of the settlements and activities of the Portuguese in Bengal, J.J.A Campos The Portuguese in Bengal, Calcutta, 1919.

There were at least two attempts in the 18th century at forging a direct commercial link with Bengal, both of which ended in failure. In a document of mid 18th century there is mention of one Zacariah Joannes, an Armenian with business links with Surat, Coromandel and Bengal. He proposed the formation of a company of trade with Bengal. The ship under his guidance, first went to Surat to pick up the cargo from there to proceed to the East. But soon his differences of opinion with the officers of the ship intensified and he left the ship to abscond in Coromandel. The ship, however, reached Bengal with him and did some business from which even some profit could be made.[40]

The next venture was undertaken on a large scale by the Viceroy Count of Ega in 1758. Concerned by the deplorable and stagnating state of commerce from the port of Goa, he took the initiative to reestablish a commercial link with Bengal. Optimistic and enthusiastic as he was, his expectations were that the success of the voyage would encourage the Goans to undertake similar voyages by themselves not only to Bengal, but to the many other ports of the area, as far as East Africa and even China. As per his plan, the ship coming from Lisbon on its annual voyage would be used for the purpose, as the trip to Bengal could be organised during the months of May to November. This would (1) bring an end to the misery of the Estado through a revival of commerce (2) increase the income of the state from customs yields and (3) keep both the officers and the soldiers engaged during the months of monsoon and at the same time make use of the vessel which otherwise would stay idle in the dock.

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40. HAG, MR 123B, fls. 470, 479.

In this alone, he saw the unique scope of reviving the past glory of the Estado.[41] But this was not to be.

The Company was formed with a capital of 278,167:3:35 xeraffins of which the State from its fundo de Giro contributed 52660:0:15. From Bengal they brought back saltpetre, sugar, opium and textiles, which were sold for 345078:2:09. But after meeting all the expenses, not only did the Fazenda Real did not make any profit, it, infact, incurred some losses, as the accounts could not be settled properly. Till 1772, there were repeated instructions from the Crown to settle the accounts and recover the dues to the Fazenda Real.[42]

In the documents showing Goa's trade partners in the late 18th century, Bengal and Madras are grouped together. Both are described as sources of various types of textiles. Bengal textiles, it seems, came to Goa either via Bombay and the Northern provinces or via the ports of the South. Apart from textiles, opium, sugar, rice and many other minor articles were also imported from Bengal. In addition, Goa depended on Bengal for supply of saltpetre which used to be transported to Lisbon.[43]

#### Balaghat

Goa, basically a port town, was commercially connected by land route with the mainland of India primarily through Balaghat. Balaghat is a general term that indicates the hinterland in the Deccan plateau to the East of the Sahyadri range of mountains. It seems to include the kingdom of Sunda as well as the district of Dharwar in Karnataka.

This

41. AHU, India Maço 90, 14.12.1758.

42. Ibid. Maço 7, 6.4.1771.

43. HAG, MR 177A, f1, 326v.

References to Balaghat are frequent and scattered all over the Portuguese documents. The transactions between Goa and Balaghat were carried on at various levels comprising almost all the articles of export to Lisbon as well as of common use. The dependence on Balaghat was an old one and it was noted as early as the late 16th century by J.H. van Linschoten in his travel account. We quote from his description.[44]

'The Canaras and Decaniins are of the countrie of Decam: commonly called Ballagate, lying behind Goa: many of the dwell in Goa, where their wares and shops are of all sorts of velvets, slikes, sattins, [and] Damaskes, which they buy great of the Portingales, also all kinds of cotton linnen, porselyne, and all [kinds] of wares [and merchandises] of Cambaia, China, Bengalla, etc. which they likewise buy of the Portingales and other nations, and sell it againe by retaile: for the which [purpose] they have brokers of their owne contrimen which looke for all kinds of wares [and commodities.] These bring likewise, all victuals and necessaries out of the firme land, into the town and Island of Goa'.

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44. The Voyage of John Huyghen van Linschoten To the East Indies: From the old English translation of 1598. The First book, containing his description of the East in two volumes. vol.1 ed. Arthur Coke Burnell. London. Hakluyt Society. M.DCC.LXXX. P.256  
 T.R. de Souza, while discussing the predominance of the Hindu business community in the economy of Goa, also pointed out how their close relation with the hinterland gave them an edge over the Portuguese Government. Not only did they have their business partners there helping them to run their business profitably, but the Hindu tax farmers also had a common tendency to cross the borders whenever they feared official action. Even though de Souza does not spell out whether he means Balaghat by the term 'mainland' but it is possible that it is the same as Linschoten's 'firmeland' T.R. de Souza, 'Glimpses of Hindu Dominance of Goan Economy in the 17th century.' Indica , Vol 12, No.1, 1973, pp.27-35.

The links between Goa and Balaghat did continue through the years and during the period under review as well. However, in this period, it was the Goan merchants who began to depend on Balaghat for their supply of cloths to be exported to Lisbon. [45] This was not unlikely as the region had already a tradition of cotton weaving. In fact, it had also prompted the English to collect a part of their provisions from this region. 'The finest muslins of Western India were exported from here... The weaving country was inland.....where the English East India Company had agents and employed as many as 50,000 weavers.' [46]

In addition to cloth, another highly cherished article that was collected in bulk from here was salt\_petre. [47]

Orders were sent even for special articles which had to be sent to Lisbon by the Goan Government. To give an example, when the factories in Persia had been almost closed due to political disturbances, the Goan Government sent orders for carpets to Balaghat despite the fact that the quality of carpets thereof were

45. For details, see chapter 2 above.

46. Gazetteer of the Bombay Presidency, Vol. xv, Part II, (Kanara), Bombay, 1883, p. 125.

47. Many Hindu businessmen acted as suppliers of provisions to the government. Saltpetre was one of the most important articles that they collected in bulk from Balaghat in order to export to Lisbon. For details see chapter 4 below.

not as good as that of Persia. [48] Even at a lower level, daily transactions between Balaghat and Goa were continuous and free. The small traders of Balaghat visited the shops in the markets of Naroa and specially the weekly market of Mapuça. [49] Records of such small transactions are scattered all over the bulk of customs records of Bardes and to some extent of Salcet as well. The commodities they dealt with were mainly of daily use and foodstuffs in small quantities. These consisted of salt, spices, chillies, copra, coconut etc. Some illustrations at random from the customs records will give a clear picture of these exchanges. Molcopa Balaghateiro [50] paid a tax of 4:3:47 on 21.5.1772 for taking out 2 candils and eight mãos of copra, 16 mãos of pedrume and two and a half mãos of sugar in dust. On the same day Santapa Balaghateiro paid 7:3:18 on four candils of copra, some rims of paper one gune of sugar in dust, six mãos of cango and 100 coconuts. On the same day Boselingapa Balaghateiro had paid an amount of 3:2:15 for bringing in three gunes of onions, one gune of gram, three of coriander and cotton cloths and two gunes of garlic. [51]

Similar items were dealt with by many Goans as well, who, it seems, also frequently crossed the borders and went to Balaghat. Examples like this can be given from the records of Salcet as well. The only difference in the nature of transaction is that in 48.HAG,MR 130B, f1.440, Vol.132B, f1.461.

49. Ibid, Conselho da Fazenda, 26, f1.45, 17.8.1756.

50. According to Dalgado, the term was used to indicate an inhabitant of Goa who traded with Balaghat. In this case, however, it is not clear whether these people were Goans or not. Their names and other remarks about their nature give an impression that they were outsiders.

51. HAG, Alfandega de Bardes 5913, 21.5.1772.

Salcet the Balaghateiros were not always present in person but functioned through their agents who were Goans themselves. To give an example, on March 26, 1793, Lingapa Sadaortes Balaghateiro paid an amount of 4:3:22 through Siva Poy of Margão on four candils, 10 mãos and 10 doras of copra to be taken to Balaghat. Lingapa Balaghateiro similarly paid 2:4:23 through Sebasitião Antão of Chinchinim on two candils, 15 mãos and three doras of copra to be taken to Balaghat. [52]

Despite the small quantities of articles they dealt with, Goan economy, to some extent, had become dependent on these traders from Balaghat. This was revealed by the controversial legislation regarding the import of coconut from outside into Goa. [53]

While the articles brought in from Balaghat were many, Goa, it seems, had little to offer in exchange, excepting coconut products and salt. Traders from the villages of Serula, Sangurla, Guirim, Asagão, Saligão etc. of the province of Bardes carried on salt trade on pack oxen with Balaghat, as well as with the small ports of Fatora, Money, Vengurla etc. and the lands of Canara in Onor. [54]

Unfortunately, the documents do not throw any light on the mode of transactions and the nature of markets or production centres of Balaghat.

52. Ibid., Alfandega de Salcet, (1793), 9310.

53. For details, section on the Southern Ports of Canara and Malabar above.

54. HAG, Conselho da Fazenda, 30, fl. 47.

All we know is that the people, who visited Goa from Balaghat were termed as simple and innocent and initially, they were not even required to pay any tax. The post of the corrector of these people was created, for the first time, by the Count of Sandomil to coordinate the whole process. Henceforth, they were requested to do their business either through him or through the people selected by him. The step, instead of simplifying the procedure only irritated them, as disgusted by the interference of the corrector, the traders simply stopped coming to Bardes and changed their destination in favour of the territories of Bhonsle. This adversely affected the economy of Bardes as a result of which, the post was finally abolished. [55] The Balaghateiros however, paid taxes on their transactions as is recorded in the customs of Bardes and Salcet.

#### East Africa

The boundary of Portuguese East Africa, known as the captaincy of Mozambique, extended, in the middle of the 18th century, from Bahia de (Bay of) Lourenço Marques to the Cape Delgado. In the South, the Portuguese controlled Sofala and the land stretching from there to Sena and the settlement of Inhambane.

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55. AHU, India Maço 61. Poquea Sinai Dumo was appointed the first corrector in reward of his service rendered to the Fazenda Real to which he had supplied rice during the 1750s. After the extinction of the post, his son Vitogy Sinay made many applications to the Government for some new appointment. There are many documents relating to this issue till as late as 1785. AHU, India Maço 65, 8.2.1765, Maço 31, 9.4.1755, Maço 37, 7.4.1785, HAG, MR 168A. f1.5 7.4.1785 etc.

The island of Mozambique in the North was the principal town through which all the articles of trade of East Africa had to pass. The single customs house of the island was located here and all the vessels from India unloaded their merchandise in this port from there to be distributed to the other ports commonly called the 'subalterns.' These included, among others, the ports of Sofala and Inhambane.[56]

Actual Portuguese control over this part of Africa was limited to a few littoral settlements. It extended into the hinterland only in Zambesi where the prazos da Caroa[57] dominated large tracts of land and considerable number of Africans.

The Portuguese authority over this part of Africa came under trial in the 18th century. The most serious challenge was put up by the three European nations- the Dutch, the French and the English, all of whom began to crave for gaining footholds in the Portuguese territories. Trading companies belonging to these three nations had begun to trade with the East from the early 17th century but they were primarily interested in spice trade alone and did not show any interest in Africa. The Dutch had made an unsuccessful attempt to capture Mozambique in 1607. They and the

56. F.Hoppe, A África Oriental Portuguesa no Tempo de Marquês de Pombal, (1750-1777). Lisboa, MCMLXX, p.64, A Lobato, Evolução Administrativa e Económia de Mozambique, (1752-1763), Lisboa, p.228

57. Prazos were individual Portuguese holders of Crown estates. They worked in the gold mines with slave labour. The Prazo holders were Portuguese, Goan and Mestico alike. They were sufficiently Africanised in their outlook and at least one prazo family Caetano Pereiras had even played political role by the end of the 18th century. For details, J.D.Fage & Roland Oliver ed. Cambridge History of Africa vol IV, Cambridge, 1975, pp.520-21.

English, though began to use the Mozambique channel as their highway to India, abandoned it later in favour of the islands of Comores.

The Mozambique channel, by now infested with pirates, discouraged them to use it frequently.[58] The actual threat from the Dutch came later in the early 18th century from the Cape of Good Hope from where they tried to reach Lourenço Marques, Inhambane, Quelemane etc. ports leading to the hinterland of Zambesi. They set up a factory at Lourenço Marques in 1721 where they concentrated their resources for trade in gold and ivory on a larger scale. They established commercial connections with Inhambane and were also interested in moving into the mines of Zambesi. In 1753, a captain of the French navy reported in Mozambique that the Dutch had gone in as far as 400 leagues. Later, again, in 1762, the Captain of Sena mentioned their penetration into the mine area of Quitene.[59]

The English challenged the Portuguese presence in Africa from Surat and Bombay. They maintained regular commercial connection with Lourenço Marques and Quelemane, collecting ivory in exchange of fire arms and cloth of India. They were also interested in importing cattle and cauries from Africa. From 1760 onwards, they maintained one fortified factory at Lourenço Marques where one or two ships were sent regularly from India.

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58. M.D.D. Newitt, 'East Africa and Indian Ocean Trade' in A. Das Gupta and M.N. Pearson ed. India and the Indian Ocean, 1500-1800 Calcutta, 1987, pp.212-13.

59. F. Hoppe, A África Oriental Portuguesa, pp. 248-252.

Unwilling to enter into conflict with them, the Portuguese adopted a non interfering policy and did not make any attempt to close it down.[60]

The Portuguese policy towards the Austrians during the last quarter of the 18th century was more strict. Interest in this trade was exemplified in the person of William Bolts, who in May, 1777, managed to purchase some land from the local chiefs to establish a factory in Lourenço Marques and cherished further plans to establish Austrian settlements near Sofala and the islands of Quirimba. The Portuguese Governor Pereira de Lago was, at this time, preoccupied with the attacks from the Macuas on Mossuril, sick and short of military strength. Himself being unable to meet Bolts, he sent an ultimatum to the court at Goa. The Goa Government sent a mere protest against Bolts. By 1778, Bolts even managed to make a pact with the Goan authorities to carry on trade from the area under Portuguese protection. By 1780 the Austrians were sending ships to Mozambique with destination to Lourenço Marques. The authorities in Lisbon, however, took an exception to the role of the Goan Government and sent strict orders to the latter to reverse the complacent policy so far followed. Finally, in 1781, the Goa Government destroyed the Austrian settlement and dismantled the ships by taking them over to Goa. This conflict notwithstanding, the Portuguese Government was reluctant to antagonise its Austrian counterpart in Vienna. Austrian intention in Africa was regarded as merely an outcome of Bolt's personal ambition rather than as a policy of the Austrian Government. [61]

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60. Ibid., pp. 252 - 255.

61. Ibid., pp. 255-60, HAG, MR 159C, fls. 771-774V, 781v, MR 160, fls. 43, 43V, 48-48v. AHU, India Maço 124, 2.10.1778, 22.12.1778, Moz.cxa. 30A, Doc. 54.

The French introduced certain major structural changes in the economy of East Africa from the island of Mauritius, which they captured in 1715. This was followed by the capture of Ile de France and its satellites, Ile de Bourbon and Rodrigues. Theirs was a full scale capitalist enterprise with coffee and sugar plantations, for which they collected labour from the already established slave markets of Madagascar and Comores. Their demand, not being fully met with that, they began to visit the Portuguese port of Mozambique. The trade was illegal because prohibition of foreigners was in full force all over the coastal trading centres under the Portuguese Crown. But they were rather welcome as they brought grain and other foodstuffs so much in demand in those areas. They also brought in silver coins and finally firearms - an article that the Portuguese were so reluctant to deal with. French slave trade revived some old ports. Mongollo, south of Kilwa was born out of this trade, while the Querimba islands found a new commercial importance. The trade reached its peak in the 1780s, when, between 8 to 10,000 slaves were annually exported from East Africa. The amount came down to a trickle during the Revolutionary wars but the structure of trade had already been altered. [62]

Thus, put under pressure from all sides by the Dutch, the French, the English and the Austrians and with their meagre resources in Goa, the very presence of the Portuguese in East Africa was threatened. One main feature of the history of this region in this period was the attempt of the Portuguese to adjust with the changing situation through administrative reforms and alteration of trading rules.

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62.M.D.D.Newitt, 'East Africa and Indian Ocean Trade', pp.218-19.

The report on the condition of the East Africa prepared by Dezambargador Duarte Salutar de Mendonça (December, 1751) is a pointer to this. Prior to this also, opinion had been called from various eminent persons regarding the ways of strengthening the Portuguese hold over East Africa, one of these being the memorandum of Marques de Lourical of 4.11.1730. [63] In his report, Salutar de Mendonça explained the potentialities of commerce from East Africa and its importance in the international trade of Portugal. He also mentioned the new forces of challenge put up by the Dutch, the English and the French. His recommendations for enabling Portugal to face the situation was direct administration of the Capatancy, independent of Goa. This independence, he made it clear, would be only in administration and not in commerce. [64]

The suggestion was considered seriously by the Crown, who, by the middle of the 18th century, had indeed become concerned about the importance of East Africa, particularly after the loss of Bassein to the Marathas in India. For the rest of the century, the Portuguese Crown made several attempts to strengthen this settlements in East Africa and to increase the volume of trade passing through its ports. As a first step in this direction the Crown separated Mozambique from the Estado da India and handed it over to the Governor, whose post was specially created for the administration of Mozambique, Rios da Sena and Sofala in April, 1752.

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63.F.Hoppe. A África Oriental Portuguesa p.55.

64.Ibid., pp. 55-60.

The entire Portuguese tract, extending from Bahia de Lourenço Marques to Cape Delgado, along with any new territory that might be conquered in future, was brought under the authority of the new Governor. He would also exercise jurisdiction over the factors and persons involved in trade, enjoying extensive power over the administration of commerce. The final policies and important decisions, however, were to be laid down by the Revenue Council in Goa. The island of Mozambique was to become the centre of all trade and all the merchandise would pass through the customs house of this city. The administrative authority was handed over to Francisco de Mello e Castro, the first Captain General of Mozambique. Series of instruction were sent to him with suggestions to set up factories at strategic points in order to curb the influence of the Dutch. [65] Francisco de Mello e Castro initiated many more changes in the internal administration of trade in Mozambique. [66] At the next stage, the trade passing through Mozambique and the regions dependent on it was thrown open to all the inhabitants of Goa and Asia, who were henceforth free to trade in any article they wanted to. The sole exception was the beads, which being a state monopoly, its price and sale continued to remain under the supervision and control of the Governor. [67] Even this restriction was withdrawn by another order dated 7.5.1761. [68] The Estado da India maintained trade relations with Mozambique from all the three ports of Goa, Daman and Diu.

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65. Ibid., pp. 63-67, HAG, MR 154, fl. 7. MR 126B, fl. 642.

66. For detailed discussion about the plans and policies of Francisco de Mello e Castro, F.H. Hoppe, A Africa Oriental Portuguesa, pp. 128 - 44.

67. HAG, MR 129B, fl. 636.

68. Ibid., 164C, fl. 1055.

All that Goa could do in absence of any product of its own was to collect the articles in demand in Africa viz. cashewine and Indian cloths from different parts of the country including Malabar, Balaghat and Bengal and transport them to Africa,. In addition, Mozambique being politically dependent on Goa (upto 1752,) Goa had to supply weapons, gunpowder, uniforms for the soldiers and many such articles of office use. However, herself being in poor condition at this time, Goa failed to satisfy the officials posted in East Africa, who, frequently complained about the insufficient and erratic quantity in which the articles were sent. Goa was treating Mozambique as her own colony, the Captain General of Mozambique would complain. . [69]

Daman and Diu, however, were more conveniently placed in terms of their trade with Africa. In addition to some cloth produced in their territories, they could also procure piecegoods from the two cloth producing centres of Surat and Cambay. The items of Indian textiles thus exported to Mozambique included the Bertangins, Zuartes, Dotins, Chitas, Cubertores and Cotonias. [70]

There was no uniform system of distribution of merchandise from Mozambique to its dependencies. Part of imports designated fazendas livres or free articles were handed over to the traders while the superintendence of commerce, responsible to the Royal Treasury of Goa had to control the transactions of the fazendas de lei or the restricted articles. Subject to this category were beads, big pearls from Balaghat, Calaim, gunpowder, cotton piecegoods of different qualities etc. [71]

69. F. Hoppe, A África Oriental Portuguesa, p 218.

70. Ibid, pp. 216-19.

71. Ibid., pp. 122-23, A Lobato, Evolução Administrativa e Económia de Mozambique, pp. 250-252, 256-259.

The traders of Goa, Diu and Daman were obliged, by terms of their contract with the Fazenda Real of Goa, to send, at least one vessel, from each of these three ports to Mozambique, loaded with both the free and the restricted articles of trade.

These annual voyages of ships from India to Mozambique were vital to the economy of Mozambique. Once, in 1766, when the ship from Daman was wrecked and that of Diu reached late in 1767, the Governor of Mozambique, Pereira de Lago himself sent three vessels to India - one to Daman and two to Diu. They came loaded with ivory that they exchanged with textiles of India. Daman also sent rice to Mozambique.[72]

Of the imports, it was the gold and ivory of Africa that attracted the Europeans to the continent. After the loss of Ceylon to the Dutch East Africa had become the sole source of this precious article for the Portuguese. In this period also, ivory was the main item of trade that came in various shape and sizes.[73]

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72.F.Hoppe, A África Oriental Portuguesa, pp. 216 -17.

