

# A COMPARATIVE ANALYSIS OF ECONOMIC SYSTEMS: MAURYA AND GUPTA EMPIRES IN ANCIENT INDIA

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## **Abstract**

*The Maurya and Gupta Empires had different economic systems. This study examines the Maurya and Gupta economies and their strengths and drawbacks. Emperor Ashoka centralised agriculture, commerce, and mining under the Maurya Empire. The government prioritised resource allocation, infrastructure, and currency stability. However, minimal private business and considerable bureaucracy plagued this system.*

*The Gupta Empire, the “Golden Age” of ancient India, favoured private entrepreneurship and market forces above state planning. With broad trade channels linking India to the globe, trade and commerce thrived. Gupta monarchs emphasised agriculture, handicraft, and business. This method had downsides, including socioeconomic inequality and sometimes exploitation.*

*This study compares the Maurya and Gupta economic systems to understand their structures, policies, and effects on ancient Indian civilization. It examines how various economic systems affect commerce, agriculture, taxes, and prosperity. It also illustrates economic issues ancient empires faced, including as foreign invasions, regional inequality, and resource management.*

*This research examines the economic systems of the Maurya and Gupta Empires to understand ancient Indian economies, their role in moulding society, and their relevance to modern economics.*

## **Paper Identification**



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## **Introduction**

The economy permeates every aspect of our life. The same was true in ancient India. There have been ebbs and flows in this economic trend. Similar to the shift in political power, the economy too took a different turn. The economic cycle sometimes turned downwards. Sometimes the economic wheel was the cause of a change in leadership. It was because the economically strong monarchs planned to invade his neighbouring territories in an effort to grab control. That's why the government of his country prioritised economic stability. The level of economic activity throughout the reigns of Ancient Indian rulers like Maurya and Gupta was directly proportional to the prosperity of their respective eras. That included the question of whether or not the ruling elite were competent. The ordinary people of Ancient India also played a crucial part in maintaining a thriving economy. The ordinary people of Ancient India were more actively engaged in agriculture because of its centrality to the country's economy. Additionally, ancient India's economic interests were central to its foreign policy. The purpose of the current study is to shed light on such monetary features of ancient India. In doing so, we expect to get insight into the future of the economy at the moment. This study's central concern is the nature and extent of the interplay between the nation's elites and its populace, its power structure, and its economy.

### **1. Methodology**

This paper draws on a literature review of comparable works, namely pieces based on research into Ancient India. There are a lot of primary documents written about Ancient India, but they have not been decoded, thus I have to depend mostly on secondary sources for my study. All of these sources have been mined for information, which I then employed in my current study after verifying its accuracy. Some constraints have to be fulfilled in order to complete the study due to the lack of data available on Ancient India. Articles, books, thesis papers, and other secondary sources were mined for information for this study. We have looked at a wide variety of secondary resources for information on the Ancient Indian economy. The efficiency, success, and goal-orientedness of this study need extra care. The first step in arriving at research conclusions is the processing, analysis, and interpretation of the data acquired. In order to analyse the data in light of the study's aims, I relied on the narrative and quotation methods.

### **2. Maurya Empire**

Chandragupta Maurya established the Maurya Empire in 322. Kautilya, or Chanakya, wrote the “Arthashastra” that helped Chandragupta Maurya defeat the Nanda Empire. The arrival of the Mauryas in late 4th century BC brought clarity to an otherwise obscure period in Indian history. The Mauryan Empire's first ruler, Chandragupta Maurya, founded the dynasty. The date of Chandragupta Maurya's rise to power is a point of contention. Because accounts of this vary depending on where you look. Chandragupta Maurya's destruction of the Nanda Dynasty was not documented at the time. We need to go elsewhere for this information.

Two distinct forms of information are available on the Maurya Empire. Both have their roots in literature and archaeology. The literary canon of the Mauryan Empire includes works by both native and foreign writers. The “Arthashastra” of Kautilya, the “Mudraraksasasa” of Vishakhadatta, the “Harshacharita” of Banvatta (a biography of Harshabardhana), the “Rajtarangini” of Kalahana, the “Jain ParishishthaParvana,” Buddhist traditions, and so on are all examples of indigenous sources. Megasthenese's “Indica” (in Greek), Pliny's “Natural History (in 72 AD), Buddhist literature from Sri Lanka (in Pali), and the writings of three Chinese travelers—FaHien, Hiuen Tsang, and I-Tsing—are all examples of works written in languages other than Chinese”.

Inscriptions on Ashoka's Edicts provide the only extant sources of epigraphy. There are three distinct types of Ashokan inscriptions, each corresponding to a different kind of rock surface. Edicts may be carved into rocks, pillars, or even cave walls. There are both big and minor Rock Edicts in the Rock Edicts. “Main Rock Edicts may be found at Girnar (near Junagadh), Shabazgari, Khyber Pakhtunkhwa (in Kharoshti script), Mansehra, Yerragudi, DhauliJaugada (near Bhubaneswar, Odisha), Sopara (Maharashtra), Kalsi, Sannati, and the Greek inscription in Kandahar. Bhabru, Kandahar Bilingual Inscriptions, etc., are all examples of the minor Rock Edicts. Ashokan edicts and inscriptions, as well as tangible relics like gold, silver, and copper punch-marked coins, are among the archaeological sources”.



