

European private trade in Masulipatnam

Intercultural dynamics in a pre-modern cosmopolitan hub

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Masulipatnam represented the hub of a metropolitan port complex of the seventeenth century Northern Coromandel conglomerate of ports and production centres. At the crux of the Coromandel textile trade, this port in the Bay of Bengal fed a lion's share of the pre-modern and early modern Indian Ocean trade, which, at its zenith, linked Europe, Africa, West Asia, South Asia, the Indonesian Archipelago and the Far East. As yet relatively under-researched, European private trade in this port complex offers interesting insights into the prevalent socio-political ethos of the region.



'Masulipatnam des Villes Capitales et des Residences'. Coloured engraving by Johann Christoph Nabholz (1752-97) of Masulipatnam in Andhra Pradesh, dated sometime between 1770 and 1800.

Archival material and contemporary travelogues reveal that this cosmopolitan port, then under the reign of the Persian Qutb Shahis of Golconda, was neutral in its trade, open to Europeans (Portuguese, English, Dutch, French, Danes), Asians (Persians, Arabs, Pathans, Chinese, Armenians, Achehnese, Malays, Siamese, Burmese, Javanese, Peguans, etc.) and several indigenous merchants of the subcontinent (Tamils, Chulias, Telugus, Klings, Kannadas, Indian Muslims, etc.), who were either diasporic residents, communities, agents, or itinerant merchants in the port and its environs. Collaborations and conflicts among these entities often transcended normative social and political categories, such as place of origin, lineage, religious affiliations, caste, occupation or 'nationality', as well as their access to economic and political opportunities, which was not entirely exclusive. Furthermore, a blurring of boundaries between political, administrative and commercial functions, not merely among the ruling elite but also Europeans and local indigenous mercantile communities, points to relative freedom and flux in the complex

socio-political milieu of the region, which would perhaps require a reevaluation of the parameters of the pre-modern state in South Asia.

Pre-modern littoral India was dotted with several ports of importance, which gained greater significance with the advent of the English and the Dutch trading companies. It was during the early seventeenth century that Masulipatnam, situated on the Krishna-Godavari delta, emerged as the prime port of the kingdom of Golconda, supported by a conglomerate of subordinate ports, inland towns and production centres. It became well embedded not only as a sub-regional economic unit of the Coromandel Coast, but a very significant port of the entire Indian Ocean trading system of the 17th century. Coromandel cotton textiles were the backbone of the Indian Ocean trade during this time. They had a flourishing demand in the Indonesian archipelago, the Spice Islands, and had also developed a burgeoning westward market to the Persian Gulf and Red Sea areas. Further, the Dutch and the English opened up Europe, as well as a very lucrative market for Coromandel textiles.

Masulipatnam attracted a host of diverse indigenous and foreign merchants, both itinerant and emigrant. The European contemporary sources offer rich empirical data on this port and its environs, and a deeper analysis allows one to investigate the prevalent socio-cultural, economic and political matrix of the region that the Europeans encountered, and the ethos of the age, giving a better understanding of the pre-modern state and society in southern India. An enquiry into the adaptations of the Europeans in the region is very useful to understand the mechanisms through which the 'outsiders' converted a situation of several disadvantages with respect to finances, local knowledge and experience, language, climate and cultural differences, into inconceivable advantages. This, in turn, elucidates the indigenous socio-cultural, economic and political systems and processes of the region, as they operated in said period, which could allow such momentous transitions to occur.

Masulipatnam was not naturally well endowed as a favourable port; rather it had many disadvantages. Despite these, it attracted a multitude of indigenous and

diasporic merchants, due to its textile-producing hinterland and suitable political and economic infrastructure. The climate of Masulipatnam was ostensibly unfavourable and the Europeans in particular were susceptible to the adverse environment. However, they settled there undeterred, to partake in the highly profitable trade, by making suitable adaptations.