73.Ivory (marfim) was classified into four groups according to their weights. They were marfim grosso, marfim meao, marfim miudo and marfim seira. For details of their weight and prices. A Lobato, Evolução Administrativa e Económica de Mozambique, p.270.

Diu and Daman offered markets for the big pieces, while the small ones weighing upto one and a half kg.were brought to Goa to be transported to Lisbon. Of the other articles, gold was imported regularly in addition to amber for use in medicine and perfume in Europe, the small pearls with medicinal value from the coast of Sofala and Inhambane, ebony for construction of ships and churches, manna and cauries, so much in demand in Bengal. [74]

Slaves, too, were imported in limited numbers to Goa. Though their number cannot be determined exactly for each year, the reference to slaves as an item of import indicate that Mozambique did serve as a source of steady supply, not only to Europe but to the Estado da India as well. the following table illustrates the nature of imports from Mozambique-

Table 3:1

Cargo list of the frigate São Fransisco Xavier in 1766.

	Arrobas	Arratels
Big pieces of ivory	201	27
Medium sized pieces of ivory	18	17
Small pieces of ivory	267	30
Ivory <u>Seira</u>	739	-
Teeth of Hippopotamus	179	3
Rhino horn	75	7
Turtle	47	1
<u>Calumbo</u>	17	-
Manna	9	-
11,755 pieces of Spanish gold coins		
802 pieces of gold and silver of various sizes and denominations		
868 slaves		
119 <u>candils</u> and 9 maos of <u>cauries</u> .		

Source : AHU,India Maço 124,Officíos do Governado D.José Pedro da Camara, no 1.

74.F.Hoppe, A África Oriental Portuguesa, p.221.

Not many accounts are available to show the volume of trade between India and East Africa. Figures, whatever are available are scanty and irregular. There is one estimate available for 1753, which was prepared by Governor Fransisco de Mello e Castro. According to the prices prevailing in Mozambique, he calculated that the value of Indian imports amounted to nearly 6,00,000 crusados while the export of ivory was evaluated at approximately 2,00,000. The Indian businessmen, according to his calculation, had made a profit of nearly 250%. Again in 1761, the value of imports from India was estimated at 3,50,000 crusados of which the share of Goa, Daman and Diu were 1,20,000, 80,000 and 1,50,000 respectively.[75]

Regarding the actual quantity of imports, Mello and Castro calculated that consumption of Indian cloth was anything between 350 and 400 bars. Since one bar consisted of 400 cloths of 352 metres by 66 metres, it amounted to 1,20,000 to 1,60,000 cloths. This was the number only of legal transactions, while trade went on privately also, which was roughly double the amount.[76]

As for the later half of the century, we have the following figures denoting the value of transactions between Goa and Mozambique for the five years from 1784-1788.

Table 3:2

Value of transactions between Goa and Mozambique  
1784-1788 (in xeraffins)

Year	Value of Export	Value of Import	Value of Gold and Silver
1784	44,269	47,001	1,09,806
1785	61,920	47,883	1,28,181
1787	1,19,389	1,07,189	2,63,110
1788	1,59,200	35,770	2,51,977

Source : HAG, MR 170B, fls. 559-60, 28.11.1788.

75. Ibid., pp. 218-19, A. Lobato, Evolução Administrativa e Económica de Mozambique, pp. 260-61.

76. F. Hoppe. A África Oriental Portuguesa, pp. 218-19.

Table 3.3

## Income in Mozambique from the Customs Revenues Yielded by Vessels of Goa, Daman and Diu (In Crusados)

Year	Vessels From Goa		Vessels from Daman		Vessels from Diu		Total Income from Customs Revenues
	Departure	Entry	Departure	Entry	Departure	Entry	
1760	08229.219	05234.248	11170.212	14506.035	08826.357	05087.304	
1763(Feb							
July)	04689.356		12263.043		09455.018		
Feb 1763							
to Jan							
1764	04698.356	01742.097	12263.282	19324.385	09455.323	07427.258	
1769	06950.026	06704.316	17796.367	23252.393	10985.149	19447.093	
1771		20350.331		36718.042		56226.322	
1774		08930.346		09801.160		19612.369	
1777		13870.143		08245.376		36531.106	

Source : Mozambique cxa 184, Doc. 1, cxa 23, Doc 94  
 cxa 30, Doc. 4, cxa 31, Doc. 46, cxa 31, Doc. 32, cxa 34, Doc. 5

The income from customs revenue in Mozambique as yielded by the vessels of the Estado da India during a few stray years from 1760s and 1770s is given in table 3:3.

The table below (3:4) illustrates the income in the customs house of Mozambique from the 10% tax on cashew and cashewwine from Goa and other ports during the ten years from 1778-1789.

Table 3:4

Income from import of cashew and cashewwine, 1778-1789 (in reals)

Year	Reals
1778	1806.020
1779	4186.099
1780	2826.123
1781	8818.242
1782	3213.260
1783	0702.000
1784	4094.052
1785	1116.310
1786	1847.140
1787	2148.160

Source : AHU, Moz. cxa. 54, document. 5.

In Mozambique, the articles were distributed away to the factors on credit. Even though strict orders were meted out to the factors to hand them over only on ready payment with ivory, they were often given away either to the traders of Zambesi or the indigenous population of Sofala or Inhambane. In Zambesi, the payment was made, sometimes after two years only. This created problems for the Indian traders.

A complaint about the inconveniences created by the practice was made by a group of Goan merchants who had not received either ivory or gold in exchange of cloth they had sent to Mozambique. [77] A classic example of delay in payment was the case of Upea Camotim who had sent rice to Mozambique in 1746 on behalf of the Fazenda Real, the price of which was not fixed and accounts not cleared till as late as 1770 [78] In 1751, the traders of Diu complained to the Governor of Goa against the irregularities of payment. As a protest against this they even refused to send their ships to Mozambique. Finally, the Governor of Goa succeeded in persuading them to resume business only after a promise to take a personal interest to initiate the payment. [79]

Another feature of the economy of Mozambique which adversely affected the interests of the Indian merchants was the increasing predominance of the Banias. [80] This happened particularly from the Regulation of 1757 onwards when the port was thrown open to all the subjects of the Portuguese Crown. They tried to monopolise the trade from this port <sup>through</sup> the formation of another company and

77.HAG, Conselho da Fazenda 25, fls. 123v, 148v.

78. Ibid., 24, fls. 49v - 52, 188v-190v, vol.25, fl.14, MR 143, fls. 82-96, F.Hoppe A Africa Oriental Portuguesa 126C fls. 777-783, 793-793v, 809-810, 819-820v.

79. F.Hoppe, A África Oriental Portuguesa, pp.125-26, HAG, MR 126C, fls. 777-783, 809-810v, 819-820v.

80. Count Alver gave permission to these Banias to form a company of trade in 1687. By this they got the so far reserved right of the Captain of Diu to send annual ships to Mozambique. Initially the company was formed for short period of time and there were only a few of these Banias in Mozambique around this period. These Banias rose to a position of importance by virtue of their business acumen and connection with their homeland in Daman and Diu which enabled them to purchase the cloths at a lower price. Gradually they tightened their grip on the economy of Mozambique by outwitting the Christian traders in matters of trade and business. For detail discussion on the Banias F.Hoppe, A Africa Oriental Portuguesa, pp.176-182.

tried to control the prices. They even put up a notice saying that no other shop would be allowed there excepting to those belonging to the Baniyas and all the agents would have to enlist themselves with them. The company was finally dissolved by an order of the Crown. [81]

Pereira de Lago gave them a fresh permission to trade after 1760 and once again, complaints against them were launched by the traders of Daman and Diu.[82] Another corporation was formed, again, in 1784 that deprived the other Portuguese subjects of the profits of trade. This corporation was also liquidated by another order from the Governor.

The Governor of Mozambique himself pointed out that trade in cotton piecegoods had gone up after the liquidation of the Company. This was made possible not only due to the import of cotton cloths on a larger scale but also export of greater amount of ivory. The latter had not been much dealt with during the last two years, a ban being imposed on them by the Baniyas to sell it solely to their corporation at a price fixed by them. [83]

In face of such pressures created by the Baniyas as well as by the foreign powers, specially the English, the Crown felt the need to improve the situation. This time it was through a stronger commercial tie between Goa and East Africa. This could be achieved by facilitating the entry into Goa, of the articles of the North, i.e. Daman and Diu, which were in demand in Africa. This could be achieved by reduction of the rates of customs duties.

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81. Ibid., p. 179.

82. HAG, MR 140B, fl. 410-410v, fls. 412-14, vol. 143A, fl. 140,

83. HAG, MR 164C, fl. 1055, AHU, India Maço 143, Doc. 62, Moz. cxa. 55 Doc. 27. 24.9.1787.

A plan to this effect was prepared by the Secretary of State. In addition to providing exemption from customs duties for articles produced in Portuguese dominions and meant for export to Mozambique, it also suggested tax concessions for Portuguese ships sailing and trading along the coast of East Africa. There was also provision for a lower rate of customs duties in Mozambique for goods transported by ships belonging to the port of Goa. [84] The actual regulations were drafted by the Governor of Goa himself in 1766 and approved by the Crown in 1787. [85] Accordingly, it was laid down that henceforth all the goods loaded in Goa in ships belonging to the Viagem da Carreira de Mozambique or any other Portuguese ship belonging solely to Portuguese subjects and transported either to the port of Mozambique or to any Portuguese dominion along the coast of East Africa would be free of customs duties in the customs house in Goa.

In an act of further liberalisation, the Governor of Mozambique was informed of the Crown's intention of opening up even the trade of gunpowder with the Negroes. [86]

The regulation, however, evoked adverse reaction from the Governor of Mozambique, who thought otherwise. These regulations, he felt, were steps towards elevating Goa into a position of importance in matters of trade of Mozambique. Even in this sphere, he thought the importance should have been given to Mozambique itself. [87]

The measures also came a bit late because by then the trade had almost dwindled and even those regulations could not revive the East African trade through making Mozambique a commercial centre.

84. HAG, MR 167A, fls. 161.

85. Ibid., 169A, fls. 5-10.

86. AHU, India Maço 155, Doc. 18.

87. HAG, MR 170B, fls. 581-82.

Antonio de Mello e Castro, the Governor of Mozambique, informed the Secretary of State about the impact of the regulation on East Africa. The new scheme, he said, had failed to yeild any benefit at all- either in the ports of Asia or in Africa. Only one ship, he pointed out, had come to transport the slaves in 1788 since it was enforced but that too was wrecked near the island of Gloroza near Mauritius. So did the ship Santo Antonio e Almas.[88]

We have the following figures (in reals) regarding the income in Mozambique, from her connection with India during the years following the regulation.

Table 3:5

Income in Mozambique from Indian connection ( in real )

Year	Income from articles from Goa @ 3%	Income from export of ivory and orther articles to India @ 4%	Income from export of Gold @ 4%	Income from arracks of Goa @ 5%	Income from articles of India and Portugal @ 5%
1789	2088.674	6799.122	855.628	-	31798.301
1790	2544.450	7365.466	940.763	-	23073.930
1791	4239.654	7171.253	888.012	.053	23297.053
1792	4566.012	7496.200	1610.618	-	22021.300
1793	3106.106	9140.652	2309.094	-	14428.739
1794	-	-	1174.820	-	18017.541
1975	1358.158	-	2151.044	-	923.441

Source : AHU,Moz.cxa. 68,Doc.75, Cxa.75.Doc.70.

If Mozambique had not benefitted from the new regulation, so did not Diu and Daman. This because, as the Goveror of Mozambique himself pointed out, these places had demand for gold and ivory, the supply of which had now diminished in Mozambique.

88.AHU,Moz.cxa.61,Doc.14,24.8.1790.

The new article of trade, which was being promoted with all enthusiasm was the slaves. [89]

The French supremacy continued in Mozambique which was actually thriving flourishingly on account of two articles of trade - one of them being slaves and the other, patacas. [90] In 1789 for example, 1,96,546 patacas entered into the customs house while the French took away 4,838 slaves. The income from customs revenue in 1788 had risen to 10,45,30,943 reals from 85,98,573 in 1786 and 99,58,022 in 1787. This growth, which indicates that Mozambique was flourishingly thriving at this time, was mainly due to the export of slaves in increasing numbers. In 1788, more than 5,500 slaves had passed through Mozambique and more than 1,00,000 patacas had been brought in. From the island of Cape Delgado itself 2 - 3,000 slaves could be collected per year. The French, who were not allowed to go there, flocked at the neighbourhood of Kilwa and the ports of Mitidande and Mungalo. They were rather welcome to these areas for offering higher prices and bullion for the slaves which the Portuguese could not afford to. In 1789, taxes on slaves alone amounted to 30,96,620 reals while that on the patacas amounted to 52,89,430. These two together constituted nearly a third of the total income from customs revenue in Mozambique. The flow however, was to reduce to a trickle within a few years during the Revolutionary Wars in Europe. But even at the peak period of slave trade from this area, the Portuguese failed to take advantage of the opportunity due to lack of organisation, fund and manpower.

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89. Ibid.,

90. Spanish silvercoins. In the 18th century, its value in Mozambique was six crusados or 2,400 reals.

A comparison between the taxes paid by the Portuguese and the other foreigners during the years 1789 and 1795 would show the share of the Portuguese in this trade.

Table 3:6

Tax yield (in real) by export of slaves from Mozambique (1789 - 1795)

Year	On slaves exported by Portuguese ships	On slaves exported by foreign ships
1789	6033 . 600	30,963 . 260
1790	2435 . 800	40,963 . 800
1791	4403 . 200	26,540 . 800
1792	3885 . 200	23,871 . 600
1793	3200 . 700	20,948 . 200
1794	2445 . 400	10,086 . 400
1795	2183 . 000	-

Source : AHU, Moz. Cxa. 68, Doc. 75, cxa. 75. Doc. 70.

This table would show that for the Portuguese Crown, Mozambique was virtually lost. The prospect of trade between this captaincy and Goa deteriorated to such an extent that in 1801 the Governor of Goa wrote to the Secretary of State that sending of the frigate to Mozambique was absolutely useless since the expenses would be a loss to the exchequer as there was no trader in Goa interested in trade with Mozambique. The reason was the fear of the French pirates and lack<sup>of</sup> money to pay for the articles which were very expensive in that country. [92]

92. HAG, MR 180A, f1.3, 12.2.1801.

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Macao in the South China Sea was only very loosely connected with Goa. It had its own administrative system and its network of trade also was different, at least till the 18th century, from that of Goa.

Initially ruled by the capitão-mor of the Japan voyage, it was later placed under the capitão-mor in 1623, who in practice was a nominated head responsible for its defence and finance. The actual administration was run by the Senate which was composed of the citizens who elected representatives, who again, in their turn, nominated three residents as Veradores or Aldermen. These three together with the legal officials and the secretary functioned as the Governor of the colony. On important occasions, the military and ecclesiastical authorities together with the leading citizens were convened to deliberate with the Senators in a general council. [93] In this context, the Viceroy of Goa merely laid down the broad administrative guidelines, nominated some officials or sent instructions in some vital matters relating to trade which the Senate did not always abide by. In such cases, of disagreement, the problem was referred to the Crown in Lisbon. Like its own system of administration, Macao's trading world also encompassed the regions around the China Sea, rather than the Indian Ocean around India.

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93. For origin and functions of the administrative officials and Senate, see G.B. Souza, The Survival of Empire : Portuguese Trade and Society in China and the South China Sea 1630-1754, Cambridge, 1986, pp.18-29.

In fact, while the very rise of Macao to prosperity was due to its Japan trade, the other centres of trade also revolved round Manila and the lesser Sunda islands of Solor, Timor and Macassar.

The existence of these alternative markets explain why Macao was able to continue its wealth and prosperity at a time when Dutch blockades of the straits of Malacca had virtually severed communication with Goa and when, as a result of restoration of 1640, the profitable Manila trade was lost. [94]

Thus engrossed in the Eastern waters, Macao traders did not frequent the Indian Ocean waters till the 18th century. Prior to this, they only occasionally visited Malabar in 16th century, when they came to Cochin to exchange Chinese silk and gold for silver. But the very trend that emerged in the relation between Macao and Goa from this period onwards, was for Macao to avoid the port of Goa, which did not offer a market for its products. The Crown ordered the traders of Macao to cease this practice as this was posing a threat to Goa's commercial primacy and a decline in Crown's customs receipts. The Macao traders decided to follow the Crown's orders on this occasion. [95]

But what was only occasional in the 16th-17th centuries became common in the 18th, when Macao traders visited Malabar ports more frequently in order to develop new markets for China goods and buy Indian goods that could be sold profitably in China.

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94. China's direct trade with Japan was prohibited by Chinese edicts in 1557. Portuguese merchants from Macao acted as official intermediaries in the trade between the two countries. It coincided with the discovery of large silver, copper and gold deposits in Japan. The Portuguese merchants supplied Chinese products, raw silk and gold in particular in exchange for silver bullion. They first got involved in the trade in the 1540s. For details, G.B. Souza, The survival of Empire, pp.48-63. for Manilla, Macassar and other markets over the 16th, 17th and 18th centuries, Ibid., pp.63-123.

95. Ibid., pp.175-176.

Dr.Souza in his book has given several illustrations from records of the Senate of Macao to show how Macao became increasingly reluctant to trade at Goa on account of the low profits at the market and the changing customs rate on goods destined for the ports of the West coast of India. They rather preferred to trade in the North of Goa, at Surat. A long term conflict arose between the Senate and the Portuguese Viceroy Caetano de Mello e Castro when the latter learnt of the transactions of the Macao traders at Surat around 1606-7. The Viceroy ordered the Senate in 1707 to collect the Estado da India's customs duties from the local ship owner and participating investors. The traders refused to abide by without instruction to this effect from the Conselho Ultramarino, which, however, granted exemption from payment of duties at Goa for their shipping to Surat for the duration of the War of the Spanish succession. The matter was once again referred to the Conselho Ultramarino in 1714, when the Viceroy wanted to reissue his order that Macao shipping stop at Goa en route to Surat. The Conselho in its decision despatched in 1716, proved to be temporarily favourably disposed towards Macao. It ordered that all of Macao's ships that passed Cape Comorin had to stop and pay customs duties at Goa but only on those items sold. One Macao ship was allowed to go on to Surat on an annual basis for a period of three years. After its expiry, the Viceroy reissued the prohibition of trade from Macao to Surat. [96]

The arguments, both in favour and against the Viceroy's standpoint brought out the interests of both Goa and Macao.

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96. Ibid., pp. 177-178.

Those who supported the prohibition argued that Macao's trade and shipping at Surat not only damaged the collection of the customs duties of the Estado da India, but also the flow of commodities carried by the Portuguese because of direct competition among themselves. Macao shipping was also a security hazard on account of captures by Arab shipping. Finally, the Goa merchants felt that the Macao country traders should be satisfied with their trade with a restricted number of markets in the South China Sea without any further diversification which might lead to clashes with Goa.[97]

The Macaonese point of view, upheld by the Senate and the important country traders was that Macao's trade at Goa was becoming less viable.

They argued that the absence of Macaonese ships at Goa was not detrimental to the latter's interest, because the products that Macao ships sold, viz. zinc, porcelain, sugar and copper did not compete with Goa's trade of pepper and agricultural products. Finally, in their opinion, it was of paramount importance for them to have additional markets as they had recently ceased trading with Benjasarmasin, Siam and Cochinchina and had strained relations with Manila.[98]

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97. Though a few years later, the following figures will give some idea about Goa's dependence on Macao. According to figures quoted by Souza, (p.179) around 4% of Goa's receipts came from revenue generated by Macao's trade from Macao to Goa. The value of Macao's trade at Goa in relation to the total revenue of the Estado was small as Goa's receipts formed roughly one third of the total revenue collected. During 1719-22 the Estado collected a total revenue of approximately 55,61,000 xeraffins of which Goa contributed 18,24,000 and 74,000 xeraffins came from transactions with Macao.

98. G.B. Souza, The Survival of Empire, p.178.

Apart from Surat, the ports that the Macao traders regularly visited were Cochin, dominated by the Dutch, Mahe under the French, Tellicherry, Anjengo and Calicut under the English East India Company.

The East India Company recorded that six Portuguese ships, the majority owned and operated from Macao, appeared on the Malabar coast in 1746. Of these, two sailed into Mahe with destination to China with 4000 picols of pepper, 1680 picols of sandalwood and 21 picols of cardamom. [99]

After the establishment of pepper monopoly by Martand Verma on the Malabar coast, the Macaonese Portuguese developed a notable interest in trade with that state. Despite the East India Company's attempt to prevent the loading of pepper on Macao ships along the South Malabar coast, the Portuguese continued to obtain supplies. In 1750, the English reported that the supercargoes from one Macao ship had visited the King of Travancore and presented him with various gifts from China with the immediate result of settling a contract of pepper at Rs. 95 per candil. The Macao merchants obtained 400 candis or 1680 picols of pepper. [100]

The demand of pepper was still great in China in the later part of the century, though the price seems to have had risen a little. In a document of 1769 it has been stated that the price of pepper of Malabar stretching from Onor to Cochin varied from Rs. 140 to Rs. 170 a candi of 640 English arratels which in China amounted to four picols and 36 avos. As many as 20,000 picols could

99. Ibid., p.163.

100. Ibid., p.166.

be sold in Macao at the price of 16 to 22 taels per picol. [101]

In addition to pepper, the other most important articles collected by Macao traders from the Indian Ocean ports was raw cotton, which was procured from both Surat and Malabar, the price being Rs. 69 to 75 per candi of 21 maos in Surat while it was Rs. 90-100 in Malabar. The demand could be as high as 6000 candis that was packed in 1200 bales. [102]

I. Sandalwood - This was brought from the coast of Malabar as well as from Timor, though the quality of those from Malabar used to be better than those from Timor. The price varied from Rs. 120 to 160 a candi of 600 arratels equivalent to four picols seda and nine avos in Macao which could fetch a price of Rs. 36 to 100.

