Preface

Study of this book would give the reader a complete grasp over the economic ideas delineated in the Arthasastra composed around 300 B.C. in India by Kautilya, a great Brahmin scholar and the Prime Minister of the Maurya king.

To enable free reading the English translations of the supporting excerpts from the original text has been relegated to the end of the book under 'notes'. The interested reader may digress to the notes at anytime he likes to get the ideas expressed in this book substantiated by the text. Although American spelling has been used throughout the main book, the British spelling in the quotations from the text (under notes) has been kept intact. However, some diacritical marks (in the English rendering of Kangle) which are likely to corrupt the file has been avoided.

Kautilya’s Arthasastra is a famous treatise of ancient India. It was composed around 300 B.C. The author, Kautilya (also known as Chanakya and Vishnugupta) was a great Brahmin scholar and a teacher of statecraft, which, in those days embraced economics, politics, war science, espionage and various aspects of religious and social life. Artha in the narrow sense means money but in the wider sense it means all material means to meet human requirements and sastra means the holy book. The basic purpose of the book to specify guidelines for unifying the innumerable states in the Indian subcontinent into a
strong and large monarchic state capable of repulsing foreign invasion and ensuring free flow of goods and services throughout the subcontinent. This became necessary because of rapid expansion of trade. Multiple states with multiple laws and restrictions on entry had created a serious hindrance on the path of free flow of goods and services which became essential with rapid expansion of trade and commerce. Moreover invasion of Alexander the Great proved that smaller states were most vulnerable to foreign invasion.

The process of unification of the smaller state, existing in Hindustan from time immemorial had already started since the reign of Ajatasatru (660 B.C.) who had conquered 36 smaller states to form a vast Magadha state. The Nanda dynasty further increased the size of the state by conquering new smaller states. Kautilya wanted to accelerate the process further and his mission came to fruition as, on the basis his guidelines and under his shrewd stewardship as the Prime Minister of the Maurya Emperor, his disciple, the king Chandragupta Maurya was capable of unifying Hindustan into a vast state embracing the geographical areas of most of present India, Pakistan, Bangladesh and parts of Afghanistan. He could also ensure internal law and order, protection against foreign invasion and economic prosperity following the guidelines of Kautilya and his Arthasastra.

The magnum opus was mentioned and partially quoted in various available ancient Indian texts; but the manuscript of the original text was not available to the scholars till 1909. The manuscript was discovered by Shamasatra, the librarian of Oriental Manuscripts Library of Mysore from the house of a native Brahmin scholar in 1902 and the edited full text was published by him in 1909 and later on the text was translated in English by him and other scholars.

The treatise deals exhaustively with statecraft, economics, espionage, administration, war science, ecology and various other aspects pertaining to human living. The entire text is divided into fifteen books, each containing several chapters. Although there are occasional insertions of prose, the treatise is written mainly in slokas (Sanskrit verse consisting of two lines). In our quotations under 'notes', the symbol I/1/1 means book-I, chapter-1, sloka-1.

In this book we are going to take up some economic and related issues dwelt upon in the great treatise. The topics to be taken up for discussion are listed in the content below: Environment and Ecology, Empowerment of women, Price policy, Agriculture & land use, Craft industries, Role of the state sector, Taxation and fiscal policy and Division of labor.

I Environment & Ecology

It is a matter of surprise that more than two thousand years ago, Kautilya had touched upon environmental issues of which human society has become aware only since the mid-twentieth century. According to him the sources of hazards pertaining to environment and ecology are human indiscretion and natural calamities. He prescribed preventive and remedial measures for both in his book.

Man-made Hazards

Kautilya attaches utmost importance to the preservation of forests and other natural resources. He prescribes that appropriate plants should be grown to protect dry lands and pasturelands should be properly protected. Kautilya entrusts the task of protecting forests
and other natural resources with the king (through different state officials). The king should protect different types of forests, water reservoirs and mines by enacting appropriate laws and enforcing them with the assistance of honest and efficient officials. [1]

Houses and other dwelling places, roads, cremation grounds etc. should be properly constructed preserving environment. Every house should have proper arrangements for controlling fire. Any violation of the rules pertaining to these matters would make one liable to punishment.[2]

Every house should be constructed strictly on the basis of the rules (preserving environment) prescribed by the authorities. There should be proper arrangements in each house for sewage and proper disposal of wastes. The violators would be fined according to the gravity of the offence.[3]

In the above specifications Kautilya takes into consideration all aspects necessary for perfect harmony and eco-friendly milieu in the dwelling places of the citizens.

Kautilya prescribes various fines and other punitive measures for polluting the environment by throwing dirt on the roads and highways or voiding urine and faeces at public places.[4]

But Kautilya was wise enough to realize that sometimes people are compelled to commit the above mischief due to illness or similar reasons. In that case the miscreant is to be exempted from fines.[5]

Throwing carcasses or dead bodies at public places in the city are to be punishable with fines.[6]

The dead bodies are to be cremated at cremation grounds only. Otherwise the offender will have to pay fines.[7]

Kautilya also prescribes that everyone should be careful about preserving common property and bio-diversity. Otherwise he would be fined.[8]

No one should do anything to have harmful external effects on cultivation, irrigation system and properties of other persons. Violators of this rule would be punished with fines. In case of setting fire to properties of others or common property, or bursting a dam containing water the punishment is death-sentence.[9]

Natural Hazards

Damage to environment may be caused also by natural hazards. All of them cannot be prevented by human material endeavors. But we may prevent some of them by our knowledge of science and with coherent efforts. Kautilya’s prescriptions for disaster management are worth noting, particularly the anticipation of disasters and prior preparation for preventing them as far as possible. First he classifies the natural calamities into eight categories, viz. fire, floods, disease, famine, rats, wild animals, serpents and evil spirits. The last one, however, has no realistic connotation but in those days, and even today considering the beliefs of common people, it has much significance. From a thorough study of the treatise, it appears that Kautilya himself had little faith in these superstitious practices, but to respect the faiths and beliefs the masses in those days he had mentioned these in the text. Kautilya emphasizes that the king should take appropriate measures to minimize the harmful impacts of these calamities.[10]

Some of the important measures as prescribed by Kautilya to prevent the three major natural calamities are discussed below.

