



Market Reforms of Ala-ud-din Khalji

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ABSTRACT

As History is witness to the fact that Ala-ud-din Khalji of Medieval India should be considered as a great Market Reformer of medieval Indian History. As we all know the prime necessity of man is food to which the Sultan gave his first and fullest attention. He first regulated the price of food grains and fixed them at very low rates. As mentioned in Tarikh-e-Feroz Shahi, the prices fixed by sultan were the lowest compared with those that prevailed in the reigns of his predecessors and successors. The Sultan introduced a strict price control mechanism by separating each and every market. The Sultan established separate shopping centers in Delhi for grain, cloth, sugar, dried fruits, herbs, butter, oil, horses, cattle and even slaves. Those shops were run by two types of merchants, firstly those who had permanent shops in Delhi and may be called retailers and distributors and secondly, by those caravans of travelling merchants who brought grain to the city from mostly the hinterlands. In every market a Superintendent was appointed by the Sultan, so that to look after the market, the Sultan ordered that the travelling merchants should get themselves registered with the superintendent of market before coming into the market. Alauddin issued a royal order for controlling the food prices to all the collectors (Shahnaganand Mutsaprifan) of different regions to collect the grains from cultivators and then send it to the Royal treasury.

No doubt historians wrote that this market policy was to meet the interests of large army but at the same time it gave large benefit to common masses as well.

Keywords: *Ala-ud-din Khalji, Grain market, Impact of reforms, Market officials, Market reforms, Price control.*

Objectives

The paper is supposed to satisfy the following objectives

1. To study the causes that led Alauddin Khalji to introduce the market reforms.
2. To reveal the strategies of the market control measures.
3. And finally to measure/asses the overall impact of these reforms on state and society.



I. INTRODUCTION

The establishment of the Khalji dynasty at Delhi in 1290 A.D. has been recognized by the modern historiographers of medieval Indian history a great revolution in the socio-political set up of the sultanate and its ruling elite. *Ali Gurshap* who became famous in the annals of history by his pen name Alauddin Khalji was the second monarch of the Khalji Dynasty who ruled over India from 1290 to 1320 A.D.¹ He was by far the greatest of all the Sultans of Delhi while considering the economic reforms; except Sher Shah Suri and Akbar, no Muslim ruler of India stands comparison with him. He protected the Sultanate as well as the people of India, against the fury of the Mongols; he struck terror in the hearts of the foreign invaders which reflects his administrative and strategic caliber of a ruler of prominent importance.² As a man he left much to be desired albeit he transformed the kingdom of Delhi into a mighty Indian empire by his sheer force of character and military skill. The credit for conquering and spreading Islamic faith and culture in Deccan goes exclusively to him. He was an able administrator, who surpassed his predecessors and most of his successors and whose reforms went beyond his age. Here we will confine only to the market reforms and its impact for the larger interests of his subjects.

II. MARKET REFORMS

Besides administrative and agrarian reforms, the economic reforms of Alauddin as Lanepool says are considered as the '*miracles of history*'. The distinctive feature of his economic reforms was his Price Control Policy which have ensured a place of prominence for him in the annals of socio-economic history of the times. Alauddin Khalji was more or less, the first ruler who looked at the problem of price control in a systematic manner, and was able to maintain stable prices for a considerable period.³ This policy of Alauddin Khalji has always been admired by the historians of different shades from all ages. Stanley Lanepool is of the opinion that "What made Alauddin distinguished from other monarchs of Delhi is his Price Control Policy."⁴ Lanepool also honors him by saying that, "He is the greatest political economist."⁵ According to S. M. Ikram, "His policy was the marvel of the age."⁶