II. Pão preto or ebony.- it was brought from Mauritius and Mozambique and purchased from the coast of Coromandel at a price of Rs. 10-14 a candi of 500 arratels. As many as 30,000 picos of ebony could be sold in China for a price of Rs. two to four.

III. Pão vermelho - Its price varied on the Coromandel from Rs. 13 to 20 a candi of 500 arratels.

IV. Sharkfins - Bought from the coast of Malabar for Rs. 35 to 50 a pico, it could be sold at Macao for Rs. 60 to 100.

V. Rice and arecanuts - Rice was brought from the ports of Malay and those of Mangalore and Canara while arecanuts were brought from the ports of Malabar and Malacca, where a pico of it cost Rs. four to six.

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101. HAG, MR 149A, f1.118.

102. Ibid.

VI. Rhino horns, imported from Mozambique were picked up from the coast of Malabar, the price of a pico there being 120 to 140 tael.

Among other articles were Bucho de peixe (dried and smoked stomach of shark) which was taken from Bombay and the Coast of Malabar, the price there being Rs. 10 to 12 per pico. Incense was purchased at Surat for Rs. 30 to 50 a candi. Ivory of Mozambique also had a demand of about 1000-1500 picos in China. A pico could fetch about Rs. 20-40. Pucho was purchased from Malabar and Surat for Rs. 300 - 400 per candi of Surat and could be sold in China for Rs. 70 to 140 per pico. Pearls used to be bought in large quantities from Persia and Ceylon, those from Persia being the better in quality. Its price was determined in accordance with its size and quality. Corals were also in great demand in China. Like pearl, its price also was determined by its size and shape. Salt was taken from the coast of Malabar. [103]

Apart from these items, available in the ports of India, Macao had market for other articles like aguila, (aromatic wood) sapao, (a kind of timber) Rota fina, Bejoim, Sea slugs, Calaim (probably tin) and birds' nests. [104] These were collected mainly from the ports of South East Asia. The articles that the Macao traders offered from China included almiscar, sugar in chunks and in dust, alcatrão breu, white and yellow copper, tea of various qualities, camphor of China, cafe sumbro, lata, porcelain, painted papers, glass paintings, filigree works in gold and silver, raw silk, tutenag etc. [105]

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103. Ibid., fls. 118-19.

104. Ibid.

105. Ibid., fl. 119, AHUZ, Macao cxa, 22, Doc. 14

Even though the condition of Macao was repeatedly described in the documents as one of stagnation and contraction, she was in a better position than that of Goa. She still possessed 14 ships of three sails and one of two, in addition to one corvet.[106] There were also some rich businessmen with high amount of capital at their disposal. The highest amount of capital in possession of the foremost businessman was 150,000 crusados. There were four more whose possessions amounted to more than 35,000 crusados. There were 35 more businessmen whose capital varied from 35 to three million crusados. [107]

Thus, being placed in a better economic position than Goa, the Macao traders could afford to go into confrontation with Goa by ignoring her and by not taking their vessels to the port of Goa specially because the latter could hardly offer any of the articles in demand by the Macao traders.

This trend, that had set in from the early decades continued throughout the remaining years of the century. The vessels as before bypassed Goa to visit the ports of the Northern coast after touching those of the South. If the trading destinations of the vessels owned by the Macao traders during four stray years of the 1780s can be taken as an indication, then we have the following figures regarding the journey of Macao ships.

This is shown in Table No. 3.7

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106. HAG, MR 149A, f1.119.

107. AHU, Macao cxa.9. Doc.6, 8.1.1775.

Table - 3:7

## Destination of the Macao Ships in the Indian Ocean ( 1784-1787 )

Year	Coast of Malabar.	Coast of Malabar.& Goa.	Goa	Coast of India	Bengal	Bengal and Malabar	Madras	Coroman-del.	Coroman-del & Goa	Cochin.	Bombay	Timor	Bata via.	Timor & Bata via	Manilla.	Coast of Malay us.	Maunna	Trigana	Bombay & Malabar.	Total No. of Ships.
1784	-	1	-	-	5	-	3	-	1	-	-	-	2	-	-	-	-	-	-	12
1785	1	-	1	-	5	-	3	-	-	-	-	2	-	-	-	-	-	1	-	13
1786	-	-	1	1	3	1	1	2	-	-	3	-	-	1	-	-	-	-	1	14
1787	1	-	1	2	1	-	2	-	-	1	3	-	-	-	1	1	-	-	-	16

Source : HAG - Correspondencia de Macao Vols 1274,  
fls. 42v-43, No. 1277, fl. 60, No. 1279, fl. 108, No. 1281, fl. 86.

Even though some of the terms used in the tables e.g. Coast of India are ambiguous and it is not clear as to exactly what is meant by the term Coromandel as different from Madras, these tables do give an idea about the destinations of the ships belonging to the Portuguese country traders from Macao. What becomes clear from this is that the trend that had set in during the early 18th century only accentuated over time. The direction of trade in general from Macao had shifted more to Bengal and the East coast of India with Manilla and other ports in the neighbourhood occurring only occasionally in the itinerario of the Macao traders. Also, while they still continued to visit the southern ports of Malabar, they had, after the decline of Surat, shifted their destination to Bombay. Goa, as before, continued to remain outside their regular destination.

One obvious reason of the thrust towards Bengal was the rising demand of opium in China, a considerable part of which was collected by the Macao traders from Bengal. In 1784, a total of 1,087 boxes of opium was transported from Bengal by vessels owned by these traders. The amount for 1785, 1786 and 1787 were 748; 380 and 386 boxes respectively. This does not include the amount transported by the outside ships from the same ports visiting Macao. The demand in raw cotton was still great, and this was collected mainly from Bombay, the ports of the West coast of India and some from Timor and Malaya. Bengal also supplied rice to Macao. Some amount of opium was also collected from Madras and ports of the North, though their amount was still insignificant. [108]

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108. HAG, Correspondencia de Macao, Vols. 1274, 1277, 1279 and 1281, fls. 42V-43, 60, 108 and 86 respectively.

However, this practice on part of Macao traders to avoid Goa in course of their trading voyages had become an established fact by this period and even the Goan authorities seem to have accepted this. This is indicated by the stray reminders that the Viceroy, in continuation of Goa's past policy, kept on sending to the Senate of Macao, stating how the practice proved detrimental to the interest of Goa. These reminders, however, were neither very regular nor as rebuking as they used to be previously.[109]

In 1787, the Governor of Goa, perhaps after realising the futility of ordering the Macao ships to visit Goa when the latter had nothing special to offer to them, embarked upon an altogether different plan, that would serve two purposes at the same time- 1. revive the trade from the port of Goa and 2. attract the Macao traders to the port. The Governor envisaged the entire coastline from Mozambique to Macao as an integrated whole, in which, Goa was the centre and the entrepot where all the traders would assemble to pick up the articles they needed. This could be made possible, as the proposal ran, if all the articles of trade were assembled in Goa and the Macao ships, instead of going to Bombay or Bengal came to Goa, to load their Cargo. This was not impossible, as the Governor explained, as large part of the articles collected from Bombay or Surat by Macao ships were actually imported from Mozambique and the neighbourhood of Daman and Diu.

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109. Ibid., vol. 1271, f1.43, 21.4.1780. The order was repeated on 1.4.81. Order was sent by the Goa Governor to the Senate of Macao to send list of cargo carried by the ships visiting the coast of Malabar on 3.5.1780 and 29.3.1781.

The Governor went on to arguing that he had already persuaded the traders of Goa itself to form an association that would arrange the collection of articles. [110]

The proposal was first sent to the Governor and Captain General of Macao on 23 April, 1787, with the request that he should inform the authorities in Goa about the amount of articles required by the traders of Macao, so that these could be collected and stored in Goa accordingly. The association, it was proposed would start functioning from the following year.

Macao's initial response to this proposal was not favourable. The reasons that the traders advanced for their reluctance were many. It would not be possible for them to place any order with Goa one year in advance since market in China was fluctuating and hence, uncertain. If the conditions did not permit, they would not buy, but it would mean a loss for Goan traders. Secondly, they pointed out the lack of ready funds with them. A large quantity of articles, they held, was brought from the other ports on credit but this would be detrimental to the interests of their Goan counterparts. They also pointed out the impracticability of transporting opium, already one of the major items of export, from Bengal to Goa and again from Goa to Macao. [111]

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110. HAG, Correspondencia de Macao 1279, fl. 89 and AHU, India Maço 92.

111. AHU, India Maço 92, 5.11.1787.

The proposal was also placed to the Senate and response there also was not very enthusiastic. [112] Following persuasion by the Goa Government, the Senate elected Antonio Jose de Gamboa, one of the most influential and busy businessmen of the port to finalise the contract with Goa. [113] But even in this, the Goa Government saw the Senate's reluctance to take the proposal seriously, as, in Goa's interpretation, the selection of Gamboa was calculatively done to jeopardise the entire plan, since, busy as he was, Gamboa would not get the time to visit Goa and settle the matter. [114] However, in view of the objections raised by the merchants of Macao, some of the conditions of the association were changed. [115]

Meanwhile, approval and concessions in customs duties were also obtained from the Crown. For example, cotton purchased from Goa, through the association would now have to pay only 4% of duty upon their entrance as against 8% on the purchase from other ports. As per custom, the Senate gave loans at the rate of 20% to ships that came to Goa. The rate was reduced to 15% for the ships that would visit the port with the purpose to transport cotton and other items to Macao. The ships, collecting the same articles from the other ports were denied the privilege. The project, it seems, was never implemented as one does not come across more documents about either the composition or the function of association on the basis of reciprocity with Macao.

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112 Ibid., Opinion of the merchants, 5.11.1787, Governor's Second reminder to the Senate, 28.4.1788.

113. HAG, correspondencia de Macao 1284, fl.122, 29.2.1788.

114. Ibid., 16.4.1789.

115. Ibid., fl.180, 22.4.1790.

That despite all the initiative taken by the Goan authority the project failed to take off was mainly due to the disinterestedness on part of the Macao traders. The Government of Goa pointed out that even though they had promised to enter into the association with a contribution of 1,000 xeraffins per head, they did not contribute at all. The collection of cargo, according to his point of view, was not a problem, because, as a result of initiative taken by him, the annual ships had returned fully loaded and cargo of cotton was also collected from the hinterland of Balaghat, [117] which had to be sent to Macao on their own initiative. The Goan traders had initially promised to contribute 480 xeraffins per head and a total of 1,09,062 : 2 : 30 was collected in all. Even though the actual society never came into being due to a lack of initiative on part of their counterparts in Macao, the venture showed how profitable the formation of such a society could be. As against the normal rate of interest of 7% , the contributors finally received a return of 24 : 2 : 43 per 100 xeraffins at the time of the liquidation of the society after some time. [118]

The disinterestedness on part of the Macao traders to enter into such an agreement with Goa is not inexplicable. The entire plan was envisaged from the point of view of Goa alone.

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117. AHU, India Maço 92, 7.3.1792.

118. Reflexões, paragraph 84.

The various conditions for facilitating the working of the association also, did not appear feasible for the Macao traders under which, they would trade profitably. This was so because, the basic objective behind its conception was to revive the port of Goa. The interests of the Macao traders particularly in context of the fluctuating nature of market of China was given a secondary status. Hence the conditions that not only should the Macao traders inform Goa beforehand of the quantity that they might need, but also that they should not, under any circumstance collect their cargo from any other port - either north or south of Goa.. Goa also demanded that if under any circumstances, Macao traders failed to pick up the entire quantity of cotton brought to Goa for them, they would remain obliged to pick it up the following year or make up for the loss thus incurred by the Goan traders. Naturally, these conditions were not to be accepted by Macao.

Actually, this was the period of expanding opium trade, which was soon to outstrip the trade of raw cotton in China. Under the circumstances, the Macao traders directed their interest to opium from Bengal and Malwa within a few years, and became less than interested in revival of their ties with Goa. The traditional trade links between Goa and Macao became totally overshadowed for the time being. But it is a different story.

## Conclusion

By the end of the 18th century, the Portuguese Empire in the Indian Ocean theoretically still stretched from Macao in the East to Mozambique in the West. Solor and Timor near the Spice Islands in South-East Asia, though still under the Portuguese rule, the authority of Goa did not stretch beyond nominating its governors from time to time. [119]

Despite the Crown's insistence on viewing all the settlements as an integrated whole, these various parts of the Empire had now lost their relevance to each other.

Macao and Mozambique, though still the two major components of the Empire, had practically ceased to serve the imperial interests of the metropolis through their connections with Goa. They survived as Portuguese settlements but functioned within the pressures of their local commercial interests and traded with the partners of their choice. This did not always tally with the interests of Goa.

Goa still continued to function as the seat of Portugal's Indian possessions (Mozambique was given a separate government in 1752, but her trade policies continued to be laid down by Goa) but her trading partners were now mainly the local ports of the neighbourhood.

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119. For a general description of the settlement, *Refleções*, paragraphs 114-121, and John Villiers, 'The Estado da Índia in South-East Asia', in Malym Newitt ed. The First Portuguese Colonial Empire. pp. 57-62.

The trade itself was confined to the exchange of some agricultural products. In fact, Goa had, by now become more dependent on the hinterland for the supply of necessities as well as the cloths to be exported to Lisbon. She merely thrived on as one of the many local ports with whom she traded.

Yet, the vision of older networks and linkages were still in air. Hence, there were occasional attempts at reviving the commanding position of Goa making it the focal point of trading Empire. But practical compulsions led to a direction otherwise.

## Chapter 4

GOA : THE PEOPLE WHO TRADEDAn Overview

Goa being essentially a port town with long and short distance trade connections with the Indian Ocean ports as well as with Portugal, a large section of the people who lived in Goa were involved in commercial activities. In fact, after 1510, when the Portuguese chose Goa as the capital of their maritime empire of the Indian Ocean, it became a business centre with merchants and money changers of all castes and creeds gathered in the town out of their own business interests. The local trading community retained a position of special importance among them as the Portuguese administrators with all their claims of monopoly over the Indian Ocean trade remained dependent on them for the supply of pepper from the production areas, in the southern hinterlands. The new administrators maintained their merchant agents in all of their factories, first to contact their cultivators and then to exchange the pepper with rice, cloth or cash.[1] This dependence of the Portuguese government on the local business community being a necessity born out of their lack of local connections as also of their chronic shortage of manpower, went down through the centuries.

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1. For details of the organisation of trade in the early period, passim, K.S.Mathew, Portuguese Trade with India in the Sixteenth Century, New Delhi, 1983.

The majority of these merchants, on whom the Portuguese depended, were indigenous Hindu merchants. Many of them even came from the fold of the Saraswat Brahmins.[2] This predominance of the Hindus in the Goan economy, specially despite a drive for conversion into Christianity on part of the Portuguese administrators has been a matter of particular interest among the historians. M.N.Pearson argued that the discriminatory legislation of the Portuguese failed to curb the preponderance of the local Hindu business communities to withstand the oppressive legislation.[3] T.R. de Souza, on the other hand, basically disagrees with the contention and points out that, the Portuguese had, in fact, succeeded in reducing the Hindus to a minority. If they, inspite of this, managed to maintain their dominance, it was due to their widespread connection with the hinterland that gave them an edge over the Portuguese government.[4]

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2. The Saraswat Brahmins were originally from the North. They had migrated to Goa and originalley settled in the province of Salcct, in several phases. Trade being a common profession among them, many of them moved out in course of time to other places in Karnataka, Kerala, Sonda, Bijapur and Bombay, for trade. Large scale migration had taken place during 1541-61 and particularly at the time of the Inquisition in Goa in 1560. As the titles indicate, most of the important merchants of Goa during the period under review were Saraswat Brahmins. For a social and economic history of the Saraswats as a community, see V.N.Kudva, History of the Dakshinatya Saraswats, Madras, 1978.
3. M.N.Pearson, 'Indigenous Dominance in a Colonial Economy, The Goa Rendas, 1600-1670' Mare Luso Indicum,II,Paris,1974,pp62-73.
4. T.R,de Souza, 'Glimpses of Hindu Dominance of Goan Economy in the 17th century', Indica, vol.12, No.1, March 1975,pp.27-35.

'Their contact with their business partners on the mainland made it possible for the Hindus to run profitably whatever business they were involved in. Besides, most of the Hindus running business in Goa or acting as state revenue farmers had their household belongings and capital on the mainland, safe against the vagaries of the Portuguese administrators who often exploited all possible sources, particularly the purses of the businessmen to raise funds for their own expenses. This in fact, encouraged the Hindus to risk large investments (much of the money was borrowed on the spot) which is a must for any promising business.'[5]

Their Christian counterparts were deprived of this advantage as any connection with the neighbouring lands was regarded contrary to their new faith.

As the commercial importance of the port of Goa had already waned in the 18th century with connection with Lisbon restricted to a very few ships plying between Lisbon and Goa and the country trade confined to the handful of ports along the coast, the scope of trade to be carried on by the merchants of the port had also become very narrow. Even the Goa Governor pointed out in 1750 that the 'poor' merchants, who, by now, had only such a limited scope of trade, looked forward to the arrival of the annual ships in accordance to which they geared up their activities.[6]

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5. Ibid., pp. 32-33.

6. AHU, India Maço 126, Doc.82, 30.12.1778.

The series of regulations, had, to some extent, boosted trade passing through the port of Goa, though their actual quantity and the impact on the trading community is difficult to ascertain.[7]

In fact, the impression that we gather from the documents is that there was a conglomeration of small traders carrying on their trade at various levels. There were no doubt a few big merchant families but we have no means to measure their opulence. However, even among them, the fortunes of a couple of such families declined rapidly, not always due to reasons related to trade. The house of Roula Camotim for example, used to maintain trade relations with various ports under the Portuguese control and had once given huge loan to the Jesuits of China. Yet, they suffered a setback after the earthquake of Lisbon that destroyed their big consignment of cargo worth 96,000 xeraffins. The house of the Corondos, another rich merchant family also lost their opulence due to family dissension after the death of the head of their family.[8] Regarding trade, on one hand, there was local trade of agricultural products exchanged with the nearby ports along the coast, on the other hand, their business with Lisbon. Keeping in tune with with Goa's lack of specialisation in any industry, the traders, in their transaction with Lisbon despatched all the articles they could lay their hands on. Even though cotton cloths was the main item exported in bulk, they also collected and despatched pepper, cinnamon, incense, saltpetre etc. Some random examples from the

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7. For details see Chapter III, Goa, :Its Lisbon Connection.

8. Ibid, Maço 1, cover reference, 1770, March 3. According to Prof. Ashin Das Gupta, dispersal of accumulated fortune due to disputes within the family was a common trend among the merchants everywhere. This happened among the Parak of Surat and Prof. N.K. Sinha has also given several examples from early 19th century Calcutta High Court records. Ashin Das Gupta, 'Indian Merchants in the Age of Partnership', in Dwijendra Tripathi ed. Business Communities of India, New Delhi, 1984, p.34.

invoice of the ship São Jose will illustrate the matter.

Among the traders who had share in the cargo of the ship were Vitogy Naique and Company, Anta Krishna Sinai, Bula Govinda Naique, Narana Naique Tinurenkar, Bernardo Nugeira de Carvalho da Fonseca, Rama Chandra Naique and company, widow of Gopala Camotim and company, Bula Naique etc. Of them Vitogy Naique for example, sent seven bales of cloths, 19 boxes of cinnamon, 70 bales of the same and 25 bales of incense as consignment of Caetano Francis and João Andre Cambias. The articles were sent as per their orders. More bales and boxes of similar articles were despatched under different numbers and codes, either to the above mentioned business partners or to others. Some of these were purchased with the proceeds of the corals that their business partners had sent from Lisbon. Similar articles in similar packs were despatched by the other merchants as well.[9]

Because the scope of trade was limited from Goa, the local merchants, almost all of them Hindus (they are frequently referred to in the documents as gentios) tried to keep whatever trade there was under their exclusive control. Any attempt by any outsider to start business on his own was regarded by them as an intrusion into their monopoly, which they resisted. This is what happened to António de Souza in 1784.

Luis Barreto, his brother José Barreto and his cousins Antonio de Souza and Manoel de Souza were Portuguese businessmen settled in Calcutta doing private business with connections in Madras and other ports in the East Coast.

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9. For details see, AHU, India Maço 16A, document without any one specific date but of the year 1771-72. Similar list for 1784 is in Maço 115.

