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# **TRADE IN PORTUGUESE GOA: THE NINETEENTH CENTURY SCENARIO**

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## **Introduction**

Portuguese Goa was known for its brisk trade and commerce until the late seventeenth century. During the eighteenth and nineteenth centuries trading and commercial activities in Goa declined and this situation continued until 1961. The declined trade suffered further under the provisions of the Anglo-Portuguese Treaty of 1878. The present paper examines the different aspects of trade in Goa in the nineteenth century.

## **Historiography**

The various aspects of trade and commerce in colonial Goa during the nineteenth century have not been adequately considered for historical investigation. Most of the historians who researched on the economic history of the region concentrated on the sixteenth, seventeenth and eighteenth centuries, that is, mostly on the heydays of the Portuguese in Goa and elsewhere in Asia and Africa. Further most of these studies have highlighted the trade in slaves and luxury goods like ivory, bullion and spices. Only a few authors were able to overcome this bias and stereotype which exist in Indo-Portuguese historiography. Therefore, M.N. Pearson while analysing the historical details and changes nineteenth century Portuguese India, wrote that the subject needs much more investigation.<sup>1</sup>

The dawn of Portuguese Goa as a flourishing commercial centre during the sixteenth and seventeenth centuries had entered the stage of dusk during the later half of the eighteenth century and remained so until 1961. In the days of its glory, Goa was the chief entrepot of commerce between the East and the West, and was known for the trade in horses with Persia. The Portuguese power in the East declined due to several factors. Generally, they were the result of the historical changes in Europe and Asia. Political changes in India and the politics of the Indian Ocean influenced and affected the Portuguese power in India. The presence and emergence of the Dutch, French and the English posed serious competition and problems to the maritime and colonial activities of Portugal. C.R. Boxer wrote on "The Portuguese in the East 1500-1800" and said: "on the whole, however, it can be fairly said that the history of the Portuguese in Asia during the second

half of the eighteenth century was as uninteresting as it was unimportant"<sup>2</sup>. Further the same author said: "If Portuguese political and military influence in Asia was of small account after the middle of the seventeenth century, their influence in other respects was more lasting"<sup>3</sup>. Thus Boxer and many other scholars of Indo-Portuguese history felt that with the decline of empire nothing of interest can be written about the Portuguese in India.

### **Economic Condition**

During the nineteenth century a much shrunken Portuguese India could expect little or no help from a weak Metropole, that is, Portugal. The present Old Goa was largely deserted by the end of the seventeenth century. Panjim from the mid-eighteenth century was the unofficial, and from 1843 the official, capital of Portuguese India<sup>4</sup>. The decline in Portuguese India's international position in the nineteenth century was visible in many ways. Most obvious was the British occupation of Goa from 1799 to 1815, during the Napoleonic wars<sup>5</sup>. Throughout the nineteenth century, indeed from the 1760s, the Portuguese authorities were faced with a series of revolts by inhabitants of the New Conquests called Ranes, or Rajputs. Twenty are recorded upto 1912<sup>6</sup>. The fiscal problems of *Estado da India* were mounting since the seventeenth century and reached a precarious position in the first half of the eighteenth century. Much reliance was soon placed on the Goa based private trade. It was the unofficial commercial involvement that explains the survival of the *Estado*.<sup>7</sup>

Trading and commercial activities underwent ups and downs. Trade was both legal and illegal and it was both in luxury goods and essential commodities. There existed the unprofitable official trade conducted by the *Carreira da India*. In contrast to this there was the flourishing intra-Asian and coastal trade. The Saraswat Brahmins and Vantias enjoyed virtual stranglehold over the Portuguese Indian economy. Those who dominated the commercial field in Goa were the Camotins, Dempos, Naiques, Navelcars, Kenis and others<sup>8</sup>. Official discrimination did not affect the dominant economic position of various Hindu groups in Goa throughout. Baniyas, Parsees, Jains, Saraswat Brahmins and British traders easily overpowered the weak, Catholic commercial interests in Portuguese India<sup>9</sup>.