**Fig.1** Maurya Empire.



All these resources are useful for extracting crucial information on the Maurya Empire. These accounts claim that after being insulted by King Dhana Nanda, Kautilya persuaded Chandragupta Maurya to invade and conquer Nanda. Kautilya vowed vengeance and set out to bring down the Nanda Empire. His primary goal was to gather an army under Chandragupta Maurya's leadership and launch an assault on the Nanda Empire. Kautilya supported Chandragupta Maurya and his soldiers in their bid for the Magadhan crown. The people of Magadha at the time were furious with King Dhana Nanda for his corrupt and repressive leadership. With his army in full strength, Chandragupta Maurya prepared to seize control of Dhana Nanda's empire. He declared war, and the armed forces of Magadha marched out of the city to meet Maurya's on the battlefield. Kautilya was able to win over popular opinion despite Chandragupta Maurya's efforts to foment civil strife in Dhana Nanda's realm. Nanda eventually handed up authority, resigned, and disappeared into exile. In 322 BCE, Chandragupta Maurya, at 21 years old, was officially appointed as the new king of Magadha, and Kautilya became a respected senior statesman. Magadha came under Chandragupta Maurya's rule, and he made Pataliputra (present-day Patna) the capital. Ashoka's empire was the greatest to ever rule the Indian subcontinent, covering a territory of almost 5 million square kilometres at its peak. With Kautilya's assistance, Chandragupta Maurya was able to swiftly extend his authority. The Maurya Empire at the time was one of the world's biggest. The northern border of the empire was the Himalayas, and it reached as far east as Assam and as far west as Balochistan and the Hindukush Mountains in modern-day Afghanistan. Until Ashoka's conquest, the empire was limited to the more populated parts of India's central and southern provinces, leaving the uncharted tribal and woodland territories around Kalinga untouched. After Ashoka's death, the empire declined for around fifty years until the Maurya Dynasty was eventually overthrown in 185 BCE by the foundation of the Shunga Dynasty in Magadha. This occurred simultaneously with the establishment of the Shunga Dynasty.

## **2.1 Economic System of Maurya Dynasty:**

With a unified and effective system of finance, administration, and security in place under Chandragupta Maurya and his successor, agriculture, commerce, and other economic activities throughout South Asia flourished and expanded. The economic infrastructure of the Maurya Empire was advanced.

### **2.1.1 Agriculture:**

The majority of people in Maurya Dynasty India were engaged in agricultural labour and lived in rural locations during this time period. Because agriculture was one of the key sources of wealth

throughout the Maurya era, land development was prioritised and given a high level of importance. Grants of land that were already prepared for production were provided to disadvantaged farmers in addition to financial assistance. Individuals were given assistance by the state in the process of clearing woods and fallen land in order to prepare it for agricultural use. However, the law that protected forests was only applicable to particular types of forests. The farmer engaged in direct conversation with the monarch. During the time of the Maurya dynasty, many different kinds of crops were farmed, including sugarcane, bamboo, rice, mustard, linseed, a large range of vegetables, and many different kinds of fruits.

### **2.1.2 Ownership of the land:**

Dayodorous brought up the fact that the land belonged to the monarch. He argued that people should not be allowed to own any property. The Megasthenese shared this view on private property. There are numerous competing theories regarding who the rightful ruler of a certain territory is. Some historians argue that the monarch did not really own the land, but rather received a tax on the produce as payment for protecting it. However, the claim made by “Manu-Shamhita concerning the monarch who owned the area is noteworthy. He (the monarch) is the Lord of the country,” it says in “Manu-Shamhita.” Neither of these two tenets holds up under close scrutiny. Modern scholarship agrees that the monarch did not, in fact, possess the land outright, but did enjoy unique privileges over it. It was indicated in the “Arthashastra” that the monarch oversaw the cultivation of certain land that was privately held. Some more properties owned by the taxpayers were also highlighted.

### **2.1.3 Land system:**

“Dr. Basu claims that the land system is different. There were three basic kinds of terrain, at least”. In some areas, peasants owned the land, while in others, the state did, or both did. He said that tenants were gaining more and more access to land. Former ownership of land was not the same as shared ownership. Even if it was just a suggestion, “Arthashastra” alluded to the peasants' legal protections. However, such regulation was subsequently revised. If it were necessary, the land may be transferred to another party for development. Therefore, there would be no transfer of land ownership. According to Dr. Basu, both the farmer and the monarch have the equal rights to the land. There was a shift away from joint ownership and towards ownership by individuals.

### **2.1.4 Land Revenue system:**

According to the assertions made by Dr. Ghoshal in his work titled "Indian Revenue System," land income served as the primary support system for the Indian economy throughout the reign

of the Mauryan Empire. The Shita, Vag, Bali, and Kara were the four different types of land taxes that the Mauryan Empire imposed on its subjects.