Manoel de Souza, aware of the wide scope of trade from Goa, little of which he thought was utilised, decided to set up a business house in Goa. His brother António planned to do the same first in Macao and later in East Africa.

Manoel's plan was to do business, independent of the Goan traders. With his connections in Bengal, Malabar and Coromandel, he could collect the goods and supply those at a lower price to the ships without depending on the local merchants. However, all these plans came to a naught due to the resistance put up by the Goan merchants. Manoel did not spell out the methods used by the Goans to harrass him but complained that they had tried to ruin his capital as well as his reputation. His experience brought home the realisation that it had been a folly to have attempted to start the business. The Hindu merchants had practically monopolised the business by fixing the prices and exercising a complete sway even over the ship officials who depended only on them for the transactions. While describing the nature of the monopoly exercised by them on the business, he explained how everything remained under the grip of these traders. 'Everything is handed over to the brokers who are linked to and dependent on the Hindu traders. Nothing is practised that is not directed by them..... it is the custom to disclose the common price of the articles that are loaded for Lisbon. In the same manner, the [price] of those that the ship transports to this port[Goa], particularly that of coral is also disclosed. However, these are manipulated by the Hindus. They receive the articles either through purchase or as consignment. They are also the ones to sell

or remit these articles that constitute the cargo of the ship. In the same manner, the free merchants who come by the ship as well as the ones who send their articles from Lisbon remain totally under the control of the Hindus who purchase and sell for them, at a price that the same Hindus want to control'. [10] These merchants, he thought, were the most mischievous and the most vigilant enemies of any new businessman in Goa. Finally, it was these people that he held responsible for the destruction of trade from the port. [11]

Despite the monopoly, the little volume of trade prompted the merchants to remain on the lookout for alternative channels of business. One such alternative was provided by the other Europeans, viz. the English and the French, who often employed these Goan merchants as their agents to procure the cloths for export. [12] Thus, Narba, Vencatexa, Vitogy and Seguna Camotims were functioning either as agents of the French or the English. The successor to a particular agent was generally recruited from the family itself. The posts were sometimes sanctioned by the Portuguese Government of Goa. Even though the Portuguese documents are understandably silent on this aspect of activity of the Goans, we come across the instance of Seguna Camotim who applied for recognition as the successor of his brother Vitogy as

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10. AHU, India Maço 35, Cover reference 1783-1786, 25.10.1784.

11. Ibid., Maço 35, cover reference 1783-86. The letters written by Antonio and Manoel de Souza are dated 25.3.1783, 25.10.1784, 12.12.1784, 20.3.1785.

12. Ibid., Maço 133, Doc.97, 18.4.1780, Undated document in Maço 85.

the agent of the English in Goa, which was eventually granted to him.[13]

Due to the limitations of the nature of the documents, there is hardly any elaboration on their functions in these capacities. The only exceptions are found when some confrontations broke out, as happened in the case of Manoel Antonio de Menezes and David Scott of Bombay.

Manoel used to function as the agent of David Scott of Bombay in Goa. After his death, it was discovered that he had disposed off the latter's stock of cotton piecegoods in the most irregular manner.

Of the whole stock, 24 bales were found with Anta Sinai who, again had sold them off and given the money to Menezes on credit. Menezes himself had mortgaged five bales to Antonio Caetano Colaço and Rama Chandra Porobo Sinai. Only 10 bales had remained unsold and Anta Sinai insisted on keeping these too. As per his statement, all the 24 bales were mortgaged to him. He even produced two documents to prove his claim. The letter showed, he argued, how he had authorised Menezes to take money on the silk for one Mr. Ribeiro, in case he needed it immediately. Menezes had also informed David Scott that he might have to borrow money on the silks and there were also documents showing how Anta Sinai had, in fact, lent him the money. What the documents point at is that Menezes, who was working as the agent of David Scott, was expected to sell the goods and remit the money to David Scott. In reality, he had embezzled the fund and kept David Scott in dark

about the sale of the 33 bales. The latter became aware of the entire situation only when Menezes died and Anta Sinai refused to return the bales to him claiming that these had already been sold to him.[14]

The private papers relating to the business transactions or family histories regarding these merchants are not available to us. Hence, surmises can only be made on the basis of gleanings from the Portuguese official documents. As a result, most of the windows into their private and family lives are nearly shut. Hence, the Goan merchants remain as 'obscure' to the present day studies as their counterparts in the other areas of the Indian Ocean.[15] They too preferred to remain 'faceless'— as Prof. K.N. Chaudhury described the merchants of the Indian Ocean in general. 'Neither their family history, nor even the history of the community was for sale.'[16]

#### The Merchants and the Government

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The sources of information mainly being the Portuguese official records, the picture that we get about them in general, centre round the problem of their relationship with the government.

The government depended on these merchants mainly for two purposes, a. for collection of their articles of export as well as

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14. AHU, India Maço 149, undated document probably written around 1785. There is a bunch of documents regarding the problem of around 1783-1785.
  15. K.N. Chaudhury Trade and Civilisation in the Indian Oceans. An Economic History From the Rise of Islam to 1750, Cambridge, 1985, p.100.
  16. Ibid.

the provisions of regular use and b. for collection of revenues, which, they themselves being unable to collect, the government had to farm out to the indigenous business community. The result was a curious relationship between the merchants and the government.

The government, though not happy with the role of importance enjoyed by the merchants in general, could not dispense with them due to a perennial shortage of manpower to run the administration effectively. As a consequence, they always suspected them of advancing their own economic gains at the cost of the Fazenda Real, which in fact, sometimes they did, as they felt themselves indispensable to the administration.

Paucity or fragmentary nature of data once again makes it difficult to elaborate all of these activities. However, they are sufficient to give the impression that these functions were not mutually exclusive, but they often overlapped, i.e. a single person was often found to be performing more than one role at a time. To be more explicit, the same person, who engaged in trade with Lisbon also acted as a supplier of provisions or a revenue farmer. To give an example, the family of Rama Camotim performed many such functions. He and his son Nagana Camotim, apart from doing business owned a grocery shop and held the renda of tobacco.[17] In fact, involvement in more than one related activities, it seems, provided these people with the financial strength to survive in their profession when the scope of trade was steadily shrinking from the port.

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17. AHU, India Maço 17, HAG,MR 131A, f1.212-17 and 124A, f1.94-95.

The Merchants as Supplier of Provisions to the Government

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A practice, common among the business community was that of maintaining stores and establishments. Among the documents, there are many applications on part of these people seeking permission either to start a store or to pay tax at a concessional rate on the income from such a store.[18]

These shop owners also supplied provisions to the government. In doing so, it was not unnatural for them to raise the prices and make some extra money out of the contracts. Some such cases like this came to light in 1768, when investigations were ordered into such irregularities. Some of these suppliers could also be identified.

As in trade, majority of these suppliers were merchants from Hindu community. From the documents we come across the names of Narsu Naique, Vitogy Camotim, Fondea Porobo Luando, Seguna Porobo Sinai, Sadasiva Sinai, Bula Naique, Poquea Sinai Dumo, Babula Naique, Chircolea Porobo, Hodobodus Guzerate, Hira Chanda Nacuda etc. Among the Christians were Martins Barreto, Aleixo Barreto, Caetano Luis Fernandes etc. Some of these suppliers were also wellknown as revenue farmers. Among them were Narsu Naique, Vitogy Camotim etc.

Of them all, charges of misappropriation of funds were brought against Pandu Sinai, Bula Naique and Caetano Luis Fernandes.

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18. There are several such applications in the volumes Requerimentos in HAG. Stray references are also scattered elsewhere, eg. in AHU, India Maço 1, cover reference 1778, February 2.

Pandu Sinai had supplied saltpetre of Balaghat, coconut oil, yellow and white wax, hemp, different types of wood and timber including that of teak, sesame oil, rice and wheat. The total amount paid to him for these articles was xeraffins 55357:2:31. 32685:0:15 had been paid for 152 candils of saltpetre alone. In October 1764, he was also asked to supply, among other items, rice, wheat, butter, beans, wine, vinegar, sweets and salt for consumption in the ship Nossa Senhora das Brotas and Sao Antonio e Brotas. The prices of these had not been put to question.[19]

Caetano Luis Fernandes had supplied saltpetre, magnet, paper, Persian carpets, sailcloths, some piecegoods, brimstone, sulphur, bullets of different sizes and specifications, small steel files and some more articles of war in addition to silk cloths. The total amount charged by him was 30820:2:35. [20]

Bula Naique had also supplied saltpetre of Balaghat, rice, beams, iron boards and many more mechanical items of various specifications. He had also supplied rice, sesame oil and coconut, cotton, wax, magnets, ropes of different qualities and paper. The total amount charged by him was the highest of all- 64741:4:5. [21]

In 1768 it was found out that the price of these articles, charged by these three was much higher than what it should have been. Detailed investigations and interrogations were carried on

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19. HAG, MR 141B, fls. 676-77v.

20. Ibid., fl. 678-78v.

21. Ibid., fls. 679-681v.

and prices of all the articles supplied by them compared to those supplied by others. In course of investigations it was also found out that Pandu Sinai, who was penniless previously, had become so established only after he had put himself into the business of supplying provisions to the government. He was now carrying on trade with various regions and even presented himself as a bidder for the renda of the Royal stores. He had offered 10,000 xeraffins for this. It was alleged that he had cheated the government to the extent of charging 170 xeraffins for a candil of saltpetre of Balaghat and 120 per candil of hemp for which he himself had paid 110 and 50 xeraffins respectively.[22]

In course of his interrogation, Pandu Sinai denied any charge of unfair means. His was a family of reputation and he himself a businessman by profession. It was true that he had raised the prices of saltpetre and some other articles, but that was because he had to pay the taxes. He also had to clean and process the articles, in course of which they lost weight. In any case, his profit was not more than what was reasonable and not higher than what many others also made from such contracts. Rather, he himself had incurred losses on many occasions. For example, the 80 candils of wheat that he had supplied to the hospital at the rate of 40 xeraffins was purchased by him for 60. [23]

Charges of corruption were denied by Caetano Luis Fernandes.

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22. Ibid., fls. 689-690.

23. Ibid., fls. 693-694.

We do not have the interrogation report of Bula Naique.[24]

Interestingly, the information that these three suppliers had embezzled the funds was given out by some small traders themselves. Names of Gopala Porobo of Ribander and Rama Camotim of Chorão were mentioned in this context. The report was translated and submitted by Fernando Xavier de Breu, who, however, tried to avoid involvement in the case at the time of investigation by saying that he was not sure that the information contained therein was true. Those two had brought him the report and assured him that those were the facts. He had merely believed them.[25]

From the incident, it may be inferred that there were fissures in the rank of the merchants itself. It is also highly probable that the reason behind the retraction by Fernando Xavier de Breu was the pressure exerted on him by the big merchants involved in the incident.

#### The Merchants as Holders of the Revenue Contracts

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Acting as the holders of the rendas or the government revenue contract was another function of the Goan business community that brought them into direct contact and sometimes confrontation with the government.

It was a very old government practice to farm out the revenues to the highest bidders. Once accepted, the bidder had to present someone as the security and deposit one tenth of the renda price in advance before he could start collecting the revenues as

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24. Ibid., fls. 695-696v.

25. Ibid., fl. 697-697v.

per the set of conditions laid down for each renda. The tendency in the composition of the renda holders that had set in during the 17th century has been discussed at length by M.N. Pearson. [26]

Pearson calculated that of the 355 names of the revenue holders which constituted 45.4% of the ideal total of the rendas during a span of 70 years from 1600-1670, 80% were Hindus, and the rest Christians. Regarding value, he points out that the value of the 327 rendas that are known for this period amounted to Rs.49,68,106. Of these again, rendas worth Rs.17,28,900 were held by Christians and Rs.32,39,206 by Hindus. The percentages are 34.8 and 62.5 respectively. Within the Hindu total, 69% by value were held by the Saraswats, who held 44.9% of the total value of all the rendas.

The share of the Christians were 34.8 and for other Hindus 20.3. The figures, he argues, points to the fact that the average value of a renda held by a Christian was higher than that of a Hindu.

While Pearson bases his conclusion on data covering a long period of 70 years, T.R.de Souza reaches a slightly different conclusion regarding the composition of the renda holders during the first decade of the 17th century. [27] At this time, de Souza points out, the total of the State rendas or non agricultural revenue amounted to 68,555 xeraffins per year on average. Of these, 62,815 or 91.7% were administered by the Hindus and the remaining by Christians. The tax farmers included 14 Hindus and

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26. M.N. Pearson, 'Baniyas and Brahmins' in Coastal Western India: Studies from the Portuguese Records, New Delhi, 1981, pp. 97-98.

27. T.R.de Souza, 'Glimpse of Hindu Dominance of Goan Economy in the 17th Century' p. 32.

two Christians. Though he does not compare the value of the rendas administered by the Hindus and the Christians, the highest investments, he points out, came from the Hindus. The reason given by de Souza is that, while the Portuguese themselves did not have the aptitude of revenue administration, the Christian converts came mainly from the poorer section of the society. Hence, it was for the affluent higher caste Hindus to monopolise the revenue administration.[28]

The major rendas of the 18th century which were more or less regularly farmed out were those of the customs of Goa, Bardes and Salcet, tobacco, in leaf and in dust, arrack in Bardes and in Salcet, wine for export, wood and timber, gold and silver, spices, salt etc. The toll taxes yielded by the passes of Naroa and Daugim, São Lourenço, São Thiago, and São Bras were also farmed out, in addition to many more of the dizimos or the tax of one tenth of the agricultural produce of the various villages. With exception to a few minor ones, eg. the dizimos of some of the villages, none of the major ones were held by the Christians. Moreover, the rendas were being taken as family profession by some Hindus. Some particular families only monopolised the major contracts from generation to generation.

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28. Some conversions into Christianity had taken place among the Saraswats too. V.N.Kudva has given a list of the Hindu ancestors of the Gaonkars of the Saraswat converts and the year of their conversion. Most of the conversions had taken place during the first half of the 17th century though some had taken place in the last quarter of the 16th century as well. History of the Dakshinatya Saraswats, pp.358-362.

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Even though the names of the holders are not always given, nor the relation among one another always spelt out, some important holders representing certain particular families clearly stand out in this period. This trend too was common in the 17th century.[29]

In our period, the Naiques, headed by Krishna Naique was one such important family. His son Santapa held the renda of the customs of Goa and grandson Sadasiva administered that of the Royal tobacco stores. Santapa's nephews, Vencu, Narsu and Rama Chandra too were important persons controlling the renda of the Goa customs at one time or another. Around 1779, Rama Chandra and Poquea were in charge of the Royal stores while Rama Chandra also controlled the renda of the arracks of Salcet.

A second family in the limelight was that of the Camotims. Gunea Camotim, rendeiro of the Goa customs in 1733 and described as the holder of many others including tobacco powder, was reported to be holding the renda for 11 years. In a document of 1751, it was mentioned that the renda of the customs of Bardes and Salcet were in the hands of Rama Camotim, who was reportedly one of the biggest rendeiros of the period. His father and even grand father had managed the rendas for nearly 90 years.[30]

Among the others, whose names are mentioned in the documents of the late 18th century were Narana Sinai Narlikar in

29. Ibid., p.31.

30. Names of the rendeiros and the relation among each other are mentioned in a scattered manner in the contemporary documents. See for example, AHU, India Maço 17 and document with cover reference ant.a. 1772. April 30, in Maço 43.

charges of salt in 1786 and tobacco. He administered the latter along with Seguna Sinai Narlikar in 1788. Roulo Sinai, holder of the renda of coleita in 1762 also held the renda of wood and timber.

Thus, contrary to the nature of trade at the lower level, where dispersion was the established mode of business, concentration of power of transactions in few individual families was the keyword in the administration of the rendas. These rendeiros, coming from eminent business families enjoyed a widespread network of connection, social status and economic strength as well, which they often utilized in their interest. This even bought them direct conflict with the Government from time to time. It was the governments dependence on rendeiros that made that particular group powerful. However, the government also resented the manner in which this group used this power against the fiscal interest of the state. The result was an inherent tension in the relation which often erupted in the face of a crisis.

One such crisis led to an estrangement of the relation between the government and the rendeiros as a group in 1768. This followed an enquiry into the acceptance of the receipts of the old debts by the government itself in lieu of the cash deposit of one tenth from the rendeiros. [31]

The debts, in spite of the many differences in their nature and origin were, in general, documents showing that the Fazenda Real had, in one time or another, borrowed money from various sources which it had failed to pay back. The loans were not always taken directly by the Fazenda Real. Sometimes they were also entered into the accounts of the factorss of the various Portuguese settlements

31. Details of the enquiry report in HAG, MR 141B, fls. 605-62, 6.2. 1768.

including that of Goa. The creditors were private individuals of different backgrounds as well as certain colleges and churches. In some cases, the debts originated from the failure on part of the government, to fulfill the commitment to pay stipends or aids to certain individuals or religious organisations.

The receipts of such debts were, in course of time, sold off by the actual creditors for a price lower than the actual value to the rendeiros. It now became the responsibility of the latter to make the government accept those receipts against the cash deposits to be made by them as part of the payment of the revenue contract and thus realise the debts that the Fazenda Real had failed to pay in cash.

The enquiry that was carried on in 1768 against the irregularities in accepting those receipts brought to light the widespread nature of this practice. Involved in it were the eminent rendeiros like Massana Sinai, Nagana Camotim, Narsu Naique, Dulba Sinai and Pondea Sinai.

From Massana Sinai alone were accepted 12 such documents, amounting nearly to 24,0,000 xeraffins. Most of the transactions, according to the enquiry report, were undue favours shown to the rendeiros. The justifications given for such allegation were many. In most cases, the receipts were transferred to the rendeiros either by the sons or the inheritors of the actual creditors. In cases of the religious congregations, the transfers were made by the attorneys representing the heads of these congregations or colleges. The transfers were termed 'extrajudicial' and illegal, as, in most cases they were accepted by the government officials

without verifying whether the persons transferring the receipts were bonafide inheritors or not. Some receipts were simply accepted without updating the accounts and showing the necessary care to check whether the claims were real or not. As a result of all this, many such debts had been paid which were not actual.

In reality, it was the shortage of cash faced by the Goa government since the 17th century that had necessitated taking of and inability to pay back such loans. On the other hand, government's lack of personnel to run the revenue contracts on its own had made it so dependent on the Goan rendeiros that it was left without an alternative to accepting their bids on their terms. Yet, it was once again the cash crunch that had led to the repeated instructions against the acceptance of such old claims. Order was issued by the Crown as early as 10.3.1608 to take great care before accepting such papers as part payments of the deposits. Henceforth, orders were issued repeatedly in 1610, 1611, 1660 etc. directing the Goa government not to entertain such claims.

The practice had become so common that in order to checklist them the Viceroy Marques de Castelo Novo had even issued an order to register those debts with the Fazenda Real, failing which those debts were no more to be recognised.[32]

In fact, many a transaction was declared illegal by the enquiry committee on the plea that they had not been properly registered with the Fazenda Real.

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32. The exact date of the order is difficult to ascertain. Marquês de Castelo Novo (D. Pedro Miguel de Almeida e Portugal) had governed Goa during 1744-1750.

The accusation of malpractice, true as they were in some cases, speak more of the inefficiency and helplessness of the government rather than the machinations on part of the rendeiros.

The vast range of documents regarding the old debts, point to the widespread network of connections that these Goan rendeiros exercised even among the Portuguese creditors of the Crown. It was comparatively easy for the merchants to collect such receipts of old debts from the sons of the Hindu creditors eg. those of Parranga Sinai, who had given some money to the government on loan.[33] But the other receipts referred to Portuguese ecclesiastics and secular persons coming from different levels of the society and from different parts of the colonies. These included the treasurers of various churches, the Bishops of Malacca, Peking[34] etc. the husbands of the ladies who never received the stipends from the government they were due to, before they got married.[35]

On the whole, it seems that it was the government that was at fault. The rendeiros merely took advantage of the situation in which they were helped by their close acquaintance with the fiscal world and availability of ready cash to pay off those old receipts.

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33. 10731:2:30 was involved in this transaction. The money was taken on loan from Parranga Porobo on 24.9.1737. Massana Sinai managed to collect the receipt from his sons Biquea Porobo and Venquea Porobo.
  34. Records of such transactions with churches and colleges are many and scattered all over the enquiry reports. See for example, HAG, MR 141B, fls. 611,614,615v,616v-17.
  35. Aids were due to Esmeralda Borges and Rita Borges. They were asked to collect it later from the Governor as per the decision of the Treasury Board of 14.2.1750. Later, their husbands António da Silva and José Alves handed over these orders to Massanea Sinai.

In the working of the renda also, these people could be quite vocal in the assertion and protection of their rights. They could even pose a challenge to the government by noncooperating with the latter if the government policies went against any of their interests. The government became helpless under such circumstances, as, in most cases it was caught in a dilemma of running the administration, advancing the financial interests of the state and facing the realities of shortage of manpower leading to their dependence on this Hindu business community.

This trend too had set in earlier in the preceeding century. This has been pointed out by T.R.de Souza who cited a couple of instances of 1630 and 1678 when the Viceroy failed in their attempts to curb the growing importance of the rendeiros. [36]

At least two major instances of such confrontations took place in our period under review.