III. CAUSES OF PRICE CONTROL POLICY

The historians differ about the reasons for the Alauddin's Price Control Policy. According to Zia ud din Barni's *Tarikh-i-Feroz Shahi* 'Maintaining a large and permanent army upon a low scale of pay are quite impracticable. Horses, arms and accoutrements and the support of the soldier and his wife and family, cannot be provided for a trifle. If the necessities of life could be bought at a low rate, then the idea of maintaining a large army at a small expense might be carried out, and all apprehension of the great forces of the Mughals would be removed.' The Sultan then consulted with his most experienced ministers and they replied that the necessities of life would never become cheap until the price of grain was fixed by regulations and tariffs. Cheapness of grain is a universal benefit. So some regulations were issued which kept down the price for some years.⁷ So according to Barni Alauddin had made such a policy because he had to maintain a large army due to the threat of Mongols, to



increase the royal grandeur, to achieve the economic stability and to get rid of social injustice.⁸ However Dr. K.S. Lal is of the opinion that 'the need for controlling the prices of necessities of life in Delhi was this, the Mongols repeatedly invaded the country and their target was Delhi. In 1303 A.D the Mongol invader Targhil Khan had stopped all provisions from reaching the city by capturing the roads around it as well as the forts on the Jamuna. Such a situation would have created scarcity of food grains in the capital as the then almost primitive means of transport would have collapsed under the stress of the blockade. Ala-ud-din Khalji decided to overcome the difficulties of transport and of food shortage by accumulating food stuffs in the capital on the one hand and by fixing their prices on the other. For this purpose he undertook various measures which are interesting to study as they show that as far back as the fourteenth century, the principle of enhancement of levies, of price control and of rationing were perhaps as much comprehensible as they are today.'⁹ According to Shaikh Hamid Uddin Qalandar, the main motives behind this policy were altruistic and philanthropic. Sultan desired that all his subjects should get all necessary articles in sufficient quality and at proper price. Therefore, he fixed the prices of all articles.¹⁰ However, the historians like L.P. Sharma are of the opinion that the reason for Alauddin's Price Control Policy was inflation. According to him 'Alauddin had distributed wealth lavishly among his subjects which reduced the value of the currency in the market. Therefore, it became necessary for Alauddin to reduce the salary of his soldiers and also to reduce the cost of articles in the market.'¹¹

IV. STEPS TAKEN FOR THE IMPLEMENTATION OF PRICE CONTROL POLICY

The Price Control Policy of Alauddin and its effectiveness was a cause of wonder to the contemporaries. This policy comprises of different steps which are as follows:

4.1 Fixation of Prices of Commodities

Medieval rulers were expected to ensure that necessities of life, especially food-grains, should be available to the city folk at fair or reasonable prices. This was so because the cities were sinews of power and authority all over the Islamic world.¹² Besides doing that Alauddin fixed the prices of almost all commodities of life. The fixation of prices was not done by the Sultan arbitrarily, nor was his price structure based on the fluctuating supply and demand, good or bad weather, or the speculative trends of the business community who raised or lowered the prices with motives of making the maximum profits. Instead, Alauddin fixed the price of goods on the progressive principle of 'production cost.'¹³

4.2 Food grain

Food grains, the staple food, to which the sultan gave his first and fullest attention. The government fixed the maximum prices for a number of commodities. These comprised basic foodstuffs – wheat (hinta), barley (jaw), rice (shali), pulse (mash, nukhud) and moth; cloth, sugar, sugar-cane (nabat), fruit, animal fat (rawghan-i suture) and wax (rawghan-i chiragh); and slaves horses and livestock.¹⁴ The Prices of food articles were fixed as follows:¹⁵



Wheat	per man	7 ½ jitals
Barley	“	4 jitals
Gram	“	5 jitals
Rice	“	5 jitals
Mash (Urad)	“	5 jitals
Moth	“	3 jitals
Sugar	Per ser	1 1/3 jitals
Gur (brown Sugar)	“	1 1/3 jitals
Butter or Ghee	2 ½ Ser	1/3 jitals
Oil of sesame	3 Ser	1 jitals
Salt	½ man	1 jitals

4.3 Royal Granaries

Alauddin had made large godowns which were owned by state and in which the grains were stored and from there were distributed to the dealers in the market. Thus, making sure that everything was available to common man and there was no black marketing. No merchant, farmer or dealer was to sell it at a higher rate. *Barni* says there was scarcely a Mohalla where 2 or 3 royal stores filled with food stuffs did not exist and these were different from shops. These were actually godowns where grain was stored so that it should be released in times of emergency.¹⁶

4.4 Grain Markets

Having fixed the prices of food grains, the Sultan established a grain market and some where the people and the merchants could obtain food stuffs. The grain market was led by two types of merchants. Firstly, who had their permanent shops in Delhi and may be called retailers and distributors and secondly, the *carvanis* or travelling merchants, who brought grain to the city and sold it to the shopkeepers as well as to the people. Prior to the enforcement of market regulation the shopkeepers as well as *carvanies* used to make as much profit as they like. But with the promulgation of the new orders, fixing the price of food grains at a lower level, the merchants and *carvanies* were left with only a marginal profit. Sultan ordered that the travelling merchants should get themselves registered with the ‘*Shahana*’ (Superintendent of Market). Even they were asked to take up residence with their families in villages on the Jamuna with in the direct jurisdiction of the Superintendent. Ala ud din appointed Malik Qabul who was the trustworthy servant of Ullah Khan and whom *Barni* credits with wisdom as *Shahana*. He was put in charge of all the shopkeepers and travelling merchants of the city. He has a responsibility to report Sultan about any fluctuations of price outside Delhi and their repercussion condition in the bazar. *Shahana* always tried his utmost to see that nothing happened in the market against the orders or wishes of the Sultan lest the wrath of the King should fall on him. Other officials of market were *Barid i mandi*, who reported on the quality of wares and the *Munhiyaus* who may be compared to the secret service police of today. The officials were directly responsible to the King. For the better control over grain market Ala-ud-din



issued a royal rescript to all the magistrates and collectors (*Shahnagan* and *Mutsaprifan*) in the doab and other regions near the capital, requiring them to give written undertaking to the crown to the effect that they would collect the grain directly in the Royal treasury. In favorable seasons the people could buy as much grain as they liked. At the time of drought and famine each house hold was given half a *man* of grain per day. Even rich persons of the town were given a fixed quantity of grain for their requirements. For any breach of these regulation the officers were held responsible and were called to account.¹⁷As a result, so much grain found its way into the markets that, in normal times, it was unnecessary to open the royal stores.¹⁸

4.5 Strict Action on Hoarders

Hoarding and regating was strictly forbidden. The hoarders were dealt with an iron fist hand and were punished severely. This rule was enforced so rigidly that no corn dealer, farmer or anyone else could hold back secretly a maund or half a maund of grain and sell it for a dang or a dirham above the fixed price. The regrated grain if discovered, was forfeited to the state and the regrator was fined.¹⁹

4.6 Espionage System

The market regulations promulgated by Alauddin Khalji were enforced by means of highly organized intelligence system. The Sultan received the daily reports regarding the market rates and the transactions of goods from three distinct sources – the controllers of the markets, the *barids* and the *munhiyaus*. If there was any variance in these reports, the defaulters were hauled up by the Sultan.²⁰ The Sultan himself took pains to check up through his slave boys and maid servants that the shopkeepers did not cheat the poor ignorant people and children by giving them short weights; flesh was cut off from haunches of those who resorted to this practice.²¹

4.7 Diwan i Riyasat

All the general markets of the Sultanate, fell within the purview of the *diwan I riyasat*- the ministry of commerce; the office of *nazir*- the superintendent of weights and measures; constituted a part of it. Alauddin Khalji activated this ministry by the appointment of Malik Yaqub, he was the man of honesty and integrity. All the *Shahnas* of the various markets were put under his charge. Thus, the *diwan i riyasat* was made ultimately responsible for the successful implementation of the economic regulations throughout the empire.²²

4.8 Rationing

Alauddin also instituted a system of rationing during times of scarcity. In favorable season, people could buy as much grain as they liked. But in times of scarcity, the consumption of these items was controlled by rationing. A quantity of corn sufficient for the daily supply of each *mohalla* of the capital was consigned to the local corn dealers (*baqqals*) every day from the government stores, and half a maund was allowed to the ordinary purchasers in the markets. There were seasons of drought and shortages, but we do not hear of any large scale



famine and deaths by starvation during the reign of Alauddin Khalji. It must have been made possible only by the wise economic reforms and strict control of the markets by the government.²³ The system of rationing was a novel idea of Alauddin Khalji and Barni asserts that, on account of the various regulations no famine occurred in Delhi.

V. EXTENT OF THE IMPLEMENTATION OF POLICY

Only Ferishta and Barni provide an account in this regard which are, however, in contrast to each other. Ferishta has mentioned that the prices of articles in other parts of the empire were the same in Delhi which implies that Price Control Policy was implemented throughout the empire. However, Barni has not written anything specific about it. Yet Barni expresses that it was a source of wonder to his contemporaries. The majority of historians accept this view. Satish Chandra is of the view that if policy was limited to Delhi, it was hardly necessary to control the supply of food-grains all over the doab. Also soldiers and their families did not live at Delhi alone, but in various towns and townships. Barni himself suggests in a work devoted to political theory that whatever was done at the capital was generally followed in the other towns.²⁴ Furthermore, Barni did not have the original documents at his disposal when he writes the narrative. He has discussed all the economic measures with special reference to Delhi alone though we have reason to believe that these economic regulations were made applicable to other parts of the sultanate as well.²⁵

VI. IMPACT

Nearly every policy has effects that were neither planned nor anticipated. These consequences associated with the policy may be either positive or negative. Same holds true for Alauddin Khaljis Policy of Price Control. According to M.P. Srivastav 'It was for the first time that relations between peasant and government grew during Alauddin's time and revenue administration was regularized. The cheapness during Alauddin's reign indicates that the producing classes had not only plentiful supplies for their daily use but they had much to spare.'²⁶ In the words of L.P. Sharma "Thus, the market system of Alauddin was a novel and successful experiment."²⁷ The peasants were saved from falling a victim to the seduction of the profiteering from middle man and speculation. Perhaps significant and lasting impact of these reforms was the furthering of the growth of a market economy in the villages and bringing about a more integral relationship between the town and the country, the furthering of the process of the internal restructuring of the sultanate. Though Alauddin Khaljis market reforms were oriented more towards administrative and military necessities than internal restructuring but he adopted a holistic approach to see the reform working properly. The reforms of Alauddin Khalji even touched the fate of the lowest rank of his officials – *Khuts* and *muqaddams* were very rich because they are revenue collectors in villages and paid no taxes. The sultan's market and revenue regulation reduced this class to poverty and brought them down to the level of ordinary peasants.²⁸ Although there were seasons of drought and famine but we do not know large scale deaths by starvation only because of Sultans economic reforms.²⁹ However, on the other hand the Policy has its own share of flaws. According to V.A. Smith "His measures certainly succeeded in preserving an artificial cheapness in the markets of the capital even during



years of drought, but at the cost of infinite oppression.”³⁰ The interests of the peasants and the merchants were sacrificed mercilessly on the altar of soldiery. They always stood in awe of the Sultan. Cold fear gripped the minds of these people. The retailers lost all interest in trade as they had very little or no profit in the transactions. The peasants too had no incentive to produce, since he was left with the bare minimum; the surplus being sold compulsorily at the low prices fixed by the government. In a word, the peasant was crushed, the merchant enslaved, and freedom stifled in trade and commerce.³¹ Thus by their very nature, Alauddin Khaljis market reforms were temporary, and largely meant to tide over an emergency, or a particular situation.³² Alauddin’s regulations died with him, thus rules, the inquiries, the strictness with which the orders were carried out and punishments inflicted on the people came to end with the death of Alauddin.³³

VII. CONCLUSION

Alauddin Khaljis military ambitions required a standing and strong army, especially after the Mongol siege of Delhi. Maintaining a large army at regular salaries, however, would be a severe drain on the treasury. A system of price controls reduced the salary amount that needed to be paid. He took various steps to control the prices. He fixed the prices of all the commodities from top to bottom. The defaulters were heavily punished. However it was a temporary measure, restored to in a state of exigency. When the emergency was over, the policy was also permitted to fall into disuse. Besides, the policy which could be enforced only by force could not continue for long. Therefore, the price control policy of Alauddin finished with his death.

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