### **Nature and Extent of Trade**

Goa was a major emporium within the Portuguese empire even during the nineteenth century. It figured prominently in the hinterland, coastal

and overseas trade during this period. During 1816-19, a summary of the exports, imports, very impressive total trade figures and small balance of payments deficits demonstrated the commercial importance of Goa in comparison to other ports in coastal India and as a major emporium within the Portuguese empire. Goan imports from five South Asia areas and two Brazilian ports constituted 88 percent of total imports: Surat (55 percent), Balaghat (13 percent), Rio de Janeiro and Bahia joined for 7 percent, Mumbai and Calcutta combined for 7 percent and north Indian ports totalled 6 percent. Textiles, with well over 60 percent of the total, dominated the import sector followed by opium, bullion, raw cotton, sugar, tea and betel nuts. Tobacco leaf valued at about 15,000 pound sterling entered Goa legally from Bahia on a yearly basis while contraband tabacoo worth an additional 15,000 pound sterling entered from Balaghat.<sup>10</sup>

Four destinations accounted for 96 percent of total Goan exports; Brazil, led by Rio de Janeiro with 72 percent and followed by Bahia with 3 percent, claimed 75 percent of total exports. Lisbon had 8 percent; Bombay assumed 7 percent and Macau purchased 6 percent. Cotton piecegoods dominated the export sector with over 75 percent. Opium accounted for about 5 percent and food stuffs and agricultural products such as betel nuts, copra, coconuts and pepper represented the bulk of remaining products.<sup>11</sup>

The *Estado* had benefits from the Goa-Macao opium trade. Opium was collected from Malwa and much of it was carried out in Daman. In the 1820s and 1830s, the Portuguese Government in Goa derived considerable income from opium trade.<sup>12</sup> G. Clarence Smith suggested that the expensive new capital of Portuguese India, Panaji, was built between 1827 and 1835 largely from the profits the Government made from this trade. Portuguese Goa had trade links with Mozambique. As in the earlier centuries, in the early decades of the nineteenth century also Goa exported rice to Mozambique and imported ivory, gold and silver. Even though a royal decree was issued by the Portuguese Government in 1818 prohibiting the slave trade in Portuguese dominions to the north of the Equator, slave trade persisted in Goa even in the 1830s. In 1836 a liberal Lisbon Government officially abolished slave trade, Goa during this period had considerable trade contacts with Bombay, Kanara and Malabar. While Malabar and other ports of Kerala exported copra, coconut oil, cashew, teak wood, cloth, etc. to Goa; Goa exported salt in large quantities to these areas. Portuguese Goa had trade links with Madras too.<sup>13</sup> In 1844, figs mango, pineapple, sugracane and potato were exported from Goa to Bombay. In 1844, 69 small *barris* of pickled and salted fish worth 15797 *Xerafins*

were a part of Goa's total exports. In 1844, 8,724 *arrobas* and 28 *arrateis* of cashnuts worth 36,273-0-00 *xerafins* were exported from the port of Goa. In 1849, 100 *almudes* of mango preserves were exported from Goa.<sup>14</sup>

The principal items of exports from Portuguese Goa in the second half of the nineteenth century included coconut, betel nut, mango, water-melon, jack and other fruits, cinnamon, pepper, salt-fish, gum, coir-work, firewood, fowls, and salt. Of these, the last formed one of the principal sources of profit<sup>15</sup>. This indicates that the exported items were mostly agricultural and sea products. Agricultural products included commercial crops too. Spices were still important in the list of goods exported. Coir-work, salt and fish constituted three major industrial activities during this period. The Western Ghats and the hinterland regions might have supplied the spices and other forest products.

The chief articles imported into Goa during the later half of the nineteenth century comprised of rice, cloth, refined sugar, wines, tobacco, glassware, hardware and other miscellaneous items. Though rice was one of the major agricultural products of Goa, the rice produced here was sufficient to meet the local demand for only two-thirds of the year. The value of the imports always exceeded that of the exports, thus causing a great drain of money. However, it was replenished by a large stream constantly flowing into the country out of the savings of those of its inhabitants who resided temporarily in British India.<sup>16</sup> Thus the situation in trade that existed in Portuguese Goa was quite different from that of a British India. In the former there existed import surplus, but the latter witnessed export surplus, but unrequited. Therefore, in both cases the colonies suffered. They were dependent on the colonial masters and the Home Governments

Spirits, salt, tobacco, etc. were exported from Goa to Bombay. The revenue realised from import sea customs at Bombay during 1862-63 was Rupees 48,978/-. During the same period, the amount of export sea customs levied at Bombay was Rupees 1,916/-. There existed trade of considerable magnitude between Goa and Bombay during the period under study.

In 1874-75 the imports of Goa amounted to £119,912-18 and the exports to £90,354-6-6. The total number of vessels of every kind that entered the port of Goa in the same year was returned at 2,271 with 1,13,729.5 tons on cargo; and the number of those that left at 2239, with 122,411.5 tons. The customs revenue was reported to be £31,317-14-0, and the expenditure £6,275.<sup>17</sup>

Cotton was imported into Goa from the Balaghat and other regions, and it was exported to Macao in large quantities. The Indo-Portuguese merchants derived profit from this trade. This was a source of revenue for the Portuguese Government in Goa.

In the field of textile trade, we could see connections between Goa on the one side, and areas like Coromandel Coast, Nellore, Cuddalore and other parts of South India on the other. Many ports on the Western Coast of India such as Surat, Bombay, Vengurla, Malvan, Ratnagiri, Mirjan, Baindur, Barkur, Mangalore, Tellicherry and Cochin, and foreign ports in countries like Portugal, Brazil Macao, Mazambique, and Ceylon figured in Goa's trade during the nineteenth century.<sup>18</sup> Africa and Brazil figured prominently in Goa's overseas trade. Thus the historical facts show that the nineteenth century was commercially significant to the *Estado da India*.

Since the 1840s Goa grew increasingly dependent on Vengurla and Balaghat for tobacco supplies. It was probably because Portugal ceased to dispatch tobacco in India after she lost Brazil, her chief supplier of tobacco, in the 1820s.

One of the major industrial products of Goa exported to Kanara and other parts during the nineteenth century was salt. The quality of salt produced in Goa was better than the salt produced in Kanara. Kanara, though produced salt, imported salt from Goa and also from Sind.<sup>19</sup> In 1857-58 the collector of Kanara reported that the sudden termination of the season for manufacture at the salt pans of Kanara, and probably at those of Goa and Bombay also, consequent on unreasonable rains in the month of April, may oblige him to procure supplies from the Eastern coasts.<sup>20</sup>

Portuguese Goa was not self-sufficient in food grains. Rice produced here was not sufficient for the Goan populace. Therefore, the most important item imported was rice produced in the Southern coastal regions of Kanara and Malabar. From the records and published works it is evident that Kanara was the granary of the Western coast and Goa was a grain deficit area. Goa depended on the surplus rice or paddy produced in Kanara. For example, the English East India Company records furnish an impressive list of the quantity of rice exported from Kanara to Goa from 1838-39 to 1845-46.<sup>21</sup> There was visible interdependence between these two regions as far as these two items were concerned. The prices of Kanara, Goa and Bombay salt had to be regulated in Kanara and the monopoly prices had to be fixed in order to ensure the use of Kanara salt first, and then the use of salt imported from Goa and Bombay.<sup>22</sup> Apart from rice, another major item imported from Kanara to Goa was timber, particularly for building

ships.<sup>23</sup>

The tariff policy of the British, and the unequal treaties signed by them with the Portuguese during the course of the nineteenth century (for instance, the British transit system of 1831, Treaty of 1847, Treaty of 1878, etc) completely jeopardised the Portuguese trade in India.<sup>24</sup> The already declining Portuguese trade suffered further due to the British and their domination in the world system. Nevertheless entrepot trade flourished in Goa during the nineteenth century.

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