The first instance that we come across in the 18th century took place in 1744 over the question of the renda of coleita which was a tax on the rice and foodstuff brought into Goa mainly from the ports of the South. [37]

As per the conditions of the renda, it was obligatory for the Goan traders enjoying the protection of the Royal armada to pay a certain amount of tax on the foodstuff they imported into Goa. The outsiders, who did not avail of the protection of the Goan government, were exempted from paying the tax.

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36. T.R.de Souza, 'Glimpses of Hindu Dominance of Goan Economy in the 17th century'.p.33.

37. AHU, India Maço 65, A bunch of documents, dated 23.3.1745, 15.12.1746, 9.12.1744, 11.12.1744.

As expected, the rule gave rise to several misuses, one of them being the evasion of taxes by the local traders. In order to do so, they not only smuggled their goods in through the forests but also entered into understanding with their counterparts of the south who brought in the provisions with money advanced to them. The necessary items were smuggled in by boats that looked different from those of Goa. The cargo used to be registered in the fake names of the outsiders.

With a view to check this misuse of the rule, the government equipped the rendeiro with the special right to interrogate the traders by making them take oaths in terms of the heads of their wives and children before stating whether the cargo belonged to them or to the outsiders.

The custom of swearing was an old one, in accordance with the general practice in the Goan customs office. Even the ecclesiastics were subjected to such oath taking before testifying that they were not getting any article brought in under fake names.

The renda of coleita was suddenly faced with a crisis when a certain Narsu Naique (it is not clearly stated whether he was the same as the rendeiro of the Goa customs, but in all probability, he was.) imposed an embargo on the practice through an order from the government itself that henceforth, the rendeiro himself would have to take a similar oath in the name of his wife and children.

This new condition totally jeopardised the renda itself as the rendeiro of coleita refused to do so. He considered this as highly ignominious for the Goan Hindus. Moreover, apprehensive that he would be asked to do the same, the rendeiro expressed reluctance to

force the traders to take any such oath. In fact, he even offered to give up the contract altogether, when still one more year remained of his term. To make the matter worse he began to grudge the government's failure to support him with regard to two more conditions of his contract. First, the government had failed to provide him with the watchboats for patrolling and secondly, they had given permission to the traders and certain other individuals to unload their rice whenever they wanted.

This placed the Goa Senate, that controlled this renda in an embarrassing situation. The new condition relating to oath taking put off all the possible bidders none of whom was ready to subject himself to this new condition and if they did, it was for a very low price.

The rendeiro was finally persuaded over to remain in office but only after his demand for a lowering of the price was accepted by the Senate. He would now pay only 10,000 xeraffins per annum, and 30,000 for a full term of three years. The original price being 137 00 per year, this meant a loss of 3700 xeraffins per year.

The Senate, unable to solve the problem by itself, referred the case to the Court in Lisbon. In response, the King advised them to consider the pros and cons of the extension of the tax to the outsiders as well.

The Senate approved of the suggestion. In support of the directive, it pointed out that, it would, in no case, hamper the interests of the Goans. The outsiders were equally responsible for this state of affairs. They not only acted in connivance with the

Goan traders by helping them to bring in the articles in the fake names but they themselves took passes from the 'pirates' and avoided being escorted by the Portuguese warships, for which they were expected to pay taxes. In Goa itself, they sold their provisions either at a price fixed by the Senate or at the one prevailing at that time in the market. Hence, it was the common people who suffered by bearing the inherent burden of tax. Moreover, the Goan traders themselves did not get any such privilege either in Bombay or in the ports of the South from where these traders came. Hence, the Senate saw nothing wrong in an extension of the tax to the outsiders as well.

The second case in example was the renda of tobacco which created a more serious problem in the mid 18th century.[38]

This contract, from its very inception was dominated by the Hindus. Though in 1690 and in 1693 the contract was taken by Antonio da Miranda, Fransisco da Costa and Salvador da Pereira, we also get the names of Hindus like Massena Sinai, Vitogi Sinai and Krishna Naique. Occasional use of terms like Bragmane (Brahmin) and Gãonkar (Village chief) to qualify the Christians indicate that some of them were Hindu converts.

Hindu contract holders became more numerous over the years. In 1732 for example, it was Rama Sinai who held the combined contract for Goa, Bardes and Salcet for two consecutive terms upto 1737. After this, it passed on to Gunea Camotim. In a later document of 1783 the Governor complained that this contract, like

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38. For details, see, Karubaki Datta, 'Portugal's Experiment with Brazilian Tobacco in India in the Eighteenth Century' pp.95-111.

many others, was totally controlled by Hindu traders of Goa, particularly by some specific families who virtually monopolised the deal.[39]

The price of the contract began to fall from the mid 18th century onwards. The Governor explained it as a result of the deliberate 'death blow' given by the Hindus only. There was no 'human force' he commented, that could raise the price in this situation. In all the correspondence of the period between Goa and the Lisbon Governments regarding the problem is expressed the former's distrust and hostility towards the Hindu contract holders. The Governor also explained the various means they were pursuing their personal interests at the cost of the state exchequer.[40]

39. HAG, MR 164B, fls. 1710, 9.4.1783. Complaints regarding their monopoly was also mooted earlier. In 1776 for example, the Secretary of State in Lisbon, while describing the nature of the problem that set in from 1750 onwards, pointed out that the Hindus were and are the only contract holders of the said contract. MR 157B fls. 651, 18.4.1776.

40. One of those 'means' was the payment of the prices in paper of old debts. The Governor, in his report to the Secretary of State pointed out that this was particularly true of the advance deposits of one tenth. Some of them even deposited the one quarter in those papers. This, though not the usual practice, was permitted as a special grace. The Council itself had passed a decree in favour of Massana Sinai and another in 1764 favouring Nagana Camotim. Even Vencu Sinai and Lakshmana Sinai, the previous rendeiros were reported to have paid their deposits in paper only. A detailed account of the problems faced by the government, in relation to this renda is given by the Goa Governor to the Lisbon authority in HAG, MR 151, fls. 166-174v. The nature of the crisis and malpractices of the rendeiros were repeated again, by the Secretary of State himself in MR 168, fls. 651-658. The same document is reproduced again in MR 158C, fls. 908-918 and MR 168, fls. 1069-1077. The purpose of these repetitions was to acquaint the new Governors with the problem as it was. The repeated reproductions of the story point to the seriousness with which the government took upon itself the challenge to control the rendeiros.

In fact, the monopoly of tobacco in 1776 was introduced with the very aim of curbing the machinations of the Hindu contract holders.[41] The economic advantages accruing from the reform would be an added advantage. Yet, the government's failure to supply good quality tobacco regularly worsened its position.[42] As a result of irregular supply from Brazil, the government was left with no other alternative but to solve the crisis locally with the help of the local merchants who were asked to secure the provisions from the ports of the south. This, though contrary to the initial spirit of the regulation, was given a semblance of regularity as permission was obtained from the Secretary of State himself for procuring tobacco from the south, in case of late arrival of the ship due to some unavoidable reason. What was allowed under special circumstances, became a routine affair.

41. Monopoly was imposed through a declaration of the Crown dated 18.4.1776. HAG, MR 157B, fls.651-658, MR 158C, fls.908-918 and 168D, fls. 1069-1077.
42. As early as 1783 the ship came late with Brazilian tobacco. Henceforth the Goa Governor's complaints to the Secretary of State about this late arrival increased in frequency and became a regular annual feature from 1790 onwards. Recurring complaints regarding the quality appeared as early as 1781 when the entire bulk of useless tobacco had to be burnt down. The inspection reports of 1782 also testified to this fact. The Governor complained that in Bahia the merchants were adulterating good tobacco with bad. The same accusations were repeated in 1783 and 1784 as well. HAG, MR 174B, fl.562, MR 163B, fl.184 and MR 164, fls. 1062-1069.
43. In 1783 tobacco was ordered twice from the south in the same year. This became a regular feature from 1790 onwards. The difficulty reached an extreme point when, due to an outbreak of war in 1790 it could not be secured from the south. This was unavailable at Surat also, where rainfall was scanty that year. In 1791 it was ordered not only from Surat but from Bengal as well. HAG, Assentos da Junta da Fazenda, pp.245,262,271, 7.5.1791,21.2.1794, 3.10.1795. For details of the various problems arising out of this, Ibid,p.245,5.7.1791.

As a result of all this, the relation between the government and the contract holders further worsened. The latter always complained about the insufficient quantity and inferior quality of provision they received from the government. The petitions of Rama Chandra Naique during 1790-91 and Mucundo Sinai Moleo in 1795 point to problems.[44]

The government was faced with a dilemma. It could neither dispense with the assistance of the contract holders nor curb the clandestine trade nor could it altogether ignore the terms of the monopoly. Rather it had to face the wrath of the Lisbon Government, which, unable to comprehend the reality, pointed out that the standard of inspection was being enforced only now in order to compare it unfavourably with the Brazilian tobacco. The contract holders were interested in their personal gains which they hoped to achieve by dislodging Brazilian tobacco from Goa. A connivance between the Goa government and the local business community was also hinted at.[45]

These two examples of the rendas of coleita and tobacco point to the importance the rendeiros enjoyed in the system. Their protests and insistence even forced the government to change the taxes and the mode of administration of the rendas

The first instance point out how the renda holder's refusal to comply with any particular condition of the renda could jeopardise its entire administration and force the government to change its fiscal policy. Economic interests predominated the

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44. HAG, MR 174B, fls. 568-570.

45. Ibid., fl. 563.

relationship between the government and the rendeiros. In this case, oath taking was used merely as a pretext to serve the interest of either Narsu Naique or the state government. The proposal of the oath taking came from Narsu Naique himself, who belonged to the same community as the rendeiro. Being so, he could not but be aware of the sanctity of such an oath, which was considered more sacred than any written contract. Clearly, the alien government could not have thought of imposing such a condition on the rendeiros without the advice of the members of the same community. What is not clear from the document is that why did Narsu Naique insist on the introduction of such a humiliating condition. Was it just a roundabout way of getting the policy changed ? Did the irregularities on part of the rendeiro of coleita clash with his interests as the holder of the renda of Goa customs ? If so, in what way ? These are the questions that the documents leave unanswered.

The issue, however, brought to light the social customs and the set of values held sacred by the community. The 'faceless' traders with all their fiscal interests and clandestine modes of profit making, remained a part of the community from which they came and could not rise above the dictates of the moral values upheld by the community.

The second case is a long drawn and complicated one. The government, by declaring monopoly on the Brazilian tobacco in India took upon itself a responsibility which it failed to carry out. In the whole process, it was the helplessness of the Goa government that became prominent. It was caught in the dilemma of

fulfilling the orders of the Crown, of running the administration efficiently and advancing the financial interests of the state on the one hand and the realities of shortage of supply and lack of uniformity of quality on the other. Even the Lisbon Government unable to realise the problems, suspected the Goa governor of conniving with the Indians and neglecting the greater interests of the state. This growing distrust of the Goa Government by the Lisbon authorities was another dimension to the entire problem which emerged out of the experiment. The whole experiment was initiated with a view to curbing the importance of the renda holders, yet, it ended up by bringing out the weakness of the government itself and the indispensibility of the Hindu renda holders to the smooth administration of the renda.

#### Conclusion

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The nature of relationship between the Europeans and the Asian traders has been the subject of many discussions among historians. In 1969, Prof. Holden Furber used the term partnership to denote the relation, which, he held, was characterised more by mutual respect than by hostility and assertion of power.[46]

The concept of partnership was later elaborated by Prof. Ashin Das Gupta. By partnership, he did not mean an absence of competition but an atmosphere of freedom in which both the groups traded according to the existing customs without twisting the rules of trade in favour of any particular group. The system continued till the late 18th century, when the British private

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46. Holden Furber, 'Asia and West as Partners before Empire and After', Journal of Asian Studies, volume XXVIII(4), 1969, pp. 711-21.

traders, many of them top officials themselves, began to control the trade from the ports under their rule in order to serve their commercial interests alone. This coincided with the period of Asian weakness in the sea caused by some other reasons. This was contrary to the Mughal system where the Mughal officials delegated their trading business to their agents who, being traders themselves, did not go against the local trading customs.[47]

Prof. Das Gupta picks up the illustrations of freedom enjoyed by the merchants from the ports under the Mughal control. In doing so, he ignores the element of dominance brought in by the Portuguese in the 16th century which they tried to enforce through the issue of passes.[48]

The lacuna in Prof. Das Gupta's theoretical formulation has been filled up by Dr. Sanjay Subramanyam in his study of the political economy of trade in Southern India.

He cites many examples of the use of violence by the Portuguese as well as the resistance offered to the system by the many independent merchant groups as in the case of the Chatims of Basrur. In Coromandel too, the individual Portuguese had shown a remarkable degree of belligerence even in the unfortified settlements, for example in São Tomé of Meliapore. A reexamination of the European sources reveals to him a picture of a 'world permeated in its language and images as indeed in its actions by violence.' What distinguished this period was the extent to which

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47. Ashin Das Gupta, 'Indian Merchants in the Age of Partnership', pp. 28-29.

48. Ashin Das Gupta himself somewhat modified his stand in 1987 when he stated that this partnership was not an unreserved human acceptance of each other, but a structure of trade and politics in which everybody functioned. Ashin Das Gupta and M.N. Pearson ed. India and the Indian Ocean 1500-1800, pp. 131-132.

this conflict and potential for violence remained bounded. The age, therefore to him, rather than an age of partnership, in reality an age of 'contained conflict.' [49]

None of these two characteristics are wholly applicable to Goa. The concept of partnership was greatly tainted in Goa, where the Portuguese racially discriminated against the Indians. [50] In trading practices also, element of coercion on one side and element of suspicion and distrust on the other were clearly visible.

The Mughal spirit of freedom existing in the other parts of the West coast was never operative in Goa which was directly ruled by the Portuguese Crown, claiming supremacy over the Indian Ocean. The Portuguese failed to back up their claims by arms of power in the other regions eg. in Gujarat, but it survived, even if notionally, in the parts directly under their administration. All the instructions regarding trade from the Portuguese Estado were aimed at serving the imperial interests alone. Moreover, in the late 18th century, the problem here was not merely one of fitting in or not into the existing trading structure, but one of day to day functions including collection of revenues when the scope of trade itself had narrowed down.

The only scope of trade open to the merchants was exports to Lisbon by Portuguese ships, the supply of provisions to the

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49. In course of elaborating and illustrating the notion of violence Sanjay Subramanyam also explains the Dutch and English experience in South West Asia as well as intra European conflict in 17th century. (pp. 269-297.) We have only cited the examples from his discussion of the Portuguese role. (pp. 254-268.) The Political Economy of Commerce, Southern India 1500-1650, Cambridge, 1990.

50. This is pointed out elaborately by Prof. C.R.Boxer, who does not agree with Furber's notion of 'partnership', see, Portuguese Seaborne Empire, passim.

government and holding of the rendas. The government, in its turn, was forced by lack of personnel, to depend on these people for revenue administration. The relationship therefore can be described as one of mutual dependence within the notion of dominance.

Even though born out of necessity on both sides, it lacked the element of 'good faith' which is the basis of partnership. Rather, the relation had become full of tension and distrust. These cropped up on the slightest pretext and could assume different forms. The reasons of such conflict could either be the falling prices of the renda as happened in the case of tobacco, or the mode of payment as in the issue centring round the old debts. It could even erupt on the slight and apparently trivial issues like oath taking as in the case of the renda of coleita. Actually, these issues merely redefined the arena in which the merchants were to operate. The government's distrust on these people intensified, yet, none of the parties was in a position to bring the relationship to an end. Violent resistance to the system like those offered by the independent merchant groups outside the directly ruled Portuguese territories had to be ruled out in Goa of the late 18th century. The mutual dependence was to continue, however uneasy and burdensome it might have become. The pressures of compulsions were so strong that complete divorce was not feasible.

Chapter 5

GOA : EXPERIMENT WITH AGRICULTURE AND INDUSTRY

In the mid 18th century, when Portugal had been passing through the phase of economic reforms and industrialisation initiated by Marques de Pombal, the enthusiasm to improve the indigenous economic condition was transmitted to the colonies as well. Just as the Governor of Angola tried to bring about certain economic reforms in the colony and the companies of trade tried to stimulate the economic activities and expand settlements in Cape Verdes, São Tomé and Príncipe, Goa itself, under the administration of a few enthusiastic governors, shook off its inertia and tried to bring about some improvements in the internal economy through expansion of agriculture and establishment of a couple of factories.

The efforts, however like some more of the past, failed before long and brought out, in the process, the hopelessness of the situation and exposed the weakness of the government.

In this chapter, we have given a short description of the experiments.

Agriculture

A standing problem faced by Goa was its shortage of foodgrains that kept it perpetually dependent on the ports of the South, thereby draining the money out of the state. D. Jose Pedro da Camara after becoming the Governor, felt that despite the existence of vast stretches of fallow land, the income from the dizimos [1] was shrinking. This indicated a decline in agriculture.

1. Tax of 1/10 on agricultural produce which used to be farmed out.

This was accompanied by a corresponding increase in the number of beggars.[2] Out of an enthusiasm to ameliorate the condition, he began to collect information regarding the probable crops that could be grown in Goa as well as the hindrances to the expansion of agriculture.

The reports indicated that the basic problem in Goa was not so much the sterility of the soil but the indolence of the people who were not interested in producing more than what they needed for their personal consumption. Even the rice fields, capable of yielding two harvests, were utilised only once. [3] He was further convinced that the soil was suitable, not only for rice but for black pepper, cotton, cardamom and coffee as well as these were the crops that could be grown in a short period of time. If cultivated on a larger scale, these could even be traded with.[4]

It is interesting to note here that in a later document of 1802, the same people of Goa were described as being extremely hardworking. In a detailed description, it has been explained how hard the people worked to irrigate the fields. Even the Brahmins and the other higher caste people worked hard. However, the fields being close to the seas, the soil was salty and lacked the water for irrigation. The people also preferred to plant coconut instead of rice out of two practical considerations. First, contrary to rice that gave only one harvest, there were four for coconuts. In addition, there was the widespread practice of making fenim or alcoholic drinks from coconut trees at least thrice a year.

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2. HAG,MR 157B, fls.412-12V.

3. Ibid., The actual problems of cultivating these on large scale in Goa are explained in BNL,Reflecoes., Paragraphs 157-58.

4. HAG,MR 157B, fls. 412-12V.

Secondly, as against the low price fetched by rice, coconut was sold at a very high price, because it was widely used in the preparation of 'curry', as well as for making oil and copra.

Both oil and copra were exported to Balaghat. As a result of all this, the common tendency on part of the people was then to convert their rice fields to coconut plantations. [5]

The first task undertaken by the governor in the direction towards the extension of agriculture was to convince the people about the benefits that would accrue from their cultivation. The duty was entrusted to Gustavo Alolpho Hercules, the Inspector General of Agriculture. He was to be assisted by Simão Rodrigues Morreira, Registrar of the Junta da Fazenda (Treasury Board.)

A series of orders was issued in the name of the then Governor José Pedro da Camara and directed to the village communities. These related to the steps that should be taken for preservation of the crops, extension of cultivation in general and cultivation of some new crops. To give some examples, the villagers were asked to plant cotton trees and mandioca in increased numbers and instructed to take prompt measures in case of an outbreak of fire. In case the plantations were affected by fire, the person held responsible for this was to be severely punished and subjected to payment of heavy compensation to the community as well as to the individuals whose property was thus destroyed.

People owning cattle were also instructed to confine them to their respective pastures and prevent them from entering the seed stores in the fields. [6]

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5. BNL, Reflexões, Paragraphs 142-150.

6. AHU, India Maço. 126, Doc. 91, cover reference 1776, September 20.

The Lisbon authorities advised the Governor to attach primary importance to the cultivation of rice for internal consumption. Encouragement was also to be extended to cotton, not only for export to Europe, but, as a source of raw materials to the newly established factories in Goa. The Governor took the appropriate steps to execute the Crown's directives, but, in addition to rice and cotton, he also propagated the cultivation of mandioca, the flour from which could be utilised for making bread and substitute rice, which was for ever in shortage.

Finally, the government also took steps to plant trees, the timber from which would be appropriate for ship building. Encouragement was also extended to coffee and blackpepper. [7] The greatest obstacle to the implementation of the plans, according to the Governor, was to gear up the 'reluctant' people to this end.

They even made complaints to the Governor, regarding the inconveniences, caused to them by the new measures. Four more officials were appointed to supervise the progress of agriculture and help the people overcome their problems. The Governor even decided <sup>to</sup> set up a Board with himself as the President.

The Secretary of State in Lisbon, the Inspector of Agriculture and three actual cultivators from the three provinces of Goa, Bardes and Salcet were to be the other members of the suggested Board. [8]

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7. Ibid., Maço 131, Doc. 90, 31.1.1780.

8. HAG, MR 168D, fls. 1246-46V. The letter was originally written on 5.4.1783. It was repeated in 1785 in order to acquaint the new Governor with the Crown's policies.

