

# URBAN ECONOMY IN THE ARTHASASTRA OF KAUTILYA

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**Abstract:** *The Arthasastra is a treatise on statecraft and economics ascribed to Kautilya. The Arthasastra contains 15 adhikarans or books with 150 chapters and 6000 salokas. The Arthasastra deals with the different aspects of politics, economics and society. As a society broadens its political control, it enlarges its economic base as well. The most important agent in effecting the change from a decentralized village economy to a highly organized urban economy is the king. The Mauryan period in India is considered a period of political and economic significance. The description of numerous industries in the Arthasastra indicates that the Mauryan urban economy was on a sound footing. The existence of strict rules and regulations for labourers and artisans working in the urban centers show how the writer of the Arthasastra was commenting on subjects such as protection against artisans. The construction of main roads by Asoka gave impetus to trade activities during the heyday of the Mauryan empire.*

**Keywords:** *Urban Economy, Mauryan Period, the Arthasastra, Industry, Trade.*

## 1. INTRODUCTION:

The emergence of cities signifies a new form of economic structure quite distinct from the rural surroundings. The very existence of towns presupposes the crucial role of a specialized group of merchants and craftsmen. Cities emerge generally in a complex and socially stratified society. In almost all these societies the elite seeks to possess clothing, jewellery, utensils and other items of personal use quite distinct from those of the ordinary folk. This is bound to result in a distinction between the everyday tools and implements of the lower classes, which usually are manufactured by craftsmen who produce a wide range of goods and elite items which are produced by specialists who are better skilled because they concentrate on a narrow specialization not only leads to a higher level of technical perfection but also substantially reduces the cost of production, since the work can be divided among more and less skilled craftsmen. But the production of this sort can be achieved only through an organization which can effectively coordinate and regulate the activities of the various categories of craftsmen. In the Indian urban context this objective was quite comprehensively achieved by various guild organisations.<sup>1</sup>

## 2. OBJECTIVES:

The present paper seeks to study the urban economy viz. industry, trade and commerce in the *Arthasastra* of Kautilya during Mauryan Period.

## 3. METHODOLOGY:

Historical and analytical method is used in the present study. The entire study is mainly based on primary sources. Secondary data is also used to supplement the information from the primary sources.

## 4. DISCUSSION:

The *Arthasastra* gives a picture of the Mauryan times, contains a long list of industries which had attained a high degree of specialization. Mineral products like gold, silver, diamond, gems, pearls, metals, salt etc. played an important part in the economy. Kautilya refers to the separate allotment of areas in a town to different classes including merchants trading in scents, garlands, grains and liquids, along with expert artisans. It is significant to note that state's monopoly over all the economic activities, and as a result most of these industries came under the direct control of the state and others were kept under strict royal supervision<sup>2</sup>. Whereas agriculture, cattle-rearing and certain small crafts connected with land, forest and animals, with limited scale and localized scope of consumption, were the chief features of rural economy, urban economy was dominated by a large number of professionals and craftsmen who produced for wider circulation and greater consumption. The groups of professionals and tertiary had either no economic role to play and, even if they had any, it was mainly marginal to the main system. The economy of the Mauryan town has been discussed in the *Arthasastra*. The following topics deserve a detailed analysis:

1. Thakur, Vijay kumar (1981), *Urbanisation in Ancient India*, New Delhi, p .94
2. Ibid. p. 99

- Mauryan urban industries
  - Textile industry
  - Carpentry and wood-working
  - Metal working industry
  - Glass industry
  - Other miscellaneous industries
- Rules regarding labours and guilds
- Protection against Artisans
- Trade and Commerce

## 5. MAURYAN URBAN INDUSTRIES:

**a) Textile Industry :** The *Arthashastra* mentions a large number of animals whose furs and skins were used for manufacturing woolen cloth. Blankets were made either by fastening borders or were woven so as to have coloured designs. Kautilya also refers to silk industry. Some of the important terms mentioned by him for silk are *patrorna*, *kauseya*, *chinapatta*, *chinamsuka*. He further informs that *patrorna* was obtained from Magadha, Pundra and Suvarnakudya. The *Arthashastra* also mentions that Madhura (Madura), Vatsa (Kausambi), Aparanta (Konkan), Kalinga, Banaras, Vanga (East Bengal) and Mahisa (Jabalpur) were the centres of manufacture of finest cotton cloth.<sup>3</sup>

**b) Carpentry and Wood-Working:** The *Arthashastra* refers to various ships, big or small, sailing on oceans, mouth of rivers etc. Under the centralized politico-economic administration of the Mauryas, the shipbuilding industry was the monopoly of the state. As wood dominated the building scene the highest degree of perfection achieved by carpenters in the Mauryan period was in the field of architecture. But Kautilya says that wood is very prone to catch fire, so he provides several measures to check fire. The high degree of perfection which the craft attained during the period is attested to by the large wooden platform that has been unearthed at Kumrahar in the vicinity of Patna.<sup>4</sup>