Fire Hazards
The responsibility, of controlling hazards from fire and devising rules for the citizens so as to minimize hazards from fire, lies with the City Superintendent.[11]

Remedies against fire in residential areas and punitive measures against violators of fire-prevention rules are prescribed in different slokas. In summer all citizens should take steps against the outbreak of fire. Fire cannot be kindled inside the houses (most probably built with hay and other inflammable materials) during the midday when the possibility of spreading of fire is very high. In case it is extremely urgent, citizens should cook outside the house so that catching fire of the house is minimized. Various indigenous devices to extinguish fire should be kept in every house. Violation of these rules would be punished with fines, the amount depending on the gravity of the offence.[12]

The City Superintendents are to take preventive measures against fire by compelling people to remove inflammable matters from their houses and he should also take initiative in setting up fire extinguishing devices in various public places.[13]

**Flood Hazards**

Kauṭilya prescribes various measures for prevention of hazards from flood-situations. In the rainy season, villages situated near water should move away at highlands above the level of the floods and they should keep a collection of wooden planks, bamboos and boats. Kauṭilya also emphasizes on mass-participation in rescue works for the flood affected citizens. This is to be done both by moral suasion and legal sanctions.[14]

**Famine Hazards**

The role of the state in famine management, as prescribed by Kauṭilya, is noteworthy. The ruler should have prior preparation for anticipated famines so that he is not caught napping. When the disaster actually occurs, he should take prompt measures so as to minimize the harmful effects on the masses. The most interesting aspect in these prescriptions is that the ruler should relinquish if he fails to handle the famine situation. Help of friendly foreign governments may also be sought if it is not possible to manage disaster by the efforts of the government of the affected country alone.[15]

In fact ecological and environmental awareness of Kauṭilya can be found in almost all the chapters. It is clear from the above discussion that Kauṭilya was much concerned about matters pertaining to the preservation of environment and ecology. To this end he prescribed various rules and also the punitive measures for violation of such rules. In this regard Kauṭilya’s approach was holistic as he considered preservation of environment and ecology as an integral part of human living.

**II Empowerment of Women**

**Introduction**

One of the most important issues for which ancient Indian literature has much relevance today is women’s rights and empowerment. Nowadays there is much talk about this issue. Even an International Women’s Year and Decade were observed. In India since independence, various show-biz measures for empowerment of women have been adopted, e.g., reservation for women in various jobs, legislative bodies etc. All these would come to naught unless measures are adopted for financial security of women, and sexual security of women is ensured by stringent punishments for sexual crime by men against women. In fact all talks of equality and rights of women, without any financial security, strictly enforceable property rights, sexual security and norms preserving dignity
Financial security of women

In the Arthasastra of Kautilya, as in many other ancient Indian texts, the basis of financial security to married women was ‘stridhana’ (woman’s property). It consisted of landed property, jewelry, and money sufficient for maintenance of the married woman and her children. The funds were to be provided right at the time of wedding by the husband, the relatives of the husband and that of the woman who is to be married. The amount of the fund depended on the financial capabilities of the donors involved and the existing social custom; but in any case, it should at least be sufficient to cover the subsistence of the woman and her children in case her husband dies, remarries or abandons her for any reason in which the woman has no fault on her part. Maintenance of ‘stridhana’ was a legal compulsion and violation was subject to punishment. The state was to enforce the observance of the rules pertaining to this financial arrangement.\[1\]

The woman could use the fund (when the husband was still alive and living with her) under the following situations (and the husband was also permitted to use the fund under certain situations). The fund could be used for the maintenance of her sons and daughters in the absence of the husband, to ward of various hazards, or for religious purposes. The couple could jointly spend from the fund after the birth of a child to cover the expenses for relevant rituals and festivities.\[2\]

The husband could, however, use the fund in the above cases only when the marriage had been a pious [3] one.\[4\]

Property rights of a widow

Rules related to the right over women's property of a widow the following according to the Arthasastra.

If a widow does not remarry, she would enjoy ‘woman’s property’ until her dying day.\[5\]

After remarriage the widow generally forfeits her rights to woman’s property earned in the earlier marriage. However, a widow without sons may use this property for religious purposes alone.\[6\]

A widow with sons always forfeits woman’s property (from earlier marriage) after remarriage. She can use this property only for the maintenance and benefit of the sons.\[7\]

If a widow, without children, remarries in order to have children and a family, she may be permitted to enjoy woman’s property if remarriage is done according to the likes of the earlier father-in-law’s family.\[8\]

The wife can abandon the husband and still enjoy woman’s property if the husband becomes degraded or has settled in a foreign land or become outcast or even impotent.\[9\]