The Crown in Lisbon approved all the measures excepting the formation of the Board, as it was pointed out, such Boards hardly yielded any positive result. Rather, they only delayed the entire procedure. [9]

In accordance with the King's wishes, the Board, that had already been set up, was finally dissolved in 1785. [10]

The repeated instructions from the Crown harped on the necessity of winning the people over through their Gãonkars. [11] Those who directly or indirectly opposed the plan were to be severely punished. [12] Accordingly, contact was established with the important Gãonkars. We also have the evidence of a certain Jose Xavier Lobo who acted as the representative of the village communities of Bardes and conveyed their grievances to the Governor. The Gãonkars of the village Juva and Santa Estevão were congratulated in the name of the Crown for their achievement in planting trees in 1785, [13],

Simultaneously began the practice of preparing annual achievement charts showing the numbers of newly planted saplings, the total yield of grains and number of timber trees in the villages. The progress was initially considered encouraging. That there was indeed an increase in the production of rice during the Governorship of Fransisco da Cunha e Menezes was pointed out in 1802 as well. More than 30,000 fardos

9. Ibid.,

10. AHU, Maço 147. Doc. 8, 4.2.1785.

11. Village chiefs. Usually they were the descendants of the first cultivators and thereby enjoying certain privileges in harvestings.

12. AHU, India Maço 147. Doc. 8, 4.2.1785.

13. Ibid.

were reported to have been produced. It also fetched a high price during the year 1790 as a result of the relative drought in the North and the outbreak of the war between the English and Tipu Sultan in the South.

This high profit led to an extension of rice fields into the lands which had remained fallow till then. To sustain the rate of increased production it was necessary to fill up the huge pits along the river banks that had been caused by digging of the soil for construction purpose. The Governor, with this objective in view, ordered a batelão and six chatas from Daman. These, it was expected, would patrol the riversides and also fill up those pits with earth. Yet, when they arrived in 1794 they were farmed out. This not only put an end to these plans but the Camara Geral (Municipality) also suffered a loss of 20,000 xeraffins, the amount it had spent for the purchase of those. [14]

The charge of agriculture was finally handed over to Simão Rodrigues Morreira, who became all in all in the project after the inspector Gustavo Adolpho Hercules returned to Lisbon.

Yet, it was due to Simão Rodrigues' insincere and undependable character that the whole project came to a halt. The realisation that all the facts regarding the number of trees as collected by him were fabricated brought all the initiative and enthusiasm regarding the project to a halt. The first suspicion about the authenticity of the charts prepared by him was given vent by a certain Jose Joaquim de Sequeira Megalhães e Lanços in 1789 [15] He pointed out more than one inconsistencies in the charts prepared by Simão Rodrigues.

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14. BNL, Reflexões, Paragraph 160.

15. AHU, India Maço 158, Cover reference 1789.

In his calculation, the number of newly planted fruit bearing trees was clearly exaggerated because the stretches of land, where they were said to have been planted were not totally barren but partially cultivated. Simão Rodrigues, he felt, had inflated the numbers in order to show how efficient he was. Jose Joaquim suggested a reshuffling of and improvement in the administration itself and if possible, the replacement of Simão Rodrigues. The Governor himself expressed the same anguish against Simão Rodrigues when, he too, realised that the numbers were made up. According to the chart, the number of trees for timber was as high as 1,10,462 but it could not be substantiated detailed specifications for the Inspector General of Navy so that the latter could identify and utilise those in the hour of need. The Governor lost trust in Simão Rodrigues and expressed his disgust in unequivocal terms in his correspondence with Secretary of State on 10.3.1793. [16]

The documents on agriculture thin out after this. the annual charts prepared as a matter of routine can not be accepted on their face value any longer.

#### Cotton Factory

More or less at the same time when experiment with agriculture was going on, some cotton weaving centres were set up in Goa in order to produce those varieties of textiles which were then in demand in Africa and Europe.

However, unlike agriculture, this was not the first experiment with cotton factory.

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16. Ibid. Maço 165, Doc. 36.

The first such 'factory' was established in Betim in 1752 during the governorship of Count of Ega. At that time the Crown had sent suggestions to found some such factories to produce white and printed cotton piecegoods. Since Goa lacked any training in such specialised jobs, some local people, the King suggested, could be brought in from Diu to give a training in the craft. The response to the offer of taking training turned out to be very poor, there being only six men and boys showing any interest in it. This too was at the instigation of the Parish priest of the island of Sao Estevão who took a personal interest in the scheme.

The factory, when founded, was put into the charge of Rama Chandra Camotim. He, as its administrator was assisted in the task by his uncle and three brothers. [17]

The whole effort turned out to be an unfruitful exercise. In the absence of details regarding its functioning, all we know is that it had produced coarse cotton piecegoods like those in demand in Angola. Few silk pieces were also made in imitation of those of Bengal and Coromandel. None of these yielded any profit to the factory. [18] The final setback was caused by an outbreak of epidemic in the area where the factory was located. This not only brought its working at a halt but even made the people believe that this would happen again to all the places where such factories would be set up. [19]

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17. HAG, MR, 138B f1.494.

18. Ibid., 135B, f1. 576.

19. BNL, Reflções, Paragraph 126.

20. Ibid., 138B, f1.483.

In an audit report of 1776, prepared by Fransisco da Silva Corte Real, the 'Director of the Factory', it was reported that not only was there no further scope of any expansion, it was already almost extinct. More than 56,000 xeraffins were spent and in view of the deplorable economic condition of the Estado it was of no use continuing with additional expenses. [20] The factory was finally closed down.

Even after this bitter experience, the Goa Government, under the Governor Guilherme de Souza, went ahead with the same plan for the second time, on a slightly larger scale.

The initiative came from two levels. First, there was a private initiative leading to the setting up of a small weaving centre at village Cumbarjua in 1782 [21] and later, the Governor himself became interested in the prospect and gave direct encouragement to the foundation of more such centres.

The private individual who began the factory at Cumbarjua was Simão Rodrigues Morreira. His factory began weaving cottons from 1783 and made a few pieces of teados and dimitins. Impressed by his initiative and 'Patriotism', the Governor appointed him the 'Inspector of Factories and Manufactures of Goa' with a salary of 2,000 xeraffins per year. Upon his request, the weaving centre was taken over by the Government to run it at the expense of the Fazenda Real (Royal Exchequer) in January 1785. [22]

20. Ibid., 138B, f1.483.

21. AHU, India Maço 148, undated, stray document, signed by Simão Rodrigues Morreira.

22. Ibid, Maço 147, 5.3.1785, HAG, MR 164F, f1.1569.

The King extended all the encouragement to the effort and granted exemption from payment of all kinds of customs duties to its products, not only when they were exported to Lisbon but also when they were to be reexported from there to elsewhere out of Portugal. [23]

Work began on a large scale with all relevant information collected regarding the organisation of the industry in Surat and Balaghat, price of yarn, wage rates etc.

Simão Rodrigues himself expected to produce enough in his factory so that the arsenal could be ensured of a regular supply of provisions. His second plan was to use the factory as a training centre for weavers who, after gaining the necessary expertise would start working in the private weaving centres to be set up all over the state.

Though the services of the weavers from Diu could not be dispensed with at this initial stage, the trainees of Cumbarjua, it was expected, would gradually replace them. With this objective in view, Simão Rodrigues began to purchase cotton, yarn and dyes. 500 spinning wheels were to be distributed.

A second centre was opened in the village of Mandur, in the house of the local Gãonkar. Four looms and six officers, along with some boys from Cumbarjua were sent there to work. Two more centres were being organised in the villages of Talaulim and Piedade. Cotton, wool and spinning wheels were being distributed among the village women who could provide the Royal factory with the needed supply and at the same time make some income of their own. [24]

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23. HAG, MR. 168D, fl. 1245.

24. AHU, India Maço 148, undated stray documents signed by Simão Rodrigues.

The samples of the products of Cumbarjua, when sent to Lisbon, received the approval of the Crown, even though, the Secretary, as early as 1788 pointed out that it was against the intention of the Crown to continue to bear the fiscal burden of the factory for a long time. Hence, his suggestion was the maximum diffusion of the industry in private establishments, preferably among the weavers who were being trained. [25]

Expressing agreement with the suggestion, the Viceroy undertook a new project in accordance with the guidelines laid down by the Secretary of State, of settling some weavers independently in some places where they could work as per the 'customs of Asia', i.e. not for a fixed salary but for a certain price for each piece of cloth

Three weavers were brought in from Diu and Balaghat along with their families. 44 looms were set up in the factory and three eminent local merchants were also persuaded to supply the yarns for 20 of those looms. The abandoned Jesuit House of Talegão was allotted to them near Panjim where the weaving centre was set up. In addition, a small centre was also set up in Ribander in Bardes, while plans were also made for two more such centres. [26]

The projects, however, were not destined to last long. The factory at Cumbarjua failed to make the desired expansion. As early as 1789, J.J.de Sequeira Megalhães and Lancos, who submitted a report to Martinho de Mello e Castro, the Secretary of State, pointed out that at the initiation of the factory, it was instructed to sell out the piecegoods after meeting the needs of the arsenal, yet, not a single piece had been sold till 1789.

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25. HAG, MR 170B, fls. 615-616v, 9.4.1788.

26. AHU, India Maço 159, Doc. 42, 12.3.1790.

The accounts of the factory, he pointed out, remained at the arbitration of Simão Rodrigues, who, he said, though efficient, was a sychophant and not to be relied upon. [27]

As in the case of agriculture in this experiment also, it was not long before Simão Rodrigues' undependable character became evident. When summoned by the Governor for a discussion regarding the establishment of the weaving centre at Talegão, he refused to turn up on the plea of sickness. After many summons, he sent a few pieces of samples from his factory which were very coarse. Later however, he sent some more of better quality but expensive in price. Then again he sent a few more which proved to be acceptable both in terms of quality and price. As to his opinion regarding the viability of establishing the centre in Talegão, he gave an evasive answer in a long letter explaining, at length, the benefits accruing from such factories in general, yet, adding in the conclusion that it was not possible to carry on such projects since cotton yarns were not available in Goa. The good quality samples, accompanying the letter were probably to dissuade the Governor from going ahead with his plan of founding another factory at Talegao that might turn out to be better than his at Cumbarjua. The Governor suspected his connivance with local merchants, who, he felt were against the project of making Goa self sufficient. Disgusted, the Governor finally ordered an investigation into the accounts of the establishment. [28]

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27. Ibid., Maço 158, 10.2.1789.

28. HAG, MR 170B, f1. 13.3.1789.

It was found to be totally disorganised and had to be sent to the General Accounts section of the Fezanda Real for a new estimate of the investments and expenses incurred so far in that said factory. The enquiry revealed that it had undergone the fate of the factory once established by Count of Ega. Disgusted, the Governor suggested its amalgamation with the factory at Talegão. [29]

The factory at Talegão, in opinion of the Governor, who had set it up of his personal interests, was running well for some time at least. However, since it was not a project of the Royal Exchequer the actual accounts are not available. He himself was highly optimistic in his correspondence about producing the cotton piecegoods in Goa at a cost and price competitive with those of Balaghat. This optimism was nurtured by a correspondence of his counterpart in Mozambique. The commerce of East Africa, the Governor of Mozambique pointed out, could be revived only if the Portuguese territories could produce the cotton piecegoods of the type of those of Cambay which were so much in demand in Africa. Six boxes of samples were immediately despatched to that captaincy - all from the factories of Talegão and Naroa since only after their sale in Mozambique could be formed an accurate idea about the prices and profits. A final decision could be taken regarding the policy in future only on the basis of this report [30]. Strangely, the documents are silent about what happened there of. The samples sent to Lisbon were appreciated.

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29. AHU, India Maço 159, Doc. 42, 3.3.90. Some accounts of investment and expenditure are available in HAG, MR 168D, fl. 1111, 169B, fl. 687, AHU, India Maço 153, Doc. 37, Maço 160, Doc. 51, Maço 167, Doc. 49

30. AHU, India Maço 159, Doc. 42, 3.3.90 and some stray documents of 1791 in Maço 160.

Despite his optimism, the Governor was faced with some grave problems. The merchants themselves, as he repeatedly mentioned, were not very enthusiastic about patronising the factory by placing their orders with it. They were accustomed to collect their articles either at a commission or in exchange of their other products. They continued to bear with it reluctantly only because the Governor himself was taking a personal interest in the project, rather than out of any profit motive of their own. In addition, there was the difficulty of keeping the prices of the finished products at par with the products of the neighbouring regions. Since Goa had to depend on the neighbouring ports even for the foodstuffs which were not produced in Goa itself, cost of living was higher than elsewhere. This, in its turn, led to a higher wage level. [31] Coupled with this was the problem of importing the primary materials like yarns from the cotton producing surroundings. An occasional draught and a consequent scarcity of both the raw materials and the foodstuffs either hindered the production itself or shot the price too high. [32]

Even the young boys who were being trained in the factory were found to be lacking in interest in the project. This happened because they came from diverse backgrounds and had no tradition of doing such works. Some of them, coming from fishermen's or rendeiros' families, utilised the earliest opportunities to run away to their parents. [33]

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31. Ibid., Maço 159. Doc. 42.3.3.90.

32. Ibid., Maço 117, 15.1.1792.

33. BNL. Reflexões, Paragraph 133.

The Crown on its turn, however, gave all the encouragement to the venture. The samples sent to Lisbon were appreciated, sold and the proceeds remitted to Goa. As in the case of Cumbarjua, the factory at Talegão also enjoyed the privilege of exemption from paying taxes when its raw materials were imported from outside and its products exported. The expansion of agriculture was encouraged in order to overcome the necessity of importing foodstuffs. The Secretary of State took every opportunity to explain the means to overcome the difficulties through management and even cited the case of Great Britain - a country that inspite of her dependence on the colonies for materials had succeeded in turning herself into an industrialised nation.[34]Government records and documents are silent about the progress and the financial condition of the factory of Talegão which was a private settlement.Nor do they tell us whether Cumbarjua was, in fact, amalgamated with it. But, documents, scanty though they are, give the impression that even Talegão did not take long to be extinct because in a document of 1793, we find the Governor lamenting the withdrawal<sup>a</sup> of the merchants from it. The factory, he said, would have been extinct by then, had its administrator Luis de Souza Machado not arranged the yarns to keep its looms operating As a result of his efforts, only an insignificant number of piecegoods could be produced there which had been ordered by a certain Hindu businessman. [35]

Since we do not find any indication of its survival during the consequent years, it may not be wrong to suppose that it was not long before the settlement was finally closed down.

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34.HAG,MR f1s,591-595v, 25.2.1792.

35.AHU,India Maço 165, 11.11.1793.

Rope Making Factory

José Sanchos de Britto, an officer of the navy, who had spent some time in Goa, became aware of the good quality hemp that could be cultivated in Goa. He himself had tried his hand at this and presented two bales of hemp cultivated by him in Goa to the Court in Lisbon. [36] Following some enquiries regarding the quality of the above mentioned hemp, its methods of cultivation plucking etc., the Court became convinced that benefits could accrue from its cultivation. After this, the Crown ordered that one master craftsman accompanied by one assistant and four more personnel be transported from Lisbon to Goa for the setting up of rope making factory from that hemp.[37]

The factory, as suggested by the Crown, was to be set up under the supervision of the master, Francisco José. The Junta da Fazenda (Treasury Board) was asked to render its assistance in all the positive ways and instructions were also remitted from Lisbon regarding its cultivation. The charge of this task was given to Gustavo Adolpho de Chermont so that he could be in a position to direct its proper cultivation. [38]

The products of the factory it was expected, would be supplied to the navy.

The plan, as elaborated by the Secretary of State, was accepted immediately by the Governor of Goa, who even expressed a hope that after meeting the needs of Goa, the surplus could indeed be exported to Lisbon.[39]

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36.HAG,MR 232m,f1.553.

37. Ibid.

38. Ibid.

39. Ibid., f1. 558.

Like the cotton factory of Cumbarjua, here also the objective was to impart training to some young boys, who in course of time would replace the master and his assistant.

Later, the charge was handed over to the same Simão Rodrigues Morreira who was the Inspector of Factories of Goa. He submitted a report about the state of affairs in the factory in 1786. [40]

In this, he pointed out in his usual flamboyant style that it was in a state of total confusion when he had taken it over. 72 persons had entered the factory for training while only about 30 to 50 had undergone the entire process and that too was in order to avoid serving as soldiers. He then went on to explain the benefits that could follow from it and also that the factory could indeed develop into a branch of profitable commerce.

He pointed out that it had already started making profits by selling its products to the ships that anchored at the port of Goa. The total amount made from that was 15,000 xeraffins and the credit he took upon himself. [41]

All the three experiments with agriculture, cotton and rope seem to have come to a halt around 1793, when the dishonest nature of Simão Rodrigues Morreira came into open.

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40. AHU, India Maço 64, 4.3.1786.

41. Some accounts relating to the investment, production and profits in the factory are available in AHU, India Maço 64, 4.3.1786, Maço 158, Doc. 37, 25.2.1788, Doc. 51, 31.3.1789 Maço 160, Doc. 30, 9.5.1790, Maço 165, Doc. 34, 9.3.1793 and HAG, MR 168D, fl. 1110. The profits made in the years 1785, 1786, 1787, 1788, 1790 and 1792 were xeraffins 32,819 : 1 : 54 1/4; 35,730 : 0; , 22 3/4; 31,866 : 2 : 29 1/4; 30,363 : 0 : 38 1/4; 30,868 : 3 : 19, 14,249 : 1 : 42 and 18,727 : 2 : 31 respectively. But given the nature of Simão Rodrigues, these figures are not to be taken on their face value.

Conclusion

In fact, in Goa, there were some basic hindrances on the way to the success of any such enterprise. There was no infrastructure - neither of a steady supply of raw materials, nor trained personnel. As it is, Goa did not have any tradition of either the production of any commercial crop or of running any factory. Even though a trading centre, it had always acted as an entrepot where spices and cotton textiles had been collected to be transported to Lisbon. There was hardly any one, as a consequence, who had any practical first hand experience in any of the projects undertaken by the Government. Though born out of good intention and lofty visions about Goa's potentials, the responsibilities of developing all the projects had to be entrusted to Simão Rodrigues who turned out to be undependable. In the document of 1802, he is repeatedly described as enterprising and active but vain and lacking either any training or previous experience in these trades. In absence of any other trained and experienced person to be relied upon, all the schemes had to be practically abandoned after incurring losses. Some progress, it seems, was made in the production of rice but in the absence of authentic figures, its actual extent can not be measured. The main hindrance to the success of these projects was the disinterestedness of the local people of Goa without whose participation, these projects, merely imposed from above by the Government were bound to remain unsuccessful. Even otherwise, the uncertainty of steady supply of raw materials and high wages caused by perennial shortage of foodgrains in Goa were the two other hindrances to which the Goa Government and the High Command in Lisbon did not have any solution.

The whole exercise merely brought to the fore the basic weaknesses in the Goan economy. The experiments with the three projects, initiated with so much enthusiasm and patronage from the Lisbon court, merely turned out to be a case of much ado without anything.

CONCLUSION :

The survival of some isolated pockets along the Indian Ocean littoral stretching from Mozambique in East Africa to Macao in the South China Sea was a reminder, that, even in the late 18th century, when the Portuguese had long ceased to be a dominant power, their presence in the waters of the Indian Ocean was not completely a matter of the past.

To the Portuguese Crown these settlements invoked the existence of the Portuguese Estado da India. Orders were still issued for the whole of the empire in the name of the King, who was the 'Lord over conquests, navigation and trade with Ethiopia, Arabia, Persia and India.'

The empire again, in the Crown's vision, was a part of the greater network of colonies comprising the islands in the Atlantic, the settlements in West Africa and Brazil in South America. Goa, despite her own meagre resources continued to serve the imperial interests in Brazil by supplying the cloths to be used by the slaves working in the mines and plantations thereof. However, the overall value of the total exports from the port remained rather insignificant in the early part of the 18th century.

Towards the last quarter of the century, the Crown began to take a renewed interest in the further possibilities of trade not only from Goa but from the other ports of India as well. The reason behind this was Portugal's economic compulsions at home.

The Crown's concern for India in this period was born out of its struggle to reverse the adverse balance of trade at home which resulted in a continuous outflow of gold coming from the mines of Brazil.

Series of orders were issued by the state to regulate the trade from India and then from Portugal itself. The cloths thus taken from India in increased volume could now be utilised for two purposes. On one hand, their export to West Africa and Brazil was encouraged and on the other, they were to be further printed in the newly established factories in Portugal, and then to be exported to the other countries in Europe. The regulations, reflecting the mercantilist notion of state intervention into the working of the country's external trade, took, in this case, the form of liberalisation of duties on goods to be transported from India. Underlying the policy was the concern for selling, termed as the 'fear of goods' in the mercantilist literature. [1].

Inspired by the economic progress achieved at home, the Portuguese governors in Goa took up certain developmental projects. Similar to the case of trade, the initiative came from the higher level of administration. Development of internal economy of Goa was sought to be fostered by elaborately laid down governmental instructions regarding cultivation of fallow land and setting up of some small cotton weaving centres under the government supervision. Voluntary participation of the Goans themselves was not very encouraging. The overall effects of the state initiative, on trade, as well as on agriculture and industry were shortlived.

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1. The concept is explained by Eric Roll with illustrations and quotations from many mercantilist writers. Eric Roll, A History of Economic Thought London, 1938, p.68.

The regulations operated at two levels. At one level, there was always an insistence on the visible maintenance of the Estado da India as a whole. At another, there was an effort to realign the various zones to serve the overall interest of the Crown. Despite the Crown's concern for envisaging an integrated trade structure, there was no such economic oneness existing in the Portuguese empire in the Indian Ocean during this period. The various zones had developed their own preferences and priorities, fracturing the imperial interests. Goa in this context was ill equipped to cope with the various shifts and orientations among hitherto subordinate but now assertive zones, such as Macao and Mozambique.

The scope of expansion of trade from Goa and its dependencies in India was limited. Whatever growth had resulted from the gradual liberalisation of duties was mostly on trade from outside the Portuguese settlements. The tendency on part of even the Portuguese traders - whether from Macao or from Lisbon was to bypass the capital and move on either to the North, to Bombay and Surat or to the Malabar, Coromandel and further East. But even this growth could not be sustained, as, within a few years of the initiation of the process of liberalisation, the cotton textiles exported to Lisbon turned out to be more than what Portugal could absorb. There were repeated complaints of gluts and falling prices in the metropolis.

The realities of the India Ocean trade in this period too, were not conducive to the reassertion of the Portuguese presence. Some fundamental changes had set in under the British who were already backed by their political foothold in Bengal.

The local business communities of Goa also were not enthusiastic about the new projects initiated by the Crown. The merchants were vocal about their own rights vis - a vis the administration and picked up some issues for a redefinition of their role in the system. But those were the old ones, which had recurred time and again in the past. They were more interested in retaining their economic importance in the old structure of administration, rather than search for new zones of operation.

Goa preferred to remain in old grooves and to follow the old channels. It remained, as if, a part of an 'archaic empire'. The maintenance of the old structure did not lead to any serious confrontation with the changing pattern of trade in the Indian Ocean. Its smallness, in nature and activities, provided the space for its continued existence.

APPENDIX - I

Viceroy and Governors of the Estado da India : 1750 - 1800  
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D. Francisco de Assis de Távora, 3rd Marquês of Távora - 1750-1800.

D. Luís Mascaranhas, 1st Count of Alva - 1754-1756.

D. Antonio Taveira de Neiva Brum da Silva, Archbishop of Goa; João de

Mesquita Matos Teixeira, Filipe de Valadares Souto Maior - 1756-1758.

Manoel de Saldanha de Albuquerque, 1st Count of Ega - 1758-1765.

D. António Taveira de Neiva Brum da Silva, Archbishop of Goa;

João Baptista Vaz Pereira; D. João José de Mello - 1765 - 1768.

D. João José de Mello - 1768 - 1774.

Felipe de Valadares Souto Maior - 1774.

D. José Pedro da Camara - 1774 - 1779.

D. Frederico Guilherme de Souza - 1779 - 1786.

Francisco da Cunha e Menezes - 1786 - 1794.

Francisco António de Veiga Cabral da Camara Pimental - 1794-1809.

## Glossary of Textiles Exported to Portugal.

Ambolin	= Silk Cloth.
Bafetaz	= Same as English Bafta . A kind of Calico produced especially at Broach.
Beatilha	= Veil or fine organdy.
Bertangin	= Cotton cloth, usually blue, black or red.
Cabaya	= Long dress used by the nobility.
Cassa	= Very fine thread / fine transparent cotton cloth.
Chita	= Coloured printed cotton cloth (chintz).
Cotonia	= A general term for cloth, both cotton and slik.
Dimitin	= Fine cotton cloth.
Dotin	= Plain white cotton cloth used by the Indian males.
Elefante	= An unbleached durable cotton cloth.
Garraz	= Cotton cloth of inferior quality.
Languin	= More or less same as Dotin, sometimes coloured.
Lenço	= Handkerchief, Scarf.
Percinta	= Sail cloth.
Setin	= Satin.
	--
Bafetaz	
Cassa	
Doria	
Dotin	
Elefante	--
	These were plain cotton cloths further printed in the factories of Portugal.
Cadea	
Chella	
Coromandel	
Languin	
Lenha	
Zuarte	
	These seem to be coarse cotton cloths, usually grouped together as cloths for the blacks.

## APPENDIX - III

Glossary of Weight, Currency and Measures.

## Goa :

Weight.

- 1 Candi = 4 Quintals = 512 Arratels = 20 Mãos.  
 1 Quintal = 4 Arrobas = 128 Arratels.  
 1 Arroba = 32 Arratels.  
 1 Faraçola = 36 Arratels.  
 1 Mão = 25  $\frac{3}{5}$  Arratels.  
 1 Arratels = 16 Onças.  
 1 Daba = 2 - 2  $\frac{1}{2}$  Mãos = 2 Almudes = 8  $\frac{1}{2}$  Canadas.  
 1 Marco = 8 Onças

Currency.

- 1 Xeraffin / Pardao = 5 Tangas.  
 1 Tanga = 60 Reis = 5 Vintens.  
 1 vintem = 12 Reis = 20 Bazarucos.  
 1 Vintem Novo = 8 Rodas.  
 1 Vintem Velho = 6 Rodas.  
 1 Rupia of Bombay or Surat = 2 Pardaos.  
 1 Pataca of Spain = 4 Pardaos.

## Macao

Currency

- 1 tael = 10 Maces = 1.25 Real = 1.33 Xeraffins = 1 Crusado  
 = 3 Bombay Rupias.  
 1 Mace = 10 Condorins.  
 1 Condorin = 10 Caixas / Reis = 1 avo of 1 Tael.  
 1 Caixa = Imaginary currency of very little value, more or  
 less same as one Real.  
 1 Spanish Pataca = 2  $\frac{1}{4}$  Bombay Rupias in China.

Weight.

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1 Pico	= 100 Cates balança = 133 1/2 Pounds.
1 Pico Seda	= 110 Cates balança.
1 Pico Chapa	= 150 Cates balança.
1 cate	= 1.25 Portuguese Arratels.

Mozambique.

Currency.

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1 Crusado	= 400 Reis.
1 Xeraffin	= 300 Reis.
1 Spanish Pataca	= 6 Crusados = 2,400 Reis.

Weight.

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1 Candil	= app. 460 Kg.
1 Quintal	= 4 Arrobas = 58725 kg.
1 Arroba	= 32 Arratels 14688 kg.
1 Arratel	= 0459 kg.
1 Onça	= 1/16 Arratel = 0287 kg.

Measures.

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1 Palmo	= 22m.
1 mão	= 2 Palmos = 44m.
1 Braço	= 10 Palmos = 220m.
1 Covado	= 66m.
1 Leagua	= 1 hour distance.

Source : i. G.B.Souza, The Survival of Empire.

ii. F.Hoppe, A Africal Oriental Portuguesa no  
Tempo de Marques de Pombal.

iii. AHU, Macao Caixa 10, Doc.19, Cover Reference  
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#### 1.1 Unpublished contemporary sources

Documents relating to the 18th century are particularly vast in number in both Lisbon and Goa. The documents in the Arquivo Histórico Ultramarino in Lisbon are simply bunched together in boxes. Nor are these documents subjectwise classified. However, some documents in those boxes are kept in files briefly indicating the subject matter or date. Some documents bear the original serial numbers put by the scribe himself. Many documents are undated and unsigned while some are drafts written by the officials themselves. There are also reports and observations submitted by various individuals. This, we hope, would explain the lack of citation of references.

The documents in Goa, however, are classified and bound under various titles. The most important among all is the Monções de Reino or the Livros de Monções. In addition, there are the series Correspondencia para o Reino; Cartas Patentes; Cartas Patentes, Provisões e Alvaras; Requerimentos; Alfandegas etc.

Out of many volumes consulted, only those directly relevant have been cited below.

##### 1.1.1 Arquivo Histórico Ultramarino, Lisbon

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7 Caixas of India of the period 1750-1764 without serial number.

Mozambique - Caixas - 6 - 86

Macao - Caixas - 5 - 21

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Remnants of a Receding Empire :  
Portuguese Trade with Goa and the East,  
(C. 1750-1800)

Chapter III

Goa : The Port of Country Trade in the Indian Ocean.

East Africa

The boundary of Portuguese East Africa, known as the captaincy of Mozambique, extended, in the middle of the 18th century, from Bahia de (Bay of) Lourenço Marques to the Cape Delgado. In the South, the Portuguese controlled Sofala and the land stretching from there to Sena and the settlement of Inhambane. The island of Mozambique in the North was the principal town through which all the articles of trade of East Africa had to pass. The single customs house of the island was located here and all the vessels from India unloaded their merchandise in this port from there to be distributed to the other ports commonly called the 'subalterns'. These included, among others, the ports of Sofala and Inhambane.<sup>1</sup>

Actual Portuguese control over this part of Africa was limited to a few littoral settlements. It extended into the hinterland only in Zambesi where the prazos da Coroa<sup>2</sup> dominated large tracts of land and considerable number of Africans.

The Portuguese authority over this part of Africa came under trial in the 18th century. The most serious challenge was put up by the three European nations - the Dutch, the French and the English, all of whom began to crave for gaining footholds in the

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Portuguese territories. Trading companies belonging to these three nations had begun to trade with the East from the early 17th century but they were primarily interested in spice trade alone and did not show any interest in Africa. The Dutch had made an unsuccessful attempt to capture Mozambique in 1607. They and the English, both began to use the Mozambique channel as their highway to India, but abandoned it later in favour of the islands of Comores.

The Mozambique channel, by now infested with pirates, discouraged them to use it frequently.<sup>3</sup> The actual threat from the Dutch came later in the early 18th century from the Cape of Good Hope from where they tried to reach Lourenço Marquês, Inhambane, Quelemane etc. ports leading to the hinterland of Zambesi. They set up a factory at Lourenço Marquês in 1721 where they concentrated their resources for trade in gold and ivory on a larger scale. They established commercial connections with Inhambane and were also interested in moving into the mines of Zambesi. In 1753, a captain of the French navy reported in Mozambique that the Dutch had gone in as far as 400 leagues. Later, again, in 1762, the Captain of Sena mentioned their penetration into the mine area of Quitene.<sup>4</sup>

The English challenged the Portuguese presence in Africa from Surat and Bombay. They maintained regular commercial connection with Lourenço Marquês and Quelemane, collecting ivory in exchange of firearms and cloth of India. They were also interested

in importing cattle and cauries from Africa. From 1760 onwards, they maintained one fortified factory at Lourenço Marquês where one or two ships were sent regularly from India. Unwilling to enter into conflict with them, the Portuguese adopted a non-interfering policy and did not make any attempt to close it down.<sup>5</sup>

The Portuguese policy towards the Austrians during the last quarter of the 18th century was more strict. Interest in this trade was exemplified in the person of William Bolts, who in May, 1777, managed to purchase some land from the local chiefs to establish a factory in Lourenço Marquês and cherished further plans to establish Austrian settlements near Sofala and the islands of Quirimba. The Portuguese Governor Pereira de Lago was, at this time, preoccupied with the attacks from the Macuas on Mossuril, sick and short of military strength. Himself being unable to meet Bolts, he sent an ultimatum to the court at Goa. The Goa Government sent a mere protest against Bolts. By 1778, Bolts even managed to make a pact with the Goan authorities to carry on trade from the area under Portuguese protection. By 1780 the Austrians were sending ships to Mozambique with destination to Lourenço Marquês. The authorities in Lisbon, however, took an exception to the role of the Goan Government and sent strict orders to the latter to reverse the complacent policy so far followed. Finally, in 1781, the Goa Government destroyed the Austrian settlement and dismantled the ships by taking them over to Goa. This conflict notwithstanding, the Portuguese Government was reluctant to antagonise its Austrian counterpart in Vienna. Austrian intention in Africa was regarded

as merely an outcome of Bolt's personal ambition rather than as a policy of the Austrian Government.<sup>6</sup>

The French introduced certain major structural changes in the economy of East Africa from the island Mauritius, which they captured in 1715. This was followed by the capture of Ile de France and its satellites, Ile de Bourbon and Rodrigues, where they started a full scale capitalist enterprise with coffee and sugar plantations.

The need for labour to work in these plantations led to the growth of slave trade from Mozambique. This revolutionary development dates from 1735 when Bertrand Francois Mahe de la Bourdonnais became Governor General of Mascarene islands, as the islands were known together. Madagascar, which had earlier been the only source of the few slaves then on the islands was no longer considered to be a safe place for the French to trade because of the hostility of the Chiefs, with whom they had been doing business. So, La Bourdonnais' attention naturally fell on the Portuguese. Moreover, the incoming Governor of Mozambique, Nicolau Tolentino de Almeida was his old friend. Thus began the 'systematic exploitation of the people of Mozambique by setting them into slavery halfway across the Indian Ocean.'<sup>7</sup>

At first, the demands made for slaves by the French at Mozambique were very small. In the first five years of La Bourdonnais' administration of the Mascarene islands only 1000 to 2000 were sold to them by the Portuguese.<sup>8</sup>

Even this was enough to make the Crown apprehensive of a possible establishment of a French imperial presence in East Africa. Hence, instructions were issued regularly to check the French trading interests in this region. As early as the late 1720s Governor Frois was instructed that he must not allow any European nation whatsoever to hold trade and commerce with the Negroes of that Coast, nor any of the said nations to establish themselves in the land, employing every possible means to prevent them from doing so, for which it is very necessary that no offence should be given to the Kaffirs inhabiting the said shores.<sup>9</sup> The whole business came to a virtual halt in the 1740s and 50s when the Portuguese officials were fairly attentive to these Royal laws. The French responded to this by shifting their attention to Ibo, the principal port of Quirimba islands which lay just south of Cape Delgado and was well outside any effective Portuguese control.<sup>10</sup> In practice, however, the French were rather welcome to the Portuguese Colonists in general excepting to the most scrupulous of the Crown's subjects in East Africa. This because the French provided the barren island with a regular supply of grains and thereby free<sup>ed</sup> the Portuguese somewhat from relying for foodstuffs exclusively upon the mainland holdings which was always vulnerable to attack from the Macua. The French also brought in silvercoins and firearms - an article, the Portuguese were always reluctant to deal with. Finally, trading with the French provided successive governors and other officials with an opportunity for turning a handsome profit.<sup>11</sup>

The trade went through cycles. The export of slaves to

Mascarene islands really got under the way during the 1770s when the new Governor General did everything he could to encourage the slave trade with the French. It reached its peak in the 1780s to come down to a trickle during the Revolutionary wars. It picked up for a second time in the beginning of the 19th century when Mozambique attracted a part of Brazilian trade in slaves.

The overall impact of French slave trade from this region in the 18th century led to a change in the structure of trade from Mozambique.<sup>12</sup> This has been described in short in course of the following discussion.

In short, put under pressure from all sides by the Dutch, the French, the English and the Austrians and with their meagre resources in Goa, the very presence of the Portuguese in East Africa was threatened during the middle of the 18th century. One main feature of the history of this region in this period was the attempt of the Portuguese to adjust with the changing situation through administrative reforms and alteration of trading rules.

The report on the condition of the East Africa prepared by Dezamborgador Duarte' Salutar de Mendonça (December, 1751) is a pointer to this. Prior to this also, opinion had been called from various eminent persons regarding the ways of strengthening the Portuguese hold over East Africa, one of these being the memorandum of Marques de Lourical of 4.11.1730.<sup>13</sup> In his report, Salutar de Mendonça explained the potentialities of commerce from East Africa and its importance in the international trade of Portugal. He also

mentioned the new forces of challenge put up by the Dutch, the English and the French. His recommendations for enabling Portugal to face the situation was direct administration of the Captaincy, independent of Goa. This Independence, he made it clear, would be only in administration and not in commerce.<sup>14</sup>

The suggestion was considered seriously by the Crown, who, by the middle of the 18th century, had indeed become concerned about the importance of East Africa, particularly after the loss of Bassein to the Marathas in India. For the rest of the century, the Portuguese Crown made several attempts to strengthen this settlement in East Africa and to increase the volume of trade passing through its ports. As a first step in this direction the Crown separated Mozambique from the Estado da India and handed it over to the Governor, whose post was specially created for the administration of Mozambique, Rios da Sena and Sofala in April, 1752. The entire Portuguese tract, extending from Bahía de Lourenço Marques to Cape Delgado, along with any new territory that might be conquered in future, was brought under the authority of the new Governor. He would also exercise jurisdiction over the factors and persons involved in trade, enjoying extensive power over the administration of commerce. The final policies and important decisions, however, were to be laid down by the Revenue Council in Goa. The island of Mozambique was to become the centre of all trade and all the merchandise would pass through the customs house of this city. The administrative authority was handed over to Fransisco de Mello e Castro, the first Captain General of Mozambique. Series of instruction were sent to him with suggestions to set up factories

at strategic points in order to curb the influence of the Dutch.<sup>15</sup>  
 Fransisco de Mello e Castro initiated many more changes in the  
 internal administration of trade in Mozambique.

However, inspite of his interest in the economic develop-  
 ment of Mozambique, he was opposed to the idea of opening up of the  
 trade of the entire colony directly to all citizens of Portuguese  
 India. This he felt, would prove detrimental to the economy of  
 Portuguese East Africa when the proposals became law in 1755 Mello  
 a Castro's continued opposition led to his dismissal by the Crown in  
 1757. On 29 July 1757 he finally promulgated the laws of 1755.<sup>17</sup>

At the next stage, the trade passing through Mozambique  
 and the regions dependent on it was thrown open to all the inhabitants  
 of Goa and Asia, who were henceforth free to trade in any article  
 they wanted to. The sole exception was the beads, which continued  
 to remain a state monopoly. Being so, its price and sale continued  
 to remain under the supervision and control of the Governor.<sup>18</sup>  
 Even this restriction was withdrawn by another order dated 7.5.1761.<sup>19</sup>

The Estado da India maintained trade relations with  
 Mozambique from all the tree ports of Goa, Daman and Diu. All that  
 Goa could do in absence of any product of its own was to collect  
 the articles in demand in Africa viz. cashewine and Indian cloths  
 from different parts of the country including Malabar, Balaghat and

Bengal and transport them to Africa. In addition, Mozambique being politically dependent on Goa (upto 1752) Goa had to supply weapons, gunpowder, uniforms for the soldiers and many such articles of office use. However, herself being in poor condition at this time, Goa failed to satisfy the officials posted in East Africa, who, frequently complained about the insufficient and erratic quantity in which the articles were sent. Goa was treating Mozambique as her own colony, the Captain General of Mozambique would complain.<sup>20</sup>

Daman and Diu, however, were more conveniently placed in terms of their trade with Africa. In addition to some cloth produced in their territories, they could also procure piecegoods from the two cloth producing centres of Surat and Cambay. The items of Indian textiles thus exported to Mozambique included the Bertangins, Zwartes, Chitas, Cubertores and Cotonias.<sup>21</sup>

There was no uniform system of distribution of merchandise from Mozambique to its dependencies. Part of imports designated fazendas livres or free articles were handed over to the traders while the superintendence of commerce, responsible to the Royal Treasury of Goa had to control the transactions of the fazendas de lei or the restricted articles. Subject to this category were beads, big pearls from Balaghat, Calaim, gunpowder, cotton piecegoods of different qualities etc.<sup>22</sup>

The traders of Goa, Diu and Daman were obliged, by terms of their contract with the Fazenda Real of Goa, to send, at least one vessel, from each of these three ports to Mozambique, loaded

with both the free and the restricted articles of trade.

These annual voyages of ships from India to Mozambique were vital to the economy of Mozambique. Once, in 1766, when the ship from Daman was wrecked and that of Diu reached late in 1767, the Governor of Mozambique, Pereira de Lago himself sent three vessels to India - one to Daman and two to Diu. They came loaded with ivory that they exchanged with textiles of India. Daman also sent rice to Mozambique.<sup>23</sup>

Of the imports, it was the gold and ivory of Africa that attracted the Europeans to the continent. After the loss of Ceylon to the Dutch, East Africa had become the sole source of this precious article for the Portuguese. Mozambique in particular emerged as the major Centre of ivory trade after the economic decline of Kilwa following the replacement of the Portuguese by the Umami Arabs as the major imperial power along the Swahili coast. The Yao people from North West Mozambique channelled most of their trade during this period to the previously known but less frequented market of Mozambique. Even though the Macuas also continued to trade ivory to this market, the ivory trade of the Yao was fundamental to the prosperity of the Portuguese empire in East Africa.<sup>24</sup>

In this period, ivory, the main item of trade came in various shapes and sizes.<sup>25</sup>

Diu and Daman offered markets for the big pieces. While the small ones weighing upto one and a half kg. were brought to Goa to be transported to Lisbon. However, ivory, the main pillar of

prosperity of Mozambique in this period came into direct conflict with slave trade of the Europeans towards the end of the century. According to Alpers, the historian of ivory and slave trade from East Africa, Mozambique's domination of the ivory trade headed for a decline from 1785 onwards, although the process was not completed until about 1810.<sup>26</sup>

Of the other articles, gold was imported regularly in addition to amber for use in medicine and perfume in Europe, the small pearls with medicinal value from the coast of Sofala and Inhambane, ebony for construction of ships and churches, manna and cauries, so much in demand in Bengal.<sup>27</sup>

Slaves, too, were imported in limited numbers to Goa, even though their number cannot be determined exactly for each year.

Demand for slave was never very high in Portuguese India because there was no plantation economy in India. The Portuguese slave trade from Mozambique rarely reached as many as 1000 individuals in any one year and was usually less than half the number. As late as 1753 when the foundations of the new slave trade in East Africa were being laid, there was a grand total of only 4399 African slaves in the whole of Portuguese India.<sup>28</sup>

The following table illustrates the nature of import from Mozambique in the mid 18th Century.

Table 3.1Cargo list of the frigate São Fransisco Xavier in 1766

	Arrobas	Arratels
Big pieces of ivory	201	27
Medium sized pieces of ivory	18	17
Small pieces of ivory	267	30
Ivory <u>Seira</u>	739	-
Teeth of Hippopotamus	179	3
Rhino horn	75	7
Turtle	47	1
<u>Calumbo</u>	17	-
Manna	9	-
11,755 pieces of Spanish gold coins		
802 pieces of gold and silver of various sizes and denominations		
868 slaves		
119 <u>candils</u> and 9 <u>mãos</u> of <u>cauries</u> .		

Source : AHU, India Maco 124, Officios do Governado D. José Pedro da Csmara, no 1.

Not many accounts are available to show the volume of trade between India and East Africa. Figures, whatever are available are scanty and irregular. There is one estimate available for 1753, which was prepared by Governor Fransisco de Mello e Castro. According to the prices prevailing in Mozambique, he calculated that the value of Indian imports amounted to nearly 6,00,000 crusados while the export of ivory was evaluated at approximately 2,00,000. The Indian businessmen, according to his calculation, had made a profit of nearly 250%. Again in 1761, the value of imports from India was

estimated at 3,50,000 crusados of which the share of Goa, Daman and Diu were 1,20,000, 80,000 and 1,50,000 respectively.<sup>29</sup>

Regarding the actual quantity of imports, Mello and Castro calculated that consumption of Indian cloth was anything between 350 and 400 bars. Since one bar consisted of 400 cloths of 352 metres by 66 metres, it amounted to 1,20,000 to 1,60,000 cloths. This was the number only of legal transactions while roughly double the amount went through private channels.<sup>30</sup>

As for the later half of the century, we have the following figures denoting the value of transactions between Goa and Mozambique for the five years from 1784-1788.

Table 3.2

Value of transactions between Goa and Mozambique  
1784-1788 (in xeraffins)

Year	Value of Export	Value of Import	Value of Gold and Silver
1784	44,269	47,001	1,09,806
1785	61,920	47,883	1,28,181
1787	1,19,389	1,07,189	2,63,110
1788	1,59,200	35,770	2,51,977

Source : HAG, MR 170B, fls. 559-60, 28.11.1788.

The income from customs revenue in Mozambique as yielded by the vessels of the Estado da India during a few stray years from 1760s and 1770s is given in table 3.3.

The table below (3.4) illustrates the income in the customs house of Mozambique from the 10% tax on cashew and cashewine

Table 3.3

## Income in Mozambique from the Customs Revenues Yielded by Vessels of Goa, Daman and Diu (In Crusados)

Year	Vessels From Goa			Vessels from Daman			Vessels from Diu			Total income from Customs Revenue
	Entry	Departure	Total	Entry	Departure	Total	Entry	Departure	Total	
1760	08229.219	05234.248	--	11170.212	14508.035	--	08826.357	05087.304	--	---
1763 (Feb July)	04689.356	---	--	12283.043	--	--	09455.018	--	--	---
Feb. 1763 to Jan 1964	04698.356	01743.097	--	12283.282	19334.385	--	09456.333	03427.258	--	---
1769	08950.036	06704.318	--	17796.367	23258.398	--	10985.149	19447.093	--	---
1771	---	---	20350.331	---	--	36718.042	---	---	56283.322	292377.155
1774	---	---	08930.346	---	---	09801.160	---	---	19612.369	118740.202
1777	---	---	13870.143	---	---	08245.376	---	---	36631.106	196995.238

Source : Mozambique cxa. 184, Doc. 1, cxa. 23, Doc. 94  
 cxa. 30, Doc. 4, cxa. 31, Doc. 46, cxa. 31, Doc. 32, cxa. 54, Doc. 5

from Goa and other ports during the ten years from 1778-1789.

Table 3.4

Income from import of cashew and cashewwine, 1778-1789 (in reals)

Year	Reals
1778	1806.020
1779	4186.099
1780	2826.123
1781	8818.242
1782	3213.260
1783	0702.000
1784	4094.052
1785	1116.310
1786	1847.140
1787	2148.160

Source : AHU, Moz.cxa. 54, document. 5.

In Mozambique, the articles were distributed away to the factors on credit. Even though strict orders were meted out to the factors to hand them over only on ready payment with ivory, they were often given away either to the traders of Zambesi or the indigenous population of Sofala or Inhambane. In Zambesi, the payment was made, sometimes after two years only. This created problems for the Indian traders.

A complaint about the inconveniences created by the practice was made by a group of Goan merchants who had not received either ivory or gold in exchange of cloth they had sent to Mozambique.<sup>31</sup>

A classic example of delay in payment was the case of Upea Camotim who had sent rice to Mozambique in 1746 on behalf of the Fazenda Real, the price of which was not fixed and accounts not cleared till as late as 1770.<sup>32</sup> In 1751, the traders of Diu complained to the Governor of Goa against the irregularities of payment. As a protest against this they even refused to send their ships to Mozambique. Finally, the Governor of Goa succeeded in persuading them to resume business only after a promise to take a personal interest to initiate the payment.<sup>33</sup>

Another feature of the economy of Mozambique which adversely affected the interests of the Indian merchants was their constant conflict with the Portuguese Colonists and administration.<sup>34</sup> This happened particularly from the Regulation of 1757 onwards when the port was thrown open to all the subjects of the Portuguese Crown.

In no time, at all a great deal of resentment born out of jealousy for their economic success, built up against them among the Portuguese colonists as well as the Church. As early as May 9, 1758, Brothers of the Santa Casa da Misericordia acting together as the Municipal Council of Mozambique submitted a lengthy proposal to Pereira de Lago, the Governor of Mozambique, which violently attacked the position of the Indians at Mozambique and on the mainland. Only 2 days later it was completely incorporated in a decree issued by the Governor General. Even though the decree merely restricted and not totally stopped the economic activities of the Banias, it was unacceptable to the latter and they petitioned for its reversal. Persuaded by their logic, the Viceroy issued a decree on 25 July 1758

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which nullified Pereira's proclamations and reestablished the Crown's will.<sup>35</sup>

Since then, the attitudes of the respective Governor Generals of Mozambique alternated between patronage to and aversion for these Baniás.<sup>36</sup>

Sometimes, inspite of their personal inclinations the Governor Generals had to yield to the pressure exerted on them by the Portuguese colonists. This is what happened with Baltasar Manoel Pereira de Lago. However, despite unremitting pressure from the colonists he did not do more than controlling the Baniás' access to the mainland and subordinate ports. Later, in an effort to further restrict their activities the Governor Fr. José de Vasconcelos prohibited their trade with the Yao and all the mainland. He even formed an exclusive company of 12 men with himself at its head to trade with the Yao.

Ivory trade was traditionally in the hand of the Baniás and they gave the Yao people a consistently good price for their ivory. Hence it was only natural that any measure which prevented the Baniás from trading with the Yaos would discourage many of those people to deal with the Portuguese. Simultaneously with it came the Governor's orders lowering the official price of the ivory. This too had a similar adverse effect on the trade of ivory.

A new company of trade was formed during the administration of Saldanha de Albuquerque for invigorating the trade that had

practically been suspended. In its final form, the Corporation had a monopoly of all trade in common cloths, beads, ivory, rhinohorn, hippopotamus teeth and cashewine. Standard prices were fixed for cloths and ivory. Even though the initial idea was to make it an exclusively Portuguese concern, 13 eminent Banias were finally taken in out of financial consideration. Moreover, it was apprehended that the Company was more likely to be rejected by the crown if the Banias were totally excluded from it.

The Corporation failed to achieve much and came to an end after the Governor General's death in November 1783. Sometime thereafter the ceiling of ivory prices was removed and prices restored to pre 1780 level.

The Governor of Mozambique himself pointed out that trade in cotton piecegoods had gone up after the liquidation of the Company. This was made possible not only by the import of Cotton cloths on a larger scale but by export of greater amount of ivory as well. The latter had not been much dealt with during the last two years as a result of a restriction imposed on them to sell it solely to the Corporation. The Banias, however, were not to get back their complete freedom of movement in the mainland. Even though the crown ordered on 2 March, 1785 "that trade should continue with the same freedom which formally was practised", it equally stipulated "that the prohibition of the Banyans trading personally on the mainland should remain in effect until Her Majesty being better informed should determine what seems fitting in this matter".<sup>37</sup>

Structure of trade from Mozambique was, by now totally changed. The ivory trade of the Banias with the Yao people had already been eclipsed by slave trade with the Macuas which was largely capitalised by Europeans.

The Portuguese Crown, at this stage, once again felt the need of enervating the commercial tie between Portuguese India and East Africa, in such a manner that, it could, at the same time revive the importance of Goa in the Commerce with Mozambique. This could be achieved by facilitating the entry into Goa of the articles of the Northern Ports of Daman and Diu which were in demand in East Africa. A reduction in the rates of customs duties was expected to serve the purpose.

A plan to this effect was prepared by the Secretary of State. In addition to providing exemption from customs duties for articles produced in Portuguese dominions and meant for export to Mozambique, it also suggested tax concessions for Portuguese ships sailing and trading along the coast of East Africa. Provision was to be kept for a lower rate of customs duties in Mozambique for goods transported by ships belonging to the port of Goa.<sup>38</sup> The actual regulations were drafted by the Governor of Goa himself in 1786 and approved by the Crown in 1787.<sup>39</sup> Accordingly, it was laid down that henceforth all the goods loaded in Goa in ships belonging to the Viagem da Carreira de Mozambique or any other Portuguese ship belonging solely to Portuguese subjects and transported either to the port of Mozambique or to any Portuguese dominion along the

coast of East Africa would be free of customs duties in the customs house in Goa.

In an act of further liberalisation, the Governor of Mozambique was informed of the Crown's intention of opening up even the trade of gunpowder with the Negroes.<sup>40</sup>

The regulations failed to satisfy the Governor of Mozambique, who thought otherwise. These regulations, he felt, were steps towards elevating Goa into a position of importance in matters of trade of Mozambique. Even in this sphere, he thought the importance should have been given to Mozambique itself.<sup>41</sup>

The measures also came a bit late because by then Goa's trade with Mozambique had almost died out which could not be revived by such acts of liberalisation.

Antonio de Mello e Castro, the Governor of Mozambique, informed the Secretary of State about the impact of the regulation on East Africa. The new scheme, he said, had failed to yield any benefit at all - either in the ports of Asia or in Africa. Only one ship, he pointed out, had come to transport the slaves in 1788 since it was enforced but that too was wrecked near the island of Gloriosa near Mauritius. So did the ship Santo Antonio e Almas.<sup>42</sup>

We have the following figures (in reals) regarding the income in Mozambique, from her connection with India during the years following the regulation.

Table 3.5

Income in Mozambique from Indian connection ( in real)

Year	Income from articles from Goa @ 3%	Income from export of ivory and other articles to India @ 4%	Income from export of Gold @ 4%	Income from arracks of Goa @ 5%	Income from articles of India and Portugal @ 5%
1789	2088.674	6799.122	855.628	-	31798.301
1790	2544.450	7365.466	940.763	-	23073.930
1791	4239.654	7171.253	888.012	.053	23297.053
1792	4566.012	7496.200	1610.618	-	22021.300
1793	3106.106	9140.652	2309.094	-	14428.739
1794	-	-	1174.820	-	18017.541
1795	1358.158	-	2151.044	-	923.441

Source : AHU, Moz. cxa. 68, Doc. 75, Cxa.75. Doc.70.

If Mozambique had not benefited from the new regulation, so did not Diu and Daman. This because, as the Governor of Mozambique himself pointed out, these places had demand for gold and ivory, the supply of which had waned in Mozambique. The new article of trade, which was being promoted with all enthusiasm was the slaves.<sup>43</sup>

The French supremacy continued in Mozambique which was actually thriving flourishingly on account of two articles of trade one of them being slaves and the other, patacas.<sup>44</sup> In 1789 for example, 1,96,546 patacas entered into the customs house while the French took away 4,838 slaves. The income from customs revenue in 1788 had risen to 10,45,30,943 reals from 85,98,573 in 1786 and 99,58,022 in 1787. This growth, which indicates that

Mozambique was flourishingly thriving at this time, was mainly due to the export of slaves in increasing numbers.

As already stated earlier, the French slave trade had reached its peak during the 1780s and particularly after 1785. The European peace between the end of the American war of Independence and the commencement of the Napoleonic Wars brought a spurt of unprecedented French slaving in East Africa, - involving not only the Mascarene islands but the most notorious of the Caribbean sugar colonies - San Domingo. Inflated slave prices at West African markets favoured by the French served as a stimulus to seeking new sources of supply in East Africa. The trade was brought to a sudden halt by the slave risings in San Domingo in 1791, which ultimately culminated to the independence of Haiti in 1804 and the resumption of hostilities between the British and the French in 1794. Since Portugal was an ally of Great Britain in Europe, technically she was in war with France.<sup>45</sup>

Even in the heyday of slave trading from Mozambique, the Portuguese failed to take any considerable advantage from it, mainly due to lack of organisation, fund and manpower. Whatever little involvement they had in this trade was mainly directed to serving the interest of the French.

Alpers has pointed out that from an estimated total average of rather more than 1500 slaves exported from Mozambique during the first few years of the decade, official customs house figures for the period 1786-1794 reveal that a total of 5400 slaves were

exported each year during this decade. Of these, an average of about 3770 were embarked by French vessels while the remaining 1630 were shipped abroad Portuguese ships. These figures, he adds, do not take into account the increasing volume of clandestine trade in order to avoid the paying of capitacion tax to the Portuguese Government in Mozambique.<sup>46</sup>

A comparison between the taxes paid by the Portuguese and the other foreigners during the years 1789 and 1795 would show the share of the Portuguese in this trade.

Table 3.6

Tax yield (in real) by export of slaves from Mozambique(1789-1795)

Year	On slaves exported by Portuguese ships	On slaves exported by foreign ships
1789	6033 . 600	30,963 . 260
1790	2435 . 800	40,963 . 800
1791	4403. 200	26,540 . 800
1792	3885 . 200	23,871 . 600
1793	3200 . 700	20,948 . 200
1794	2445 . 400	10,086 . 400
1795	2183 . 000	

Source : AHU, Moz. Cxa. 68, Doc.75, cxa.75. Doc.70.

It may be further mentioned in this context that a good many of the Portuguese vessels involved in this trade was Portuguese in name only as the taxation rate for exports shipped aboard national vessels was lower, than that for foreign ships. In any case the

direction of this trade was towards the Mascarene islands.<sup>47</sup>

The impact of this trade on Mozambique was profound as it had resulted in the importation of both specie and trading cloths. Ivory and gold, the traditional mainstays of the colony's exports were described as being 'faded and in precipitate decadency', accounting for less than 1/3 of the importations to Mozambique from India and Portugal.<sup>48</sup>

Though the mention of cloths for slave trade implies a consequent increase in the volume of export from India, this is not substantiated by the available documents relating to the trade between Goa and Mozambique.

The prospect of trade with Goa had deteriorated to such an extent that in B 01 the Governor of Goa informed the Secretary of State in Lisbon that sending of the frigate to Mozambique was absolutely useless since the expenses would be a loss to the exchequer as there was no trader in Goa interested in trade with Mozambique. The reason was the fear of French pirates and lack of money to pay for the articles which were very expensive in that country.<sup>49</sup>

Notes and References

- 1 F.Hoppe, A Africa Oriental Portuguesa no Tempo de Marquês de Pombal (1750-1777). Lisboa, MCMLXX, p.64A Lobato, Evolução Administrativa e Economia de Mozambique, (1752-1763), Lisboa, p.228.
- 2 Prazos were individual Portuguese holders of Crown estates. They worked in the gold mines with slave labour. The Prazo holders were Portuguese, Goan and Mestiço alike. They were sufficiently Africanised in their outlook and at least one prazo family Caetano Pereiras had even played political role by the end of the 18th century. For details, J.D.Fage & Roland Oliver ed. Cambridge History of Africa Vol.IV, Cambridge, 1975, pp.520-21.
- 3 M.D.D. Newitt, 'East Africa and Indian Ocean Trade' in A. Das Gupta and M.N. Pearson ed. India and the Indian Ocean, 1500-1800, Calcutta, 1987, pp.212-13.
- 4 F.Hoppe, op.cit., pp.248-252.
- 5 Ibid., pp. 252-255.
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- 7 E.A.Alpers, The East African Slave Trade, Nairobi, 1967, p.6.
- 8 Ibid.
- 9 E.A.Alpers, Ivory and Slaves in East Central Africa, London, 1975, p.96.
- 10 E.A.Alpers, The East African Slave Trade, p.6.
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- 12 These cycles are discussed in details by E.A.Alpers in his Ivory and Slaves. The expansion and consequent decline of French slave trade is the main theme of The East African Slave Trade by the same author. This is also discussed in short by M.D.D. Newitt in his abovementioned article 'East Africa and Indian Ocean Trade'.
- 13 F.Hoppe, op.cit., p.55.
- 14 Ibid., pp.55-60.

- 15 Ibid., pp.63-67, HAG, MR 154, fl.7, M 126B, fl.642.
- 16 For detailed discussion about plans and policies of Fransisco de Mello e Castro, F.Hoppe, op.cit., pp.128-44.
- 17 E.A. Alpers, Ivory and Slaves, p.113.
- 18 HAG, MR 129B, fl.636.
- 19 Ibid., 161C, fl.1055.
- 20 F.Hoppe, op.cit., p.218.
- 21 Ibid., pp.216-19.
- 22 Ibid., pp.122-23, A.Lobato, op.cit. pp 254-52, 256-59
- 23 F.Hoppe, op.cit., pp.216-17.
- 24 E.A.Alpers, Ivory and Slaves, pp.97, 104.
- 25 Ivory (marfim) was classified into four groups according to their weights. They were marfim grosso, marfim meas, marfim miudo and marfim seira. For details of their weight and prices, A Lobato, op.cit. p.270, E.A.Alpers, Ivory and Slaves, p.120  
E.A.Alpers, Ivory and Slaves, p.120.
- 26 E.A.Alpers, Ivory and Slaves, p.143.
- 27 F.Hoppe, op.cit., p.221.
- 28 E.A.Alpers, East African Slave Trade, p.5.
- 29 F.Hoppe, op.cit., pp.218-19, A Lobato, op.cit., pp.260-61.
- 30 F.Hoppe, op.cit., pp.218-19.
- 31 HAG, Conselho da Fazenda 25, fls. 123v, 148v.
- 32 Ibid., 24, fls. 49v - 52, 188v-190v, vol.25, fl.14, MR 143, fls. 82-96.
- 33 F.Hoppe, op.cit. pp.125-26, HAG, MR 126C, fls. 777-783, 809-810v, 819-820v.

- 34 Count Alver gave permission to these Banias to form a company of trade in 1687. By this they got the so far reserved right of the Captain of Diu to send annual ships to Mozambique. The Company continued to function for nearly one hundred years and was finally dissolved in 1777. Initially there were only a few of these Banias in Mozambique around this period. These Banias rose to a position of importance by virtue of their business acumen and connection with their homeland in Daman and Diu which enabled them to purchase the cloths at a lower price. Gradually they tightened their grip on the economy of Mozambique by outwitting the Christian traders in matters of trade and business. For detailed discussion on the Banias F.Hoppe, and E.A.Alpers, Ivory and Slaves, op.cit., pp.113-149
- 35 E.A.Alpers, Ivory and Slaves, p.113.
- 36 For details, Ibid., pp.115-117, 143-149, HAG, MR 140 B, fl. 410-410V, fls. 412-14, Mr 143 A, fl 140, MR 164C, fl.1055, AHU. India Maco 143, Doc. 62, Moz CXa. 55, Doc. 27, 24.9.1787.
- 37 E.A.Alpers, Ivory and Slaves, p.149.
- 38 HAG, MR 167 A, fl.161.
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- 40 AHU, India Maco 155, Doc. 18.
- 41 HAG, MR 170B, fls.581-82.
- 42 AHU, Moz.CXa 61, Doc. 14, 24.8.1790.
- 43 Ibid.
- 44 Spanish Silver coins. In the 18th Century its value in Mozambique was Six crusados or 2,400 reals.
- 45 E.A. Alpers, Ivory and Slaves, pp.186-188. For further details of French Slave trade, Ibid., upto p.203. In p.187 Alpers has given an estimated number 75212 or 78370 slaves exported from Mozambique from 1770-1803.
- 46 Ibid., pp.185-86.
- 47 Ibid.,
- 48 Ibid., p.186.
- 49 HAG, MR 180A, fl.3, 12.2.1801.

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