**c) Metal Working Industry:** Under the Mauryas, the industry of metal working made rapid progress mainly on account of complete royal control over it. Kautilya has provided for a Superintendent of mines (*akaradhyksa*), who was expected to possess thorough knowledge of the technical aspects of mining including metallurgy. The *Arthashastra* suggests that gold, silver, copper, lead, tin, iron and bitumen were worked. The *lohadhyaksa* was the officer incharge of iron working. Similarly, there was an officer who looked after the goldsmiths. Kautilya has given a detailed account of the processes involved in purifying both silver and gold from their respective ores. He has also furnished a detailed account about the methods used by the goldsmiths to manufacture ornaments.<sup>5</sup>

**d) Glass Industry:** Surprisingly, glass has not been a popular industry in ancient India. But the *Arthashastra* refers to the importance of this industry. The art of setting jewels in ornaments had made considerable achievement. The *Arthashastra* uses the term *ksepana* to denote it and gives the proportions of materials used in various types of encrusting. Speaking of offences like robbery, Kautilya enjoins that for articles of greater value, such as vessels of copper, brass, bronze, glass, ivory, the fine termed first amercement and ranging from 48 to 96 *panas* shall be imposed. The industry was a prosperous one and the *Arthashastra* while dealing with methods to replenish the treasury suggests that those who carry on trade in glass, as also artisans of fine articles, should be made to pay twenty *karas*.<sup>6</sup>

**e) Other Miscellaneous Industries:** Among other miscellaneous industries, in ancient India liquor and oil industries also thrived on a large scale. There emerged a professional class which subsisted by preparing soft and strong drinks and oils of different kinds. Kautilya differentiates between liquors and intoxicants and puts liquor in a class of goods paying a duty 1/10 or 1/15, while intoxicants (*madya*) are included in other class paying a duty of 1/20 or 1/25. The term *sura* also occurs at one place in the *Arthashastra* as an independent branch of revenue under the class 'fortified city' (*durga*) indicating thereby the greater consumption of this commodity within the four walls of cities. Keeping in tune with the Mauryan policy of direct control over various economic activities. Kautilya provides for a superintendent of liquors (*sweadhyaksa*), who arranged for the manufacture of spirituous drink and leavening stuff as well as their traffic within the city. The country part and the camp, while their sale should be concentrated in one place or carried on simultaneously at many places.<sup>7</sup>

Some of the other industries were those of garland makers, and makers of bow, comb, basket and musical instruments. Almost all these crafts were the product of the sophisticated urban culture and excluding a few, these craftsmen hardly served any social purpose. They were essentially catering to the needs of the urban elite who were prosperous enough to squander money on items of luxury.<sup>8</sup>

3. Thakur, Vijay kumar (1981), *Urbanisation in Ancient India*, New Delhi, pp .103-04

4. Ibid, p.108

5. Shamasastri, R(1961), *Kautilya's Arthashastra*, Mysore, pp.84-5.

6. Shamasastri, R(1961), *Kautilya's Arthashastra*, Mysore, pp.76-7

7. Ibid. pp. 131-35

8. Thakur, Vijay kumar (1981), *Urbanisation in Ancient India*, New Delhi, p.134

## 6. RULES REGARDING LABOURS AND GUILDS:

The guilds, which enjoyed an autonomous status in the urban economy, had their own constitution and evolved a set of rules to guide their work. The guilds seem to be quite powerful and exercised considerable authority over the members. Besides possessing judicial and military powers, they also acted as banks and thereby gave a fillip to the emerging urban industrial economy. A passage in the *Arthashastra* implies that the activities of the guilds connected with credit and money-lending had started at an early period. These guilds accepted fixed deposits and undertook to arrange a specified charity out of the interest on the endowment.<sup>9</sup>

About the rules regarding labours and guilds, Kautilya writes that a servant neglecting or unreasonably putting off work for which he has received wages should be fined 12 *panas* and be caught hold of till the work is done. An employer may be at liberty to get the work done by another provided there is no such adverse condition that the former shall not employ other servant to execute the work, nor shall later go elsewhere for work. Kautilya says that wages are to be paid for work done, but not for work that is not done. The same rule shall apply to guilds of workmen (*sanghabhrtah*).<sup>10</sup>

Guilds of workmen should have a grace of seven nights over and above the period agreed upon for fulfilling their engagement. Beyond that time they should find substitutes and get the work completed. Without taking permission from their employers, they should neither leave out anything under nor carry away anything with them from the place of work.<sup>11</sup>

Guilds of workmen (*sanghabhrtah*), employed by companies, as well as those who carry on any co-operative work (*sambhuyasamuthatharah*) should divide their earnings (*vetanam*) either equally or as agreed upon themselves.<sup>12</sup>

Cultivators or merchants should, either at the end or in the middle of their cultivation or manufacture, pay to their labourers, as much of the later's share as is proportional to the work done. If the labourers, giving up work in the middle, supply substitutes, they should be paid their wages in full.<sup>13</sup>

## 7. PROTECTION AGAINST ARTISANS:

In the *Arthashastra*, Kautilya writes that three commissioners (*pradeshtarrah*) or three ministers should deal with measures to suppress disturbance to peace (*kantakasodhanamkuryuh*). Only those people should give entry to the guilds who can be expected to relieve misery, who can give instructions to artisans, who can be trusted with deposits, who can plan artistic work after their own design and who can be relied upon by the guilds of artisans.<sup>14</sup>

Kautilya writes that artisans should in accordance with their agreement as to time, place and form of work, fulfil their engagements. Those who postpone their engagements under the excuse that no agreement as to time, place and form of work has been entered into should, except in troubles and calamities, not only forfeit 1/4 of their wages, but also be punished with a fine equal to the amount of their wages. They should also make good whatever is thus lost or damaged. Those who carry on their work contrary to orders should not only forfeit their wages, but also pay a fine equal to twice the amount of their wages.<sup>15</sup>

## 8. TRADE AND COMMERCE:

The *Arthashastra* suggests general policies and describes various ways in which, the administration of trade and commerce could be implemented. Undoubtedly, the general policy of the *Arthashastra* and that of the Mauryan state were very similar and the administrative system of the Mauryas was largely inspired by the ideas in the *Arthashastra*. It is, however, reasonable to expect that there were discrepancies. Economic organization on such a detailed scale was a new feature in the politico- economic system of the country. The practical application of these ideas must certainly have resulted in a few lapses. It is difficult to believe for instance, that merchants imparting goods from a foreign country or a distant area, with all its attendant risks, would be willing to accept so low a profit as the official rate of one-tenth. It is more probable that the officers may have been bribed and the matters of profits privately settled between the superintendents and merchants.<sup>16</sup>

Trade routes during this period tended to follow the main highways and navigable rivers. Sea trade was conducted both with west and with the northern coast of Burma. In the *Arthashastra*, Kautilya writes that the water route is cheaper but it is not a permanent route nor it can be defended in the same way as can a land route. A route that follows the coastline is preferred to a mid- ocean route, because the former may touch the various parts along the coast and thus perhaps enhance commerce. A navigable river is thought to be a fairly safe route.<sup>17</sup>

9. Ibid. pp.136-7

10. Shamasastri, R, op.cit. p.209

11. Shamasastri, R(1961), *Kautilya's Arthashastra*, Mysore, p .210

12. Ibid.

13. Ibid.

14. Shamasastri, R, op.cit., Chap.I, Bk.IV, p.227

15. Ibid.

16. Thapar Romila(1963), *Asoka and the Decline of the Mauryas*, Oxford, pp.79-80

17. Ibid. p.80

Kautilya writes that trade prospects in the south are more numerous and the commodities available are of greater value. It is suggested that of the routes leading to the south it is wiser to follow those traversing the mining areas as these are frequented by the people. This would avoid the necessity of long distances of solitary travel and it would again allow an opportunity of trading en route with the people and habitations. A cart-track is preferred to a foot-path and a route which can be traversed by pack animals is naturally good.<sup>18</sup>

The important trade routes during the Mauryan period were the north to south –west route (from Sravasti to pratisthana), the north to south- east route (from Sravasti to Rajagriha), and the east- west route which followed the river courses of the Ganges and the Yamuna. The port of Bharukaccha (Broach) on the west coast was frequently mentioned, and Baveru (Babylon) was known as a trading center in the west.<sup>19</sup>

## 9. CONCLUSION:

It would appear from literary and archaeological evidence that the Mauryan period was one of an expanding economy. New possibilities of the development of various crafts on a large scale were being realized, particularly in the context of increasing trade and all its attendant commercial advantages. The benefits of an agrarian economy were also revealed for the first time on an extensive scale and this type of economy assumed a degree of permanency. Together with this economic change social organization developed along a pattern which was to remain comparatively unchanged for many centuries.<sup>20</sup>

## REFERENCES:

1. Thakur, Vijay kumar (1981), *Urbanisation in Ancient India*, New Delhi, Abhinav Publications
2. Shamasastri, R (1961), *Kautilya's Arthashastra*, Mysore.
3. Thapar Romila (1963), *Asoka and the Decline of the Mauryas*, New Delhi, OUP.

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18. Thapar Romila (1963), *Asoka and the Decline of the Mauryas*, Oxford, p.80

19. Ibid. pp. 80-1

20. Ibid. p.93