Ecology and hinterland

Among the ecological disadvantages of Masulipatnam, was its vulnerability to cyclones. For instance, in October 1679, a fierce cyclone hit the port with violent winds, and the sea submerged half the town causing great loss of life and property. The Dutch and the English warehouses suffered heavy damage, and about 20,000 inhabitants drowned.¹ Masulipatnam's hostile environment manifested bad air and inadequate drinking water, which was brackish and saline, and a stifling city layout. Sea-water flowed inland during high tides and when combined with rains, inundated the port. The result was a permanent large swampy area with stagnant water, a foul stench and high humidity. This was partly remedied by the construction of two bridges by Mir Abdullah Baqir, a Persian administrator cum merchant magnate.

A contemporary traveller, John Fryer, an English physician, noted that Masulipatnam had no rain from November to May, during which, "the Land-Breezes...torment them with a suffocating Heat; so that the Birds of the Air as they fly, often drop down dead, the wind coming as hot as the Steam from an Oven, by the reflecting of the Sun upon the Sands, which are hurled about the Marshes."² He further described that the relief from the rains, however, brought intolerable insects and diseases with it.

These considerations were especially prejudicial to the Europeans, and in the initial years at least, the mortality rate among them was considerably high. Many of them preferred country residences in the adjoining pleasant surroundings of Madapollam, Narsapur, Navarazpuram, Petapuli, Divi etc., as retreats during the particularly bad months at Masulipatnam. About three miles into the countryside, Fryer described a better environment, where one could obtain 'infallible cures' for the diseases prevalent in Masulipatnam. These inland towns and villages were the preferred sanatoriums of the Europeans, with many trees, fruit orchards and gardens, rendering them very agreeable for residential purposes. They had elite residences of English agents like Christopher Hatton, Richard Mohun, Nathaniel Cholmley, Edward Winter, the nefarious private trader, Robert Fleetwood, another English agent who amassed great wealth through private trade, a Dutchman, Turner, and local elite such as the mentioned ship-owning Persian merchant Mir Abdullah Baqir. As shall be seen, ecological adaptations were not the only ones the Europeans successfully established.

These inland towns were also subordinate feeder ports and inland textile weaving centres in the vicinity of Masulipatnam. An example was Petapuli, one of the first settlements of the English in the region. It is interesting to note that the Company's agents at Fort St. George were disinclined towards abandoning their establishments at Petapuli and Madapollam, likely because of their concerns regarding the extensive private trade they derived from there, apart from many other advantages, including textile production and ship building facilities.

The English Company in the Coromandel

The early beginnings of the English Company were rather tentative and dismal, while the Dutch had better fortunes. The English East India Company began its operations in 1611, and English private trade, against the Company's rules, was evident from the very beginning. As early as 1624, the agents were ordered that private trade was to be "rigorously suppressed".³ Private trade had several disadvantages for the English Company, but its implications were far more complex.

For one thing, English private trade often set precedents for the English Company in terms of the types of commodities invested in and areas serviced in terms of trade. The English Company did not initially engage in the textile trade of the Coromandel, their prime interest being the procurement of spices for Europe, while selling English wares like porcelain, broadcloth, quicksilver etc. The English agent Methwold, around 1620, reported that private traders informed him that they tripled their investments by selling Masulipatnam cloth at Bantam, and doubled their profits at Siam. So, the English private traders began by participating in the already established eastward trade cycle, investing in goods that the natives, as well as the Dutch, already invested in. This way they could circumvent the Company's prohibition on private trade, particularly while freighting their goods on the native vessels. It was also in these initial years that the Dutch and the English, following the example of the natives, started trading very profitably in diamonds from the Golconda mines.