Remarriage in case of short absence of husband

Kautilya clearly specifies the period for which a woman is to wait (to be permitted to remarry if she likes to do so) in case of short absence of husband under various circumstances. The case arises when the husband goes away from the wife with the promise to return after a short period. The wives of a Sudra, a Vaisya, a Ksatriya and a Brahmin without a child shall wait for a period of one year and with child for two years if they are not provided for by the husband for the period of his absence. They would wait for double the period in each case if they are provided for. In case they are not provided
for, the trustees of women's property at first and later on the kinsmen would maintain
them till they are remarried.\[10\]

**Remarriage in case of long absence of husband**

The husband may have to go away for business or other purposes requiring long
absence. Kautilya also specifies the period for which a woman is to wait (to be permitted
to remarry if she likes to do so) in case of long absence of husband. If the husband does
not return after the stipulated time period, the wife may remarry after waiting for seven
more menstrual periods if she has no child and for one year, if she has child.\[11\]

**Conditions for remarriage if the husband does not return in time**

If the husband does not return after the stipulated period and the woman is willing to
marry, she can marry only certain specified relations of the husband. Otherwise the
marriage would not be recognized by law and considered as adultery and the woman
would lose right over woman's property.\[12\]

**Inheritance of woman’s property**

After the death of a woman her woman’s property would be inherited by her sons
and daughters (whether the husband is still alive or dead). In the absence of children, the
husband, if alive, would receive a part of it and the other parts would be shared by the
respective contributors.\[13\]

**Financial obligations of men to the dependants**

According to Kautilya’s Arthasastra, it would be obligatory for a man to provide for
the upkeep of his wife and children as well as parents, minor brothers, and unmarried and
widowed sisters. In case he fails to discharge duties in this regard, he will be fined. He is
not obliged to do these duties if anyone mentioned above (except mother), becomes an
outcaste. It appears that he is to maintain his mother even if she becomes an outcaste.\[14\]

If a person desires to renounce family life to become an ascetic can do so only after
he makes adequate provisions for the wife and children. Otherwise he would be punished
with fines. And nobody should be permitted to induce a woman to renounce family life.
[15]

**III Price Policy**

**Introduction**

A close study of the ancient Indian texts, especially the Arthasastra of Kautilya
reveals, to the surprise of the modern scholars, who believe that the concept of demand
and supply was generated in the West during the 18th century, that due regard was paid
to demand and supply in price determination in this ancient text. The state took an active
role in price determination, but state intervention in this regard had never been contrary
to the market forces. Prices were to be ultimately determined on the basis of cost of
production on the one hand and intensity of demand on the other. But ‘just price’,
determined in this manner, was to be approved and implemented by the state. Duty of the
state in this regard was not to fix prices arbitrarily, disregarding market forces, but to see
to it that traders and producers could not manipulate prices to make exorbitant profits,
could not cheat the buyers or could not create crisis and instability by taking advantage of
shortages. Ancient authors, particularly Kautilya, were well aware of the psychology of
the businessmen who, out of greed, would always distort free play of the market
mechanism and charge exorbitant prices, if left alone. So the state should either
determine the prices itself or approve the prices announced by the traders or producers – both on the basis of the concept of “just price” and paying due regard to the forces of demand and supply.

According to Arthasastra principles, in case of temporary discrepancy (excess demand or excess supply), prices cannot be permitted to increase or fall, but are to be fixed at a given level till the discrepancy passes off. In case the discrepancy persists, the state should not attempt to keep prices rigid. In this situation, prices are to be increased (in the case of excess demand) or reduced (in case of excess supply) step by step and by ‘trial-and-error’ process so as to arrive at a new equilibrium restoring balance between demand and supply and avoiding hardships to buyers (sellers) with a rapid upward (downward) swing of the price level. But in this regard, private persons are never to be given a free hand. Prices are to be readjusted either directly by the state or on the basis of approval by the state of the revised prices announced by the sellers. Now we examine the specific measures in this regard in the Arthasastra of Kautilya. First let us explain the concept of just price as delineated in this text.

**Concept of just price**

The specific methods to fix and alter prices and the measures to implement them have been delineated in detail in the Arthasastra of Kautilya. According to this text, the superintendent of commerce is to be entrusted with the task of enforcing the price policy. The prices of different commodities are to be fixed by him. He, however, cannot fix prices arbitrarily. In fact, a uniform rule should be followed throughout the country to determine the ‘just price’ of each commodity.[1]

Just Price may be defined as:

\[
\text{Just Price} = \text{Average cost of production} + \text{tolls and taxes} + \text{transport and associated costs} + \text{profit margin.}
\]

Where,

\[
\text{Production cost} = \text{cost of raw materials} + \text{wages} + \text{interest.}
\]

In the Arthasastra this concept of ‘just price’ springs directly from the ancient Indian world outlook of balance embedded in the text, according to which prices are to be so determined as to strike a balance between the interests of the buyers and that of the sellers. To fulfill this objective, the following guidelines are recommended in the Arthasastra.

Goods are to be sold at places specified by the state and prices should be announced (for approval by the state and knowledge of the buyers) by the businessmen. In no case would the goods be permitted to be sold to the final buyers at the place of their origin.[2]

The significance of the above rule appears to be that all commodities should add some value through transport and trade before passing on to the final buyers. There may, however, be other explanations as the rule stated in the text is brief without any detailed explanation.

All goods for sale should bear official ‘seal’ and properly weighed, measured and numbered. Violation of this rule is subject to punishment. Selling goods without official seal, forging or distortion of the seal would be punished with fines, amount depending on the degree of offence.[3]

To pay less duty than legally due, the trader may under-state the quantity or price of his good. In such a case the excess good and value would be confiscated by the state. Or he would be heavily fined. Similar punishment would be effected on the trader if he tries
to mislead the officials by showing a sample of goods of lower quality and lower value than his actual assortment of goods.[4]

Enhancement of price by bidding is discouraged by confiscating by the state the excess profit earned through enhancement of price by bidding or by imposing heavy fines on the miscreant.[5]

The government officials who adopt underhand means to guard the guilty merchants (accepting bribe etc.) are to be punished with fines. To enforce the above rules Kautilya prescribed for a strong spying network to detect all attempts by traders to deceive the government and also to make the traders and officials aware of omnipotence of the king.[6]

**Components of just price**

The Arthasastra of Kautilya also provides detailed guidelines for determination of various components of price as discussed below.

**Wages**

Guidelines for wage determination are scattered in Book-III, Chapters-13, 14; Book-IV, Chapter-2 and Book-V, Chapter-3 of the Arthasastra. The basic principles of wage-determination, in the private sector as prescribed in these chapters, are that wages should be so determined (by contract between the employer and the employee, which once settled, would be binding on both the parties) that the employer is not cheated and at the same time the employee is not exploited. Violation of contract by either party would be subjected to punishment. Wages are to be determined on the basis of existing custom where they are available.[7]

For cases where wages are not negotiated or determined by some existing local custom, Kautilya prescribes some rules for determination of wages.[8]

Disputes regarding work between the employer and the employee are to be settled only on the testimony of the witnesses. In the absence of witnesses the judge would inquire the place of work to arrive at a judgment pertaining to settlement of the dispute.[9]

Non-payment of wages by the employers is punishable with fines.[10]

Wages in the state-sector are to be determined according to the quality of the work. One important aspect of state sector employment of laborers is the provision of incentives through gifts etc. to the efficient laborers.[11]

A lengthy list of wages of various state-sector employees is described in Book-V, Chapter-3 of the Arthasastra.[12]

**Interest**

Interest rates are to be rigidly fixed by the state (considering the degree of risk involved) so as to prevent usury and exploitation of the weak borrowers. Annual interest rates for various categories of borrowers are to be:[13]

- For non-commercial loans = 15%
- For less risky commercial loans = 60%
- For risky commercial loans = 120% and
- For foreign trade = 240%.

If we closely look at the above chart, it is found that the rate of interest on loans for foreign trade (240% per annum) was much higher than that on loans for internal trade. This is quite contrary to the present day state policy pursued in India where, considering the chronic balance of payments crisis, it is desirable that interest on loans for foreign
trade, esp. for exports, should be lower than that on loans for internal trade. The most feasible explanation for highest rate of interest for foreign trade, as prescribed by Kautilya lies in the risk factor in different kind of loans. In those days transport and communication systems were undeveloped. So, foreign trade was much more hazardous than internal trade. In those days, modern commercial banks and lending institutions were non-existent and most of the private money-lenders were not much resourceful. So, risk factor used to play a dominant role in determining the rate of interest. If we look closely at the chart for interest rates above, it is found that even in case of internal trade, interest rate increases according to the degree of hazards involved in trading. Interest rate on loans for hazardous internal trade (120% per annum) is double of that on loans for hazard-free internal trade (60% per annum). By the same logic one may conclude that interest rate on loans for foreign trade, which involved much more hazards (than internal trade), would be higher in general as compared to interest rates on loans for internal trade.

**Profit**

Profit rate is also to be rigidly fixed by the state so as to avoid uncertainty and to prevent traders from profiteering. There are also specific guidelines for ascertaining transport, storage and other associated expenses. Rigid and simplified rules are to be observed for determining tolls and taxes on all the commodities produced and traded. Higher profit rate is permissible for foreign trade. The net profit for indigenous goods would be 5% and for foreign goods, 10%. Any trader, trying to earn a higher profit than prescribed by the state, would be punished.[14]

**Implementation**

Price policy in the Arthasastra was inexorably associated with the methods of implementation, which consisted of: (a) administrative measures; (b) accounting; and (c) buffer stock.

**Administrative measures**

As regards implementation of price policy, a crucial role is to be played by the superintendent of the toll house. Simultaneously with collection of tolls, he is entrusted with the task of implementing prices fixed by the superintendent of commerce. If the concerned officials shirk their duties or adopt corrupt practices in connivance with the traders, they are to be punished.

The espionage network is to play an important role in the implementation of price policy. False statements regarding costs and prices, adulteration, smuggling, overvaluation, under-valuation, etc. by the merchants, cannot be detected without the help of the spies.

Government officials, entrusted with the task of implementing price policy, would not resort to corrupt practices as they would always be alert that spies in different guises are looming at every corner. Anybody, whatever is his apparent identity, may be a disguised spy and so, the fear of being detected and punished would automatically discourage merchants and government officials to resort to underhand practices by violating rules and procedures of price control laid down by the state.[15]

As regards the ubiquitous nature of the espionage network of Kautilya, a modern author opines: “There were spies in every traders’ caravan.” (Kosambi 1981, P.147)
The espionage network is likely to facilitate perfect implementation of price policy by ensuring: (i) dissemination of correct information relevant to costs and prices, and (ii) prevention of corruption. (Mukherjee, 1976)

**Accounting**

Detailed and accurate methods of accounting and auditing, as delineated in Arthasastra of Kautilya, reminds one of the accounting methods of a highly developed capitalist economy. Salaries of all the state employees should be paid promptly, all state orders should be in writing, power and duties of all the state departments should be clearly defined, separate registers should be maintained for every item and accounts should be regularly entered in prescribed registers.[16]

As regards the functions of the officers of different departments pertaining to auditing of the records of the respective departments, Kautilya prescribes detailed guidelines. All the officials related to these tasks are to be punctual and they should perform their duties honestly, diligently and with skill. Any dishonesty, negligence or lapses on their part would be punished with fines. In this regard Kautilya puts forward detailed guidelines resembling modern accounting practices. [17]

The account books of different departments are to be presented in full before the audit officer in time. In case of delay due to unavoidable circumstances, some concessions in this regard may be made, but only up to a specified limit.[18]

The guidelines for checking up of the accounts by the audit and accounts officer are also prescribed in detail by Kautilya.[19]

Kautilya mentions various restrictions on the accounts officer and punitive measures against him, in case he fails to discharge his assigned duties in a proper way.[20]

According to Arthasastra prescriptions the director of stores should be conversant with receipts from outside and inside, for the current year and for many years before and after the current year, so that when asked he would not falter in respect of expenditure, balance and collections for these years. The accounts and finances of the different government departments are to be inspected regularly and with accuracy.[21]

**Buffer stock**

In the Arthasastra much emphasis is laid on the maintenance of a buffer stocks of all commodities and replenishing them regularly so as to meet accidental shortages and thereby, to ensure smooth implementation of the price policy.[22]

**IV Agriculture and Land Use**

In ancient India, proper measures were adopted for the development of agriculture so as to ensure supply of food for the population and raw materials for craft industries based on agriculture. There were also measures for proper land use so as to ensure continuity of fertility of the soil and highest possible productivity of land without causing any damage to ecology and environment.

It may be argued that in ancient days agriculture was the main pre-occupation of the economy of a country so it acquired utmost importance. But in modern era, industry is the driving force of an economy as it is free from the natural limitations of agriculture. Still the importance of agriculture cannot be ignored altogether in a modern economy. Even today industry is the basic source food for the people and it supplies raw materials to many industries like the textiles. In a country like India, agriculture has some special
importance as majority of the population depend for their livelihoods on agriculture. It is true that we will have to depend ultimately on industry for rapid economic development of the country, but without a strong agricultural base, industrial development in a country like India may come up against various bottlenecks. So along with industry, due importance should be attached to the agriculture and allied activities also.

Now let us see how these matters are handled in the Arthasastra of Kautilya.

In Arthasastra of Kautilya, we get detailed guidelines as regards agricultural development and proper land use. Kautilya asserts that prosperity of the country depends on agricultural development. He emphasizes the roles of agriculture and animal husbandry and elaborates on the merits of activities associated with these two sectors. These sectors are the major sources of food and many other essential articles for human living. He also opines that the strength of a country vis-à-vis its enemy country depends on the soundness of these activities.[1]

According to Kautilya agriculture should be a profession of the Vaisyas (the trading class). This was the common practice ever since the Vedic period. Under certain circumstances, however, he goes against the tradition and prescribes agricultural activities by Sudras, especially in newly established villages.[2]

The measures to be taken by the king for agricultural development and proper land-use as prescribed by Kautilya consist of rules for settlement in the countryside (old or new), selection of appropriate persons who are to be entrusted with the task of land development, how land is to be distributed for various uses like agriculture, pastures, factories, forests, water reservoirs and irrigation networks, habitations etc. Kautilya also prescribes measures for encouraging private persons efficient in activities pertaining to agriculture and proper land use, and punitive measures for those who violate rules in this regard or create obstruction to these activities.

It is an important question how to develop land in the hitherto uncultivated areas. It is quite natural that without government initiative and encouragement, people on their own would not be interested in settling in these areas. So, Kautilya prescribes state sponsored schemes for developing land for cultivation in these areas.

One way of development of hitherto uncultivated land was to provide tax concessions to those who were willing to cultivate the uncultivated land.[3]

If any person left leaves land given to him uncultivated, the state should promptly seize it and hand it over to some diligent cultivator. Also these persons are to pay compensations for keeping land idle. This is a strong measure to discourage misuse of land resources of the country. The energetic cultivators should also be encouraged by the state through grants and loans.[4]

Kautilya also associates various allied activities with agricultural pursuits and delineates in detail the role of the state in encouraging these activities. Along with agricultural activities, the state should sponsor and encourage activities associated with development of general forests, forests suitable for living of elephant and other wild animals, pasture lands, and also marketing, and transportation and communications facilities. In fact, development, of all these fields, is interrelated and interdependent. So, for proper development of each of these areas, a holistic approach is necessary and the Arthasastra delineates such a holistic approach. Kautilya was wise enough to realize that a single activity cannot properly flourish in isolation.[5]
Kautilya prescribes measures for irrigation facilities which are essential for development of agriculture as like today, in those days too, rainfall was not regular and equally distributed over all regions of the country. Agricultural pursuits in the dry and drought-prone areas were dependent solely on irrigation water. In other areas too, irrigation was required during dry seasons, and years of scanty rainfall because of climatic irregularities. For these reasons Kautilya suggests construction of water reservoirs, wells, tanks, fountains etc. Trees should be planted for soil and water conservation, esp. in dry areas. In this regard, the state should also seek people's participation. People undertaking these activities should be encouraged by the state in various ways.[6]

How various crops are to be cultivated are described in detail in II/24. Here Kautilya describes how different crops are to be planted according to the specificity of soil and weather conditions. Variations of the same crops (depending on specific conditions) are also mentioned. In Arthasastra Kautilya mentions the various grades of the staple crops like rice and under which conditions each variety is to be cultivated. On the whole, agriculture, according to Kautilya, is to be eco-friendly and sustainable; and there should be a proper balance among different kinds of uses of scarce land. All varieties of seeds are to be collected in proper time and preserved properly.[7]

Crops are to be sown according to appropriateness of soils, climatic conditions etc. He specifies clearly which variety of crop is to be sown under a specific soil water supply and climatic condition. Before sowing the seeds, the land is to be appropriately ploughed. Then the ploughed land should be adequately irrigated according to the type of the crop. Also types of crops to be sown may be selected on the basis of availability of water and climatic and soil conditions.[8]

Kautilya opines that if wind and sunshine are properly distributed allowing the fertilizer to become appropriate for the land, the growth of crops is certain. He also describes the order of crops to be grown on a particular plot of land so as to maintain a balance in fertility of soil and ecology and replenishment of fertility after each cultivation.[9]

Kautilya also describes how seeds are to be prepared before sowing, and how crop saplings are to be properly maintained. He also prescribes some natural devices to drive out serpents, insects and pests from the crop field.[10]

V Craft Industries

In course of industrialization, particularly during the era of liberalization, one of the most serious problems is the problem of increasing unemployment as modern industries are highly capital intensive. For rapid economic development of the country, modern industries with sophisticated foreign technologies are to be built up. At the same time, it is to be seen that adequate employment opportunities are generated for the job-seekers (whose number is increasing rapidly with growth of population). Formal sector led by modern industries, is incapable of handling the employment situation. So, the informal sector is to shoulder the major burden of job creation for the rising job seekers. In most of the developing countries like India, the agricultural sector has already been saturated as regards providing employment. In fact, it is burdened with the problem of surplus manpower (the so called ‘disguised unemployment’). So, it is an urgent necessity to find out a
safety net for the job seekers. The handicraft industries are likely to play a major role in this regard. Looking at the case of India as a specific example, we find that the craft industries sector is burdened with various problems, most of which have remained unresolved in spite of efforts by the Government of India since the First Five Year Plan.

In ancient India, these craft industries were highly developed and efficient. So the question arises if we can learn from the ancient text as regards reviving the craft industries and make them capable of bearing the responsibility of handling the unemployment situation, especially, in backward countries like India.

The most mention-worthy thing in this regard is that job creation through the crafts automatically takes place if the crafts prosper without any subsidy or government reservation (which is an undesirable aspect of present policy regarding the crafts in India). In ancient India, this was feasible because of the high quality of products of the crafts.

Now-a-days many cheap goods are produced by the large-scale modern industries, but there are also craft products, which depend on individual skill and ingenuity and, therefore cannot be imitated by modern industries. These products are likely to command a large market only if the quality of products is ensured. But here the craft industries in India today have failed miserably. Because of the low quality of products (even cheating of the customers) the craft industries in India requires government reservation – their substandard products cannot be sold unless the government departments buy them or they gain monopoly power through government reservation. This policy of generating employment through the crafts is definitely at the cost of the consumers and, therefore this is not at all desirable. So, we are to study how the quality of products was ensured in ancient India. This was mainly ensured by the craft guilds and strict government regulations regarding quality of products of the craft industries. We are going to discuss these matters below in the light of prescriptions of Kautilya in this regard. But before going into the prescriptions of Kautilya regarding the crafts, let us have a glimpse of the history (origin, evolution and decline) of the craft industries in India.

**History**

A large number of highly efficient crafts, many of which originated as early as the Vedic period, flourished in ancient India, especially since 700 B.C. M.A. Buch cites the existence of the following crafts during this period: cotton, silk and woolen textiles; perfumes; glass-works and mirrors; umbrellas; shoes and other leather goods; wood works; ivory works; mining and metallurgy (gold, silver, iron, tin, zinc, copper, lead), ornaments etc. (Buch 1979, Vol.-I, PP. 116-97)

The artisans, in each branch of craft, had acquired remarkable skill because of helpful socio-economic and political set up. (Ibid. PP.202-36)

Buch mentions the following conducive conditions for the rapid growth and prosperity of the craft industries:

(i) Autonomy and dignity of labour.
(ii) High position of labour in society.
(iii) The Indian economic system, relying more on status than on contract, was much favorable to artistic production.
(iv) Absence of inequality.
(v) Patronage of the State.
(vi) The caste system, the guild and the village community were institutions, which were in many ways favorable to the creation and conservation of true art.

(vii) The guilds used to maintain quality of products.

(viii) Village community and land tenure system led to wonderful continuity and unity of ancient Indian arts and crafts.

(ix) Genius for imitation of the artisans.

(x) Systematic technical training from childhood.

(xi) Governing influence of religious ethics.

(xii) Healthy home atmosphere.

Crafts of ancient in ancient India were highly organized under strong guilds, which had evolved since the Vedic times. Almost every important craft or occupation in a locality used to form a guild. Persons belonging to each craft used to acquire the profession on the basis of heredity used to settle down in a well defined region and were organized in guilds under a jetthaka or pamukha. The guilds possessed both executive and judicial power and were entitled to arbitrate between its members through executive officers. Some guilds worked as banks and used to receive permanent deposits. Sometimes a number of guilds got united to form a federation presided over by a bhandagarika (Mookerji 1980, PP. 601-02)

Panikkar opines that guilds used to enjoy great economic and political power. (Panikkar 1966, P. 36)

The British rule in India, particularly since the middle of the 19th century, gave a deadly blow to the major crafts in India. The kings and the noble class, with refined tastes for high quality craft products, were degenerated and the guild system got disintegrated under the administrative reorganization of the British rulers. The newly emerging factory industries in Britain opted for a reliable and secure market for their products in India. This necessitated deliberate destruction of the craft industries like the cotton textiles, which were likely to out-compete the British industries producing the same type of products at that time. (Gadgil 1973, Ch.-3, PP. 33-36)

But in the process, only the major crafts like the cotton, woolen and silk textiles were affected adversely. However, a host of crafts, producing artistic goods, which could not be produced in modern factories, remained almost unaffected. But the plight of the artisans became precarious because of poverty, exploitation by the middlemen and moneylenders, and erosion of market for quality products (because of the degeneration of the noble class with refined tastes). Many artisans left their hereditary profession and sought employment elsewhere.

In recent years, however, there has been a sign of revival of many of the crafts depending on an expanding foreign market. This sector has also opened up possibilities of generating considerable employment opportunities.

Now let us look into the information on craft industries obtained from the Arthasastra of Kautilya, and examine if they are of any help in the process of revival of the craft industries in India and for that matter all backward countries with heavy burden of unemployment today.

There are innumerable mentions of the state-sector craft industries in the Arthasastra of Kautilya. Most of these industries were under the supervision of specific state departments headed by a superintendent or director, e.g. the director of mines, of metals, superintendent of armory etc. The industries include mines, metals, ornaments diamonds,
gems, gold and pearls, yarns, cloths, armors, furniture, umbrellas, glassworks, pottery, chariots etc. There are also specifications of factories and product processes, the types of artisans to be employed, the conditions of employment etc. for each craft.[1]

Besides these prescriptions for state sector craft products, there are mentions of thousands of commodities, produced at various places and this indicates the range and variety of craft products in those days.[2]

Thus we see that varieties of high quality craft products were produced in ancient India. The high quality of the products was the cornerstone of success for the crafts in those days. This was possible because of the existence of the guilds which maintained a strict surveillance over the quality at all stages of production beginning from the raw materials. They also helped the individual artisans to market their products. Thus employment was automatically generated without any reservation for the crafts. Kautilya was also aware that the guilds themselves may acquire monopoly power and thereby destroy competition. So, state control over the guilds and artisans was necessary in order to protect the interests of the consumer.[3]

Kautilya opines that the guilds are to play the crucial role in ensuring quality of raw materials and final products.[4]

Kautilya prescribes various regulations to control the craftsmen so that they may not deceive the buyers of their products. Specific regulatory rules are also prescribed for each class of artisans.[5]

From the above analysis we may safely come to the conclusion that emulation of Kautilya's principles is likely to play a crucial role in revival of the craft industries and ensuring the quality of their products making them capable of absorbing the vast body of unemployed and at the same time meeting the needs of the consumers, especially, in highly populated backward countries like India.

VI Role of the State Sector

In the Arthasastra Kautilya prescribes for a vast state sector embracing all the major fields of production in the economy. According to his guidelines the state should have monopoly power over most of the natural animal-products and plant-products. It may also be presumed that the state had ownership of most of the mines producing metallic ores and controlling power over trade in these products. The state also leased out mines to private businessmen. But in this respect the best mines were to be explored by the state itself and the difficult ones to be leased out to private party. The state should have monopoly power over salt mines. But here also some salt mines were leased out to private party in exchange for rent and surcharges. The state had almost monopoly power over exploration of gold and production of ornaments and other articles by these precious metals. All measuring scales and weights were to be produced by the state.[1]

In brief, the state sector had a command over the entire economy.[2]

Kautilya gives an elaborate account of the state sector economic activities. It is seen that almost all the goods available in those days were produced in the state sector. The state also used to participate in inland and overseas trade. In certain fields, the state used to enjoy almost exclusive monopoly power. They were: mining, fisheries, transport, production of boats, ships, and vehicles, coins and salt. In these spheres, however, private
persons were permitted to operate under certain conditions and under strict state control. The state had exclusive right over all forest and oceanic products.[2]

In other spheres, however, private production was permitted. Agricultural commodities were produced in both the private sector and the state sector. It appears that most of the trading (internal and foreign) activities were carried on by private traders.

Thus, a study of Arthasastra of Kautilya creates the impression that the major part of the national product was produced in the state sector.

For smooth and efficient operation of the state machinery, Kautilya divided the vast state sector activities into a large number of departments, each department entrusted to a superintendent, director or departmental head. The most important departments were:

i) Stores department,
ii) Revenue administration,
iii) Audit & accounts department,
iv) Treasury;
v) Department of mines and factories,
vi) Department of gold,
vii) Department of magazine,
viii) Department of trade and commerce,
ix) Department of forests,
x) Armory; xi) Department for weights and measures,
xii) Department for space and time,
xiii) Customs department,
xiv) Department for yarns,
xv) Department of agriculture,
xvi) Department for spirituous liquor,
xvii) Slaughter house,
xviii) Department for courtesans,
xix) Shipping department,
xx) Department for cattle,
xxi) Department for horses,
xxii) Department for elephants,
xxiii) Department for chariots,
xxiv) Infantry,
xxv) Army,
xxvi). Department for passports & pastureland,
xxvii) Village administration,
xxviii) Department for secret agents,
xxix) City administration.

Various hypotheses have been put forward to explain the prescription of such a vast and all comprehensive state sector in Arthasastra. None of them is, however, fully satisfactory. The important ones are discussed below.

(i) The vast size of the empire necessitated vast amount of revenue. For small states, it was possible to mobilize necessary revenue by taxation alone. But for a vast state like one conceived by Kautilya, adequate finance could not be mobilized through taxation alone. So it became necessary to supplement tax revenue by profits from the state sector business and productive activities.
(ii) Private sector productive activities (particularly by the craft industries under the guilds) were not adequate to meet the requirements of the society. So it was necessary to undertake productive activities under the state.

(iii) Protection and proper use of natural resources like forests, lakes, rivers, mineral and water resources etc. compelled the state to have exhaustive monopoly over these fields.

(iv) Technological expansion in that period necessitated state intervention and direct participation by the state in productive activities.

In fact, none of these explanations is fully satisfactory. So, further research in this regard is an urgent necessity. Two observations, however, about the vast state sector in the Arthasastra, could be made on the basis of existing information:

(a) The concept of a vast state sector was a temporary phenomenon, specifically relevant to the age of the Arthasastra when for the first time India as a single political entity encompassing a vast geographical area emerged. We draw this conclusion because this concept is absent in the guidelines prescribed in the major texts in the later periods in ancient India.

(b) In the Arthasastra, utmost emphasis was given to the efficiency and profitability of the state sector.

The discussion of the state sector in Kautilya's Arthasastra would remain incomplete without a glimpse of the audit & accounting system by which such vast activities of the state were harmoniously carried on.

**Audit & Accounting**

Detailed and accurate methods of accounting and auditing, as delineated in the Arthasastra of Kautilya, remind one of the accounting methods of a highly developed capitalist economy. Salaries of all the state employees should be paid promptly, all state orders should be in writing, power and duties of all the state departments should be clearly defined, separate registers should be maintained for every item and accounts should be regularly entered in prescribed registers. Kautilya also delineates rigid guidelines as regards the functions of the officers of different departments pertaining to auditing of the records of the respective departments.[3]

The account books of different departments are to be presented in full before the audit officer in time. In case of delay due to unavoidable circumstances, some concessions in this regard may be made, but up to a certain reasonable limit.[4]

He also puts forward specific guidelines of checking up the accounts by the audit and accounts officer.[5]

The accounts officer should follow the guidelines strictly and without deviation. All lapses would be punished with fines, the amount depending on the gravity of the offence.[6]

Kautilya lays down accurate and detailed guidelines for maintaining accounts by the director of stores and regarding inspection of the works of the officers of different government departments.[7]

He also prescribes in detail the accounting activities of the city-superintendent.[8]

Kautilya also prescribes various philanthropic and benevolent activities of the state. The king should consider the happiness of the subjects his own happiness and what is beneficial to the subjects his own benefit. This explains the basic attitude of the ruler.
towards his subjects – his basic purpose is not to gratify his personal welfare but the welfare of the subjects.[9]

In distress and calamities afflicting the people, it is duty of the king to rescue them to the best of his capacity, and he should also take prior preparation for all exigencies. People affected by war or natural calamities are to be exempted from taxation.[10]

VII Taxation & Fiscal Policy

Taxation

Tax has been the major source of revenue of the government from the very ancient times. Even today, it is the most important source of revenue of modern governments. The advantage of taxes is that the money collected from this source is not to be returned to the payer, payment of taxes (by those on whom taxes are imposed) is compulsory, and no direct benefits are to be provided to the payees in exchange for tax payments. Moreover, tax policy may be used as an important fiscal instrument for regulating the economy. Nowadays, tax system has become extremely complicated because of increasing complexity of the economic system. Tax system as delineated in the Arthasastra of Kautilya was, however, less complicated and easier to implement. And it appears from the text that most of the taxes levied by the state were indirect commodity taxes.

In Arthasastra there are detailed methods of tax collection and penalties for violation of each rule. The tax and toll collection center would be erected at gates of cities and towns and efficient officials would collect taxes and tolls from the traders after recording in detail of their whereabouts, the goods they have brought and the price & quantities of the goods entering the city (from the announcement of the traders). Any one trying to evade taxes would be heavily fined. Similar action would be taken for false information furnished to the officials by the traders. Manipulation of official stamp is equally punishable and in such a case the officials may seize the entire assortment. Certain goods like weapons, armors, coats of mail, metals, chariots, jewels, grains and cattle etc. are declared as un-exportable and carrying such goods would be liable to punishment with fines and seizure of the goods. Entry of worthless and harmful goods would be prevented by the officials. Goods for religious rituals, for marriage and other social festivities would be exempted from taxes.[1]

Besides the usual duties, the traders would have to pay in addition a road cess to the frontier officer (the rate varying from commodity to commodity) for provision of security and insurance against theft and other hazards that may cause damage or loss of the goods on the way.[2]

Tax rates for various commodities

Duties for the dealers in different kinds of spirituous liquors, not produced in the state sector, are to be 5% of the value of the commodity. Prostitutes are to pay an income tax double the usual tax on income. They should also pay tax on imported instruments they use for musical or other entertainments of their customers. For commodities imported or produced in the private sector within the country, Kautilya prescribes commodity wise tax rates: the rates varying from five percent to twenty percent ad valorem. Kautilya also prescribes surcharges (5%-9%) on certain commodities. Import of
foreign goods which have beneficial effects on the country are to be encouraged by tax concessions.[3]

From the above analysis it is clear that Kautilya lays emphasis on indirect taxes than on direct taxes. Most of the taxes mentioned in the text are commodity taxes.

**Fiscal policy**

In the Arthasastra, Kautