Ancient Indian Economy

Most people in [ancient India](https://quatr.us/history-india-stone-age-today), as in other parts of [Asia](https://quatr.us/economy/west-asian-economy-mesopotamia-iran.htm) and Europe at this time, were farmers. In India, farmers mainly grew [wheat](https://quatr.us/west-asia/history-wheat-west-asia.htm) and [rice](https://quatr.us/china/rice-come-china.htm), and [cotton](https://quatr.us/clothing/cotton.htm) for cloth. They grew [opium](https://quatr.us/science/opium-world-history-medicine-drugs.htm) for medicine too. On the coast, people produced [salt](https://quatr.us/food-2/where-does-salt-come-from.htm) in big evaporation flats, and in Sri Lanka they dove for [pearls](https://quatr.us/clothing/pearl-diving-history-pearls.htm). Indian traders shipped teak wood to Iran to use in [ship-building](https://quatr.us/history/west-asian-sailing-phoenicians.htm). Many men and women and children also worked in manufacturing, [spinning](https://quatr.us/economy/spinning.htm), [weaving](https://quatr.us/economy/weaving.htm), and printing [cotton](https://quatr.us/clothing/cotton.htm) cloth, pouring [steel](https://quatr.us/india/steel-ancient-medieval-steel.htm) into crucibles, boiling off [sugar](https://quatr.us/india/where-does-sugar-come-from.htm) into lumps, and drawing out [glass](https://quatr.us/west-asia/invented-glass-phoenician-science.htm) into tiny glass beads.

India always made money from trade, because India is between [China](https://quatr.us/china/chinese-history-easy-read.htm) and [West Asia](https://quatr.us/mesopotamia-iran-levant-west-asia-articles) and Europe. From the [Harappan period](https://quatr.us/history/harappans-history-india.htm) on, Indian people were selling [gold](https://quatr.us/economy/history-gold-gold-mining.htm) to West Asia, using their carefully made [weights](https://quatr.us/india/science-math-ancient-india.htm) to weigh the gold out. Soon Indian traders were selling West Asian [glass](https://quatr.us/west-asia/invented-glass-phoenician-science.htm) and [wool](https://quatr.us/west-asia/wool-history-wool-clothing.htm) to people in China, and Chinese things like [silk](https://quatr.us/china/silk-ancient-chinese-clothing.htm) and [pottery](https://quatr.us/art/ming-dynasty-chinese-art-medieval-china.htm) to people in West Asia.

Traders in India also sold a lot of Indian things to both China and West Asia. Early on it was mainly [medicine](https://quatr.us/india/history-indian-medicine.htm), but also spices like [cinnamon](https://quatr.us/food-2/history-cinnamon-indian-food.htm) and [black pepper](https://quatr.us/india/black-pepper-come-india.htm), clothing dyes like indigo (named for India) and luxuries like [pearls](https://quatr.us/clothing/pearl-diving-history-pearls.htm). The trade made India a very rich country. But because the trade mainly went through northern India, the north part of India was usually richer than the south part.

Sometime around [600 BC](https://quatr.us/west-asia/iron-age-timeline-1000-500-bc.htm), Indian traders began to trade using ships on the ocean, which could carry more stuff more easily and safely than [donkeys](https://quatr.us/africa/history-donkeys-sudan.htm) or [camels](https://quatr.us/central-asia/where-do-camels-come-from.htm) could on land. This was good for South India, because some of the ships went to ports in the south, or sailed right around the south of India. About the same time, Indian rulers began to mint metal [coins](https://quatr.us/economy/coins-ancient-india.htm).

Also about this time, [pearl divers](https://quatr.us/clothing/pearl-diving-history-pearls.htm) were collecting pearls to sell off the shores of Sri Lanka. By 200 BC, manufacturers had extended the [pearl industry](https://quatr.us/clothing/pearl-diving-history-pearls.htm) to include cheaper stone and [glass](https://quatr.us/west-asia/invented-glass-phoenician-science.htm) beads on the south-east coast of India, at Arikamedu, and traded both pearls and beads as far as the Philippines to the east and as far as [West Africa](https://quatr.us/history/medieval-west-africa.htm) to the west.

This successful shipping trade, and the [Sogdian](https://quatr.us/history/sogdians-history-central-asia.htm) creation of the [Silk Road](https://quatr.us/centralasia/economy.htm) route from Central Asia east to [China](https://quatr.us/history/great-wall-china-qin-dynasty-china.htm) and west to the [Persian Empire](https://quatr.us/history/persians-iran-west-asian-history.htm), encouraged Indian manufacturers to develop new industries. By around [300 AD](https://quatr.us/romans/world-history-timeline-jesus-400-ad.htm), India was making and selling high quality [steel](https://quatr.us/india/steel-ancient-medieval-steel.htm) along the Silk Road; a hundred years later India was also making and selling [paper](https://quatr.us/china/invented-paper-ancient-china.htm). In the [600s AD](https://quatr.us/islam/early-medieval-world-history-timeline-400-800-ad.htm) there was a big steel factory with wind-driven bellows in Sri Lanka. About the same time, India began to make and sell tons of lump [sugar](https://quatr.us/islam/sugar-islamic-empire.htm) to [China](https://quatr.us/history/three-kingdoms-china-chinese-history.htm), to the [Sogdians](https://quatr.us/history/sogdians-history-central-asia.htm), and to the [Parthian Empire](https://quatr.us/history/parthians-iran-west-asian-history.htm).

About 130 BC, the Egyptian Dynasties established [direct sailing](https://quatr.us/history/african-science-history.htm) from Egypt and East Africa to India. By [800 AD](https://quatr.us/medieval/high-middle-ages-800-ad-1100-ad.htm), Indian manufacturers were also selling a lot of [cotton cloth](https://quatr.us/clothing/cotton.htm), [silk](https://quatr.us/china/silk-ancient-chinese-clothing.htm), and [glass beads](https://quatr.us/west-asia/invented-glass-phoenician-science.htm) to [Arab traders](https://quatr.us/economy/medieval-islamic-economy-silk-road.htm) and African traders, who [sailed](https://quatr.us/medieval/medieval-sailing-ships-medieval-europe.htm) with the cloth to [East Africa](https://quatr.us/history/east-africa-history.htm) and sold it there, bringing back African [ivory](https://quatr.us/art/what-is-ivory.htm), [gold](https://quatr.us/economy/history-gold-gold-mining.htm), and [slaves](https://quatr.us/economy/history-of-slavery.htm). Very soon, looking for other things to trade for, the traders also began to bring back [coffee](https://quatr.us/africa/history-coffee-coffee-come.htm).