In 1620-21, Methwold sent samples of Masulipatnam cloth to the Company in England for their consideration. At this point, the Company was exploring alternative routes, strategies, and other commodities for England from Masulipatnam, like diamonds and cotton cloth, which gained popularity in Europe. They were also attempting participation in the Red Sea trade from Masulipatnam, and envisaged profits and leverage from the protection they could offer to native merchants in this trade, following the Portuguese example. The westward Surat-Persia trade of the English was also significant from the point of view of their trade from the Coromandel Coast, as later, in 1634, they were able to extract a promising deal from the King of Golconda, in the form of the 'Golden Farman' - the right to customs-free trade in the kingdom of Golconda for a lump sum payment - on the basis of their trade links to Persia and the amity that they had with the Shah of Persia.⁴ The English were even entitled to a share in the customs at the port of Gombroon on account of the help that they had given to the Persians to capture Ormuz from the Portuguese in 1622.⁵ The Sultan of Golconda anticipated that the favourable rapport the English had with the Shah of Persia would foster the trade between Bandar Abbas and Golconda. Further advantages would be English protection to native shipping, as well as obtaining prized Persian horses and other rarities for himself.

From 1624 until the end of the 1630s, the English strove to expand to suitable places southwards, in the Hindu territories of the Nayaks of Tanjore and Gingee on the Coromandel Coast, from where they hoped to operate with more strength, security and liberty. They were relocating due to problems faced at Masulipatnam, accruing from "the abuse ... being growne unseverable by the evell disposition of the Governour there". The English settlement at Masulipatnam was ordered to be dissolved in 1628.⁶ However, the English agents realized that it was indispensable and in 1630, it was re-established.

After the procurement of the Golden Farman, from the mid-1630s, English prospects began to improve. Their customs-free trade in all Golconda ports like Masulipatnam, Nizampatnam (Petapuli), and others, far exceeded the Sultan's estimate at the time of granting the Golden Farman. Further, the founding of Fort St. George at Chennai was a milestone for the English, as it provided a fortified enclave, as well as the benefit of procuring excellent textiles - which were increasingly demanded in England - at reasonable rates. The benefits and privileges, which accrued from this settlement, negotiated with the Hindu Raja of Chandragiri in 1641, were immense, as time was to prove.

By the 1650s, the English agents at Masulipatnam were making profitable investments sending and receiving goods from Bantam, Pegu, Syriam, Johore, Achin, Europe, Persia and Gombroon. This period also witnessed a greater scale of private trade that was being conducted by English agents and free-merchants. European trade in the

Coromandel registered a sharp increase in the second half of the seventeenth century. From the 1660s onwards, the Coromandel absorbed about a third of the total investments of the English in India, the great bulk of which went towards the procurement of textiles.

European trade and native political authorities

Trading privileges were not easily obtained by the Europeans, and required constant negotiations. This often involved the payment of bribes and presentation of *tashrif*s (gifts of honour) to significant officials and lower level functionaries to gain access to the King, or to the relevant authority. Further, the maintenance of the privileges granted, as well as the procurement of additional grants, required that the Europeans kept amicable relations with the rulers and important political personages. For the Europeans, their power at sea, as well as their ability to provide safe passage to the ships of the natives was their leverage. However, they could not trade in a region if they were denied permission from the local authorities. Until the 1630s the Europeans had been largely unsuccessful in this endeavour, and constantly complained about the extortionist tendencies of the local authorities. The initial trading concessions were meant only for Company trade, but were frequently misused by the Europeans to cover their private trade as well. This naturally antagonised the port authorities who would be deprived of their due share of customs duties.

Accessing the political elite for negotiating trading privileges involved a complex protocol. The English learnt the etiquette through the friendships they developed with local authorities and native merchant magnates on account of their private trade. Apart from this, brahmins in their employment served as liaison, communicating with their counterparts similarly employed by native authorities. *Peshkashes* or customary gifts to such influential people not only secured trading concessions, but had other implications too. In October 1674, English agents wrote of the expectation of gifts by Mirza Ibrahim, the 'great governor' of Masulipatnam, who could have caused immense damage to the trade of the English,⁷ either directly by impeding their business in the area under his jurisdiction, or indirectly by encouraging the Dutch or other competitors, to the detriment of the business of the English Company. He could also injure the interests of the English by jeopardising their reputation with the King of Golconda, which could have resulted in the loss of their trading privileges in his dominions.

Such expenditure on acquiring and maintaining good relations in the political circles was more in the nature of investments, ensuring better trading terms to the Europeans. On the whole, these expenses were insignificant compared to the profits obtained through the edge that the Europeans got in their business. Besides, the prevalent politico-cultural ethos required such customary exchanges and courtesies, as integral to the local elite culture.

This is in stark contrast to the dealings of the English with local governors in the initial decades of the century, when they resented the payment of bribes and *peshkashes* to the local authorities. They even lost out on an opportunity to gain trading concessions in 1630, when they failed to get the *qaul* [promise or consent] of the governor of Petapuli ratified by either the 'great governor' or the King, resulting in its invalidity. They admitted that this lapse was due to their ignorance of the local customs.⁸ However, they gradually became better acquainted with the ways and means of obtaining favours and maintaining them.

Private trade and the socio-political ethos of early-modern South Asia

The connections between the European private traders and the local authorities, especially in the interior towns and villages,

had important implications in the politico-economic scenario. As a result of the greater experience and contacts gained by the European agents in the course of trading activities, they entered into lucrative arrangements with Asian merchants, ship owners, and also with the local authorities. It is not insignificant to note that Europeans were even farming out revenues of towns on their personal accounts, emulating the native revenue farmers. Robert Fleetwood for instance, an English agent at Masulipatnam, had farmed out the revenues of the town of Virasvaram, an important textile production supplier to Masulipatnam, in the 1670s.⁹

From the 1670s in particular, the Company's affairs were particularly disturbed by the private trading activities of Company agents like Edward Winter, Richard Mohun, Matthew Mainswaring and others. Great irregularities had been occurring in the Company's books of accounts of Masulipatnam, entailing detailed enquires and strict regulations. Agents like Richard Mohun, who had been the Chief of the English Company at Masulipatnam at this time, were investigated for misappropriating the Company's funds.

The charges against Richard Mohun were rather serious. The agents noted that his misuse of the Company's money for his own investments and debts, resulted in dead freight for the Company's ships as the Company's investments could not be made on time. However, he was not the only agent indulging in private trade. In fact, most of the English agents in and around Masulipatnam, Madapollam, Petapuli, and other interior towns, were involved in illegal private trade. Further, the private trade of these Europeans was often in connivance with the local authorities of ports and towns.

Private trading by Europeans did not only have negative consequences for the Companies, it also facilitated commercial relations with influential local magnates like Mir Kamaldin, as well as officials and administrators of the ports and important market towns and production centres, who often had mercantile interests. It also entailed the mutual exchange of freight services and 'other benefits', which could possibly extend to using each other's links with the port and customs authorities for abatements, smooth passage of goods, and other advantages. The English agents also seem to have extended some Company privileges and services to such influential administrators-merchants. Consequently, through private trade, the English agents were actually building a tacit nexus of relationships with the native mercantile and political entities, which would have given them a better understanding of the commercial system of the region and much firmer leverage and entrenchment. So, they could serve as precious consultants on how to conduct a more a profitable business, whether on their own account or on behalf of the Company.

English Company agents like Robert Fleetwood, Edward Winter, Richard Mohun, and Mathew Mainswaring, carried on extensive private trade, in Masulipatnam, Madapollam, and Petapuli. At least some of them engaged in a range of other activities apart from trade, which were actually forbidden by the English Company. For example, Fleetwood engaged in revenue farming, though Company agents were strictly forbidden from seeking employment with local authorities. In doing so, he operated like the Persian merchant magnates, although at a lower level, by combining revenue farming in their range of activities. The chief native merchant of the Company at Fort St. George, Kasi Viranna, was also farming out revenues of several villages around Madras, as well as of San Thomé.¹⁰ In that sense, revenue farming can be interpreted as a commercial enterprise, rather than solely a political function. Not only did people with political authority use their power to profitably delve into commercial enterprises, but the reverse was also possible.

An interesting point that emerges is the relative freedom and social mobility that was possible in this historical period of the region, blurring boundaries between political and commercial functions. Privileges were sought to be zealously guarded by those who possessed them, but opportunities and

enterprises with diverse groups and individuals were also possible. Given the cosmopolitan nature of the Masulipatnam, it seems that the Europeans were not quite so alien to the natives, many of whom were migrants themselves, temporary or permanent. Besides, as demonstrated by the changing political boundaries and ruling groups in the medieval and early-modern history of the Deccan, the socio-political ethos permitted flux and was not quite limited by place of origin, lineage, religious affiliations, caste, geography, region or occupation. Subrahmanyam, Rao and Shulman have shown the upward movement of originally non-political groups and even low castes, like Balija merchants, formerly Sudras (lowest caste), as well as pastoralist and agrarian groups, who could become *Nayaks* (local chieftains) in the Tamil area, indicating social, political, economic and cultural mobility and dynamism.¹¹ Changes and adaptations seem to have been both feasible and socially accepted. Social categories of caste were not rigidly restrictive. Brahmins played diverse roles as revenue farmers, accountants, astrologers, liaison and protocol officers/informants, at times coming directly into political power, like Madanna and Akanna, the chief ministers of the Qutb Shahi ruler. Overlaps and adaptations of roles seem to have been more situational, rather than restricted by caste, religion, or other identity markers. Collaborations and conflicts often transcended these boundaries. The socio-cultural ethos allowed for adventurers and opportunity-seekers to aspire to accumulate political and economic fortunes, unfettered by their origins. Perhaps, when we talk of early-modern or modern South Asia, we need to re-evaluate the parameters of these terms to make them applicable to these highly cosmopolitan and dynamic contexts.

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Notes

- 1 *Records of Fort St. George. Diary and Consultation Book 1679-1680*. 1911. Madras: Printed by the Superintendent, Government Press, pp.59-60; <https://tinyurl.com/archive-FSG-1911>
- 2 Fryer, J. (1909) edited and introduced by Crooke, W. 1992. *A New Account of East-India and Persia. Being Nine Years' Travels (1672-1681)*, Vol. 1. New Delhi, Madras: Asian Educational Services, p.99; <https://tinyurl.com/archive-crook-1992>
- 3 Foster, W. (ed.) 1909. *The English Factories in India 1624-1629*. Oxford: The Clarendon Press, p.10; <https://tinyurl.com/archive-EFI-09>
- 4 Foster, W. (ed.) 1911. *The English Factories in India 1634-1636*. Oxford: The Clarendon Press, pp.14-21; <https://tinyurl.com/archive-EFI-11>
- 5 Foster, W. (ed.) 1908. *The English Factories in India 1622-1623*. Oxford: The Clarendon Press, pp.ix,201; <https://tinyurl.com/archive-EFI-08>
- 6 *ibid.* note 3, pp.278,280-281
- 7 *Records of Fort St. George. Diary and Consultation Book 1672-1678*. 1910. Madras: Printed by the Superintendent, Government Press, pp.13,22-23,33,38; <https://tinyurl.com/archive-FSG-1910>
- 8 Foster, W. (ed.) 1910. *The English Factories in India 1630-1633*. Oxford: The Clarendon Press, pp.78-79; <https://tinyurl.com/archive-EFI-10>
- 9 Temple, R.C. (ed.) 1911. *The Diaries of Streyntsham Master 1675-1680 and other contemporary papers relating thereto*, Vol. 1. London: J. Murray, p.274; <https://tinyurl.com/archive-temple-11>
- 10 *Records of Fort St. George. Diary and Consultation Book 1678-1679*. 1911. Madras: Printed by the Superintendent, Government Press, pp.76-77; <https://tinyurl.com/archive-FSG-11a>; Love, H. D. 1913. *Vestiges of old Madras, 1640-1800: Traced from the East India Company's Records Preserved at Fort St. George and the India Office, and from Other Sources*. London: J. Murray, pp.351,351n.
- 11 Rao, V.N. et al. 1992. *Symbols of substance: court and state in Nāyaka period Tamilnadu*. Delhi: Oxford University Press, pp.10,12,74; <https://tinyurl.com/rao-1992>