- The royal farm's Shita harvest was tied to the Shita tax. The water levy was required in order for the farmer to use the royal irrigation system. If the farmer carried the water manually, he had to pay one-fifth of the crop, if he used an animal, he had to pay one-fourth of the crop, and if he used equipment, he had to pay one-third of the harvest. The farmer had to pay a levy equal to one-fourth of his harvest if he used water from a body of water like a river or lake. All harvests from government-supervised farms where inmates, slaves, or free labourers using government equipment would be paid into the royal treasury. Half of the harvest would go to the person who contributed oxen to cultivate the barren land, and the one who contributed physical labour would get a quarter or a fifth of the harvest. The remainder of the harvest was used to bolster the royal coffers. The area of the Maurya Empire was split into two distinct categories. One category of land was subject to state taxation. The crop produced by such land was subject to a 16% tax. The land was referred to as ShitaJamin by D.D. Koshamvi. The monarch personally oversaw the establishment of settlements and the cultivation of the land. During the Mauryan era, ShitaJamin dominated the majority of the region. Shita tax was the name given to the tax levied on all of these areas. Land ownership could not be changed at the time. If a farmer failed, his land would be redistributed to someone who could make better use of it. In the event of a new settlement or a natural disaster, Shita taxes were temporarily suspended. One-fifth of the harvest was taxed at the lowest level by the Shita.
- Vag was the name of the second tax. Vag tax was essentially the king's portion of the harvest from the land.
- Both Bali and Kara- Bali and Kara were the other two tariffs that existed. Many historians argue that they were really supplementary levies. Both of these levies were used primarily to support specialised land and labour forces.

The Maurya Empire relied heavily on income from land sales and commerce for its economy. As the agricultural sector grew and administrative mechanisms for tax collection were refined, the government saw an increase in land revenue. Kautilya proposed that the state oversee the cleanup of wastelands and the subsequent settlement of such areas by communities of Shudra farmers. It's been debated whether or not land income is really what it seems to be. There's also talk of the royal lands, whose cultivation fueled the economy. Both the land itself and the goods it generated were subject to taxation. The governments only provided irrigation system



maintenance in certain locations and during specific times. The irrigation system is privately owned and operated by farmers and landowners. Both domestic and international commerce were subject to the government's taxation policies. Roads developed at the period were major hubs for commerce and exchange as a result of their proximity to local government. Along the main thoroughfares, restrooms had also been constructed. The consequence was a rise in business enthusiasm. The royal treasury was bolstered by the imposition of tariffs on imported and exported goods.

Megasthenese and other Greek writers made significant contributions to our understanding of the Maurya period's land and tax system. There were three different claims made by Megasthenese:

1. Farmers made up the bulk of India's population and represented the country's second major ethnic group. Without paying land tax, they offered the monarch one-fourth of their harvest.
2. The whole nation belonged to the monarch. The farmer agrees to work the land in exchange for a share of the harvest worth 25%.
3. Farmers contributed to royal and city-state coffers by way of taxation.

The king needed a considerable amount of money to cover the costs of his day-to-day living expenditures. There were a significant number of regular army soldiers as well as a big number of civilian workers. Land sales were the state's principal and most stable source of income for many years. Other state income sources were characterised by lower reliability and consistency. Because of this, the overall amount of land owned by the state was increased in a variety of different ways. If he had died without leaving a will, the state would have taken custody of his belongings once he passed away. The expansive land was completely cultivated, and the formerly undeveloped sections were rented out to renters. Tenancy, but not ownership, was given to those who relocated to the previously uninhabited area. The literature on land taxes contains quotations from a variety of authors, including Megasthenese, Ariyan, Diadorus, and Strabo. Ariyan describes the people who cultivated the land as "peasants," and they paid taxes either to the king or to the independent towns. According to Diaodorus, "they paid land tax to the king" since the whole country of India was believed to be royal property and because it was illegal for anybody to hold land there. The farmers provided the monarch a quarter of their produce in addition to paying taxes to the king. According to Strabo, farmers were only allowed to keep one-fourth of their crop as remuneration, while "three-quarters" of the harvest was given to the state in the form of revenue from the land. It is not quite obvious if the farmer's income changed

due to changes in the condition of his or her land or because of some other factor. It is likely that tax rates were lower in places where the monarch supplied land to the farmer but no other resources, and that tax rates were higher in locations where the monarch awarded land to the farmer but also provided other resources, such as ploughs, oxen, fertiliser, etc. Even the book "Arthashastra" admits that there is a significant economic gap. In those days, the primary economic unit consisted of a hamlet's individual homes. Both of these levies, the Vag and the Bali, served to bind the hamlets under national control. Tax breaks for inhabitants of the village may be requested if either a new pond or an existing one that has been repaired is constructed. The state provided insurance to farmers against any and all calamities that may occur.

## **2.2 Trade and commerce**

The growth of commerce in India was aided by the political stability of the Maurya Empire. During Ashoka's reign, the Mauryan Empire's global trading network flourished. "The Khybar Pass developed become a significant hub for international commerce and communication". Hellenic states in West Asia began dealing with Greek states. The Malay Peninsula served as a trading hub with Southeast Asia. In order to protect its own interests, the state was forced to become the largest dealer in the nation. State regulation of pricing was fundamental to the management of commerce. Taxes were applied to business activity in a number of different ways. Even though the government was not particularly friendly to merchants, commerce did bring in some revenue for the state coffers. Even if not by name, a merchant in "Arthashastra" is referred to as a "Achaurashchar" (a thief in fact)." The Mauryans were well liked by foreign powers. For commercial reasons, the Mauryans forged close ties with various western nations, including Syria and Egypt". During the era, commerce and manufacturing boomed. Many foreign merchants settled in towns under the Mauryan dynasty. Certain inevitabilities were built into the framework of the price-control system. Nothing could be sold in their area or facility of manufacture. Dealers were required to bring their wares to designated marketplaces (pannya-sala) where they would be subject to inspection and their declared quantity, quality, and selling prices would be recorded. Every vendor needed a valid selling permit. A passport was also required of any outsider businessman. There was both exporting and importing going on. It was common practise for Mauryan monarchs to bring in commodities that were in high demand inside their empire. Things like fine fabrics, pearls, money, wines, figs, carpets, and exquisite silver utensils. The country exports valuable goods at the same time it imports essential ones from overseas. Muslin and Jamdani fabrics, in particular, were popular exports. The expansion of trade and commerce quickly proved lucrative for the empire, and a dedicated department was



established to oversee these activities and provide an open and honest regulatory framework. All items had the official seal of approval and conformed to standard weights and measurements. In the latter part of the Maurya dynasty, when maritime commerce first started, ships were constructed and rented out to merchants. While the Maurya Dynasty did not have a centralised financial system, the practise of transferring currency was common. Products coming in and going out were subject to taxes. Only the merchandise was subject to taxation. Export and import taxes were levied on every commercial activity. Commerce was reliant on its pathways. The roads and waterways of the Maurya Empire were vital to the smooth flow of trade and commerce.

### **2.3 Other Taxes**

Land tax (Shita, Vag, Bali, and Kara) provided the bulk of the Maurya kingdom's income. Land tax was the primary source of income, but it wasn't the only one since people still traded goods and services for currency. Taxes were also not waived for those in the creative industries. In addition to these taxes, there were also-

- The levy collected to fund the armed forces was known as Shenavaktam.
- Utshanga – The tax paid in the event of the birth of a Prince.

One of the ways states made money was via legal grey markets like brothels, casinos, clubs, and even slaughterhouses. Money was loaned out by the state. The interest accrued on that payable sum would likewise generate substantial revenue for the state. Those who owned homes in the city were subject to taxation. The ferry service, the irrigation system, etc., generated substantial income. The trial-related fines were also paid into general revenue. The king would get any and all inheritances. Any loot discovered in any part of the state belonged to the state. In the event of a crisis, additional taxes were imposed. Land, woods, and mines owned by the crown were all regarded to be state property. These mines provided the royal family with wealth and allowed them to raise troops. The production of salt was a monopoly of the state. A little levy on salt imported from outside is a possibility. The addition of alloy to the money also generated revenue for the state. The potential earnings from unemployed workers were also taken into account.

Those who were not of the Brahman caste paid higher taxes throughout the Mauryan Empire. The majority of the tax revenue used for military expenditures, evangelism, and public welfare. That means it wasn't a light tax burden. The tax collectors are the oppressors of the tenants. Many regions of the Maurya Empire rose up in rebellion as a direct result of the tax system.

### **2.4 Revenue Administration**

"Dr. Ghoshal provided a comprehensive breakdown of the Mauryan period's methods for handling income. He said that the "Arthashastra" did not make it perfectly clear how the minister was required to manage the administration of taxes. He was referring to the ancient Indian text. On the other hand, the "Manu-Shamhita" makes it clear that the king or queen is responsible for appointing a secretary to manage matters concerning the treasury. According to the "Arthashastra," the names Shamarhata and Shanniddhayta were given to two notable government officials who were mentioned in the text. They were the ones who should have had the biggest say in the way the economy was governed, but they were not given that opportunity. Their status was on par with one another. They received an annual pay of 24,000 silver pieces as compensation for their work. Both were held responsible for their acts, both monetarily and in other respects. Additionally, Shamarhata was responsible for a variety of responsibilities in the field of criminal and public justice. In the course of his employment with the police, he was tasked with gathering information from entrepreneurs and monks. As part of his work responsibilities, he was in charge of keeping track of all the money coming into and going out of the state. He was in charge of everything, from the mines and harbours to the trade routes and forests. His responsibilities were all-encompassing. It was expected of him to increase profits while simultaneously decreasing expenses. In the wake of the disaster, he was forced to increase his income. Shanniddhayta was in charge of supervising the construction of all government buildings as well as their maintenance. "As state treasurer, he was responsible for managing the state's budget. To make an accurate assessment of the revenue, he needed some inside knowledge. Following a series of in-depth examinations, candidates for the position of lower level superintendent at Shamarhta and Shanniddhayta were chosen.

The management of finances also included three other types of workers. Those people were-

- As the leaders of five or ten villages, Gopp-Gopp were responsible for keeping accurate financial records.
- Sthanik - They ruled over one-fifth of the country. Therefore, they had to keep records covering a wider region.
- It is well-documented the Pradeshta were tasked with levying taxes on the people living in their jurisdiction.

The commerce superintendent was responsible for determining the wholesale prices of the products. He determined the purchase price while also calculating the margin of profit. The penalties for smuggling illegal goods and adulterating products were severe. Strikes called for by employees in the pursuit of increased wages have been made illegal. The state took on a huge

duty to protect the public, customers, and consumers against fraudulent operations and unlawful pricing by assuming this responsibility. Along the trade routes, the government had to station a huge number of spies or market inspectors in order to capture merchants who were making false reports about the things they were selling. At all times, the shipping of the commodities was under surveillance. They were entitled to be compensated for any damage or loss that they sustained, and it was the duty of the government officer in charge of the region through which they were passing to make that happen. The village's headman, also known as the Grama-Svami or the Grama-mukhya, was in charge of managing everything. The Dacoit gangs who operated abroad, the restless Mlechchha tribes (particularly the Kiratas), and the people who lived in the forests were all potential dangers to commercial activity back then. On the other hand, hunters and others who kept dogs directly safeguarded each town against criminals.

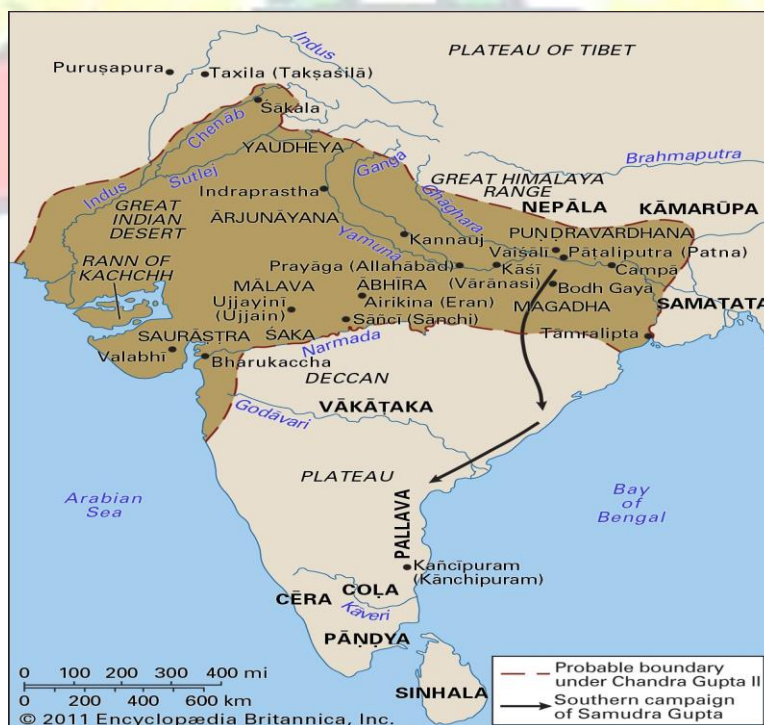
Before and after the Maurya Empire, no other ancient Indian empire was ever as vast. The fall of the empire began after Emperor Ashoka, when no one with comparable ability rose to authority. Dr. Niharranjan Roy attributes the collapse of the Maurya Empire to a popular uprising. He attributes this uprising to the excessive taxation imposed by the Mauryan rulers. The tax was a fourth of the crop, which was very low compared to Megasthenese. Dr. Koshamvi claims that the post-Ashoka era was difficult for the Mauryan economy. Because prostitutes paid taxes too back then. Furthermore, there was a great deal more adulteration in the coinage of the period. But Dr. RomeelaThapar has been a vocal opponent. He claims that it wasn't until the Maurya Dynasty that people began to understand how crucial the tax was. Therefore, there was a trend at the time to tax anything that could be taxed. These levies were commonplace. Additional money adulteration might be used to conceal riches.

### **3. Gupta Empire**

The fall of the Mauryan Empire was the decisive event that tore apart the fabric of Indian history. Because the monarchs who came after the Mauryans did not continue in the same fashion as the Mauryans. After the Mauryan Empire fell, a significant portion of India was ruled by outsiders for a substantial amount of time. This lasted for quite some time. During the rule of the Kushanas, India was reunited after a long period of disunity; however, this unification was only temporary. The Shaka dynasty only lasted for a brief period of time until it was overthrown, during which time they reigned over Gujrat and Malavar. About five centuries after the fall of the Maurya dynasty, a second great monarchy that was governed by the Gupta formed in the area surrounding Magadha. The Gupta Dynasty was responsible for India's reunification as well as the establishment of permanent peace and prosperity. Although the Gupta Dynasty was less



powerful than the Maurya Dynasty, it ruled for a much longer period of time. The period of Gupta rule is considered by some historians to have been India's golden age. Chandragupta I, Samudragupta, and Chandragupta II were the most powerful and well-known rulers of the Gupta Dynasty, which was founded by King Sri Gupta. At the tail end of the third century CE, three main empires emerged in distinct regions of India. The Varsib Nags were located to the west of the Midlands, the Bakatakas to the south, and the Guptas to the east. Each of these groups originated in a separate section of the Midlands. It cannot be determined with absolute confidence to which cultural group the Guptas belonged. It is likewise difficult to pinpoint the specific site of the very first adobe structure. Historians have established that the Guptas acted as feudal overlords over the Varsib Nags of the Western Midlands, whose centre of operations was located in the city of Prayag. As a result of the influence of Vayu, Vishnu, and the BhagabataPurana, a lot of people have started to believe again that Magadha was their original place of residence. A.S. Altekar used to share this viewpoint until changing his mind. Later on, he began to question the veracity of that assertion. Since Bihar did not provide any coins from Chandragupta I, the first ruler of the Gupta Dynasty, in the area, this is the conclusion that must be drawn. Dr. D.C. Ganguli offered some further commentary a little while later on the subject. His research led him to conclude that the city of Murshidabad in Bangla was the birthplace of the Gupta dynasty. According to Dr. Goyal, the Guptas first migrated to the Allahbad area of the eastern United States (“also known as Jukta Pradesh”).



**Fig 2** Gupta Empire.

Because of this, he had emphasised the significance of Gupta literature and coinage, in particular the placement of the Allahabad Prashasti. In this region of Uttar Pradesh, fourteen hoards of gold coins dating back to the Gupta era were found, although the whole states of Bihar and Bengal combined yielded just two such hoards. The author of the original version of the Harishena Prashasti makes it very apparent that Samudragupta preferred the city of Allahabad. As a result, drawing the conclusion that East-Uttar Pradesh served as the political and economic epicentre of the Gupta Empire during its formative years is not a particularly challenging task.

Inscriptions, coinage, and literary works are the main sources for the history of the Gupta period. These primary sources may be split down into these three groups. "The inscription on the pillar that was constructed by Samudragupta is often regarded as the best example of writing from the Gupta period. The significance of his inscriptions at Aaron, Nalanda, and Gaya cannot be overstated. at addition to that, the pillar inscriptions left by Chandragupta II at Mathura contain a plethora of information. The greatest number of inscriptions were written in praise of Kumaragupta I, who reigned for a total of fourteen years. Inscriptions such as the Damodarpur inscription, the Mandasor inscription, and the third Udaipur cave inscription are among the most notable ones. Inscriptions that Skandhagupta left behind include the Junnagarh inscription, the Supiya inscription, and the Vitari inscription. Each of these inscriptions contains important information. Inscriptions made by Budhgupta may be found on the Saranath Stupa, the Paharpur copper plate, the Rajghat pillar, and the Damodarpur copper plate. These can provide you with a wealth of information. Gold, silver, and copper were all used throughout the Gupta dynasty as forms of money. The gold coins of the time period are sometimes mistaken for poor reproductions of Kushangold issues. This, however, does not meet all of the criteria for acceptance. During the time of the Gupta Empire, however, the gold content of coins was lower and they had a greater number of additions. This ebb and flow in the supply of gold is a disaster for the economy. The finding of these gold coins all throughout India will provide insight on the history of the Gupta Dynasty's beginnings. The history of the Guptas has been reinvigorated via the use of the information that was acquired from these coins.

In addition to inscriptions and coins, literature may be of use when trying to piece together the history of a certain time period. The Purana is often regarded as one of the most reliable historical texts currently in existence. Important data about the Gupta Empire may be found in writings like "Aryamanjusrimulkalpa," "Kaumudini Mahotshaba," "Devi Chadraguptam," by Vishakhadutta, and "Nitisara" by Kamandak. It is possible to create a history of the Gupta Dynasty using the information that may be found in these three sources.

### **3.1 Economic System of Gupta Dynasty**

The economic stability and prosperity of the Gupta dynasty allowed for significant cultural advancements across the board. The Gupta Empire made great strides in manufacturing and commerce in addition to agriculture. Agriculture was vital to the Gupta Empire, just as it had been to the Mauryan. The Gupta era saw economic growth and development thanks to the integration of agriculture and commerce.

#### **3.1.1 Agriculture**

The Gupta Empire relied heavily on agriculture. Agriculture was key to the success of the Gupta economy. The Gupta emperors used scientific methods to further improve the agricultural system and boost output throughout their reign.

#### **3.1.2 Ownership of the Land**

There is a great deal of disagreement among historians over who owned what during the Gupta dynasty. Dr. Basak had the mistaken belief that the state did not legitimately own the land in dispute. In this instance, he presented a dual situation. It is essential to take into account the fact that "initially, neither the state nor the district people's representative, Mahamatra or any other merchant, nor the state itself, had the authority to transfer the property to someone without the permission of the general public." He proceeded by stating that a gift agreement that was found in Faridpur mandated that one sixth of the sale's lawful proceeds be paid into the state treasury. He said that this was discovered in Faridpur. It was not apparent where the money would ultimately end up going. This would lead to the remaining six being split into fifths, with one fifth being sent to the coffers maintained by Gram-Shava. Dr. Ghoshal has made an attempt to disprove both of Basak's assertions. Ghoshal maintains that Dr. Basak's evaluation is not supported by sufficient evidence. He said that there was no mention of government officials in any of the inscriptions from the Gupta era. There is discussion of lower-level employees, but there is no evidence to show that they had to give their consent before the land could be sold. His second point of contention with Basak is that the phrase "Dharmasaravaga" in the English edition has been translated in an inappropriate manner. The actual meaning of this expression refers to the degree to which religious exercise is characterised by exemplary morality. A candidate who wished to buy land back then was required to make a written guarantee that the property would only be used for religious reasons. The request made by the buyer is likely to be granted by the king since it may be to the monarch's interest. However, it is largely agreed upon that for a significant portion of time throughout the Gupta period, the peasants were the legal owners of the land. A clear illustration of this may be seen in the inscription that was found in North Bengal.



According to what it says, the state and the local community had equal ownership of the land. The selling of land required authorization from the king as well as from the respective municipal administrations. Regarding the land distribution throughout the state, it is not possible to make a decision that is both simple and unambiguous at this time. To put an end to the famine, however, everyone was in agreement that the king had no right to the large amounts of food that were stored in the royal stables. During periods of famine, food deliveries were made to the state's already-struggling populace. After he passed away, the monarch lost the power to hand out grants (also known as "AGRAHAARA"). During the time of the Gupta, the monarch had complete and total control over the realm. During the time of the Gupta, the most important crops were rice, wheat, sugarcane, bamboo, and so on. The Gupta rulers placed a great emphasis on the establishment and maintenance of an agricultural irrigation infrastructure.

The Buddhist Church received approval from the Gupta Emperors in the form of land grants. The church has evolved into a source of financial support for individuals who are struggling to make ends meet. The interest rates that were charged on loans were much lower during that era in comparison to the period of the Mauryan Empire. As a result of the absence of control from the government, there was no preset interest rate. If all parties were in agreement, there was one and only one scenario in which the interest rate might be raised over the existing level. The Gupta Empire's economy benefited tremendously from the fact that those who needed financial assistance could get loans in a timely manner and at reasonable interest rates.

### **3.1.3 Classification of Land**

The territory ruled by the Gupta dynasty may be divided into the following categories:-

- Cultivable land, or kshetra.
- Desolated areas; Khila.
- Jungle or woodland terrain is called Aprahita.
- Habitable territory; vasti.
- Sarah's Gapata is a grassy area.

### **3.1.4 Irrigation system**

Since agriculture was a significant contributor to the Gupta Empire's coffers, the period's rulers had to make it a priority to improve the sector as a whole. Therefore, the ruling class implemented a number of measures aimed at ensuring the efficient operation of the irrigation system on the farmland. These approaches were-

- **Reservoir:** This Gupta-era irrigation method was among the most widely used. After suffering severe damage during Mahakshatrapa, Saurashtra's Sudersana reservoirs were restored in full. It was fixed by Skandhagupta.
- **Wells:** That was a different technique for water supply. In such setup, pipes carried water from the wells to the playing area.
- **Chain of Pot Method:** That mechanism existed long before the Gupta dynasty. By rotating the chain and the pots, it was ensured that the pots would continually fill with water and empty it. The system relied on a number of pots linked with a chain that stretched down to the water of the hull. Other names for it include Araghatta and Gati.

Ancient Indians used ponds and some other form of reservoir to store rainwater. Tank irrigation was presumably used in southern India. Therefore, the job of the state was to offer such irrigation facilities to the farmers, and the Gupta Empire saw the predominance of diverse techniques of irrigation.

### **3.2 Trade and Commerce**

During the time of the Guptas, industry flourished. The production of textiles was vital to the Gupta Empire. The industries produced and exported a wide variety of goods. Muslin, linen, silk, food grains, spices, salt, bullion, calico, wool, cotton, etc. were among the most important commodities produced. Stone carving, ivory carving, and the moulding of various types of stones were all important enterprises under the Gupta Empire. There were also thriving markets for jewellery made from valuable metals such as gold, silver, copper, iron, bronze, lead, and pearl. However, pottery was the most significant industry throughout the Gupta era. Numerous gold coins were minted during the reign of the Gupta dynasty. Dinar was the name for these golden coins. The Gupta Empire's gold coins are the most often discovered among those from Ancient India. Silver currency was also produced during the Guptas' control. In the Gupta Dynasty, it was Emperor Chandragupta I who first had silver coins minted. Gupta-era coinage also had lead and very rare copper. The Gupta Empire traded with many other nations, including China, Ceylon, and Europe. The Guptas bought ivory and silk from China in East Africa. The Gupta Empire flourished throughout this time, especially in South and Southeast Asia. Within the empire, commercial transactions proceeded without a hitch. Trade with the Roman Empire loosened up from about 550 AD.

There was a thriving leather trade throughout the Gupta era. The modern sculptures and paintings all included leather boots and shoes. The craft of making jewellery has developed to a high level of excellence. The "BrihatSamhita" lists roughly twenty-two different categories of

jewellery. Jewellery back then served a wide range of functions. Hiwen-Tsang also noted the widespread availability of precious metals including brass, gold, and silver. Metal industry advancement is also reflected in seals and gold, silver, and copper coins from that time period. The Gupta era saw the flourishing of the shipbuilding industry, which aided in both commerce and communication. Commerce and colonisation benefited from that. Mining and metallurgy were unquestionably the most successful industries during the Gupta era. The guild system remained the dominant organisation in the production of products and trade. Tradespeople, bankers, and artisans like weavers and stonecutters all had their own guilds. These guilds had sufficient independence to run their own operations and actively engage in the economic lives of the people. Their own hundis and coins were minted by a trust that also acted as a bank and arbitrated conflicts amongst members. These guilds not only strengthened the Empire's economy, but also played a crucial part in the production of products. All merchants were required to adhere by the rules set out by their respective guilds.

During that time, items were moved from one location to another via animal transportation. Transportation was accomplished by use of roads and waterways. Broch, Prayag, Vidisha, Tamralipti, Gaya, Pataliputra, Vaishali, Banaras, Kausamvi, Mathura, Peshawar, etc. were all significant cities during the Gupta era. Those places were linked together by reliable public transport, and the state ensured the safety of its citizens and the people who visited them on business. The Guptas have ties to both eastern and western nations for commerce. The Gupta Empire's rulers kept up a steady flow of trade by sea with places like Sri Lanka, Persia, the Byzantine Empire, Africa, Arabia, and more. The Gupta period saw the rise of many major seaports, including:

- Tamralipti
- Arikamedu
- Muziris
- Barbaricum
- Kaveripattnam
- Pratihthana
- Brighukachchha
- Sopara

Gupta interior roads linked all of these ports to the rest of the empire.

### **3.3 Revenue System:**



The Gupta era placed a premium on the tax and revenue system. The Gupta period's tax system is seldom mentioned in inscriptions from the time. Taxes of this kind were said to have been in effect throughout the Gupta dynasty.

- The government collected a land tax equal to one-sixth or one-quarter of the harvest. Land Tax was the name for such levy.
- This tax, known as Vog Kara or Chungi Kara, was included in the salaries of municipal workers. This was a tax on merchandise.
- Products produced inside the empire were subject to a levy known as Bhootpratya or Excise Duty. Ports, ferries, and walled cities also had to pay taxes. The state had ownership of all abandoned areas, including forests and salt mines. Renting them out or selling the goods they were used to create generated revenue. The state owned the idle land, and local authorities oversaw its care.

That “only those who cultivated state land had to pat a share of the grain” is from a passage written by Fa-Hien. Historians' thinking has been thrown into disarray by his comments. Rent on state-owned property is often believed to account for the bulk of the budget. However, this is not quite right. If Fa-Hien is believed, tax money made from selling booze should be kept out of the state's coffers. It was suggested in “Arthashastra” that taxing alcoholic beverages was a way for governments to rake in more cash. Documents from both before and during the Gupta era show that alcohol use was not rigorously prohibited at that time period, either. Fa-Hien claims that life in the middle kingdom around the turn of the fifth century was affluent and peaceful. He then went on to describe India's equivalent story of economic growth and political stability. The residents of the city were also keeping up with the high cost of living there.

During the Gupta era, land revenue was the primary source of income for the state. “Uparikara” (octroi) was a kind of tax placed on cloth, oil, etc., and one sink of the output was claimed as the royal income. “Sulka” was collected from the merchants whenever goods were being transported from one city to another. To avoid paying a fine of up to eight times the initial “Sulka” amount, a merchant must cancel his transportation if he is unable to receive it.

### **3.4 Revenue Administration:**

Several officials were put in charge of administering taxes:

- Before documenting any transaction, Pustapala (the record keeper) would first make inquiries, and then they would record all relevant details about the transaction.

- Gopasramini: He stepped into various crises with the registers of the accounts, and he reclaimed royal responsibilities. In addition, he covered up theft and fraudulent losses by recouping penalties.

#### 4. Conclusion

Land taxation was the primary source of income throughout both the Maurya and Gupta dynasties. Most of the empire's population was rural and agricultural at both times.

These people were the oil in the economy's machine. Although less than the money from the land, trade and commerce also benefited the Royal treasury. Skilled armies were essential for the Maurya and Gupta dynasties to maintain control over their enormous territory. Once again, a considerable sum was required to maintain such a massive military force. Moreover, leaders should keep a close eye to deter foreign aggression and preserve peace with other nations. Both then and now, governments need large sums of money to finance everything from agriculture to trade and commerce to the maintenance of friendly ties with other nations. For this reason, the ruling class implemented a number of measures to foster the growth of agriculture and commerce. That's how the tyrants became rich and stocked up their coffers. No empire can survive forever, but the ruling class in this case did the right thing by attempting to stabilise the economy. The rulers, beginning with the selection of competent treasurers, had taken steps to ensure the fiscal system's success. So that the treasury was never depleted of funds and government could be efficiently run. The rulers of both times took almost identical actions to ensure the continued success of their economies. In both times periods, administration of the irrigation system and the collection of taxes went off without a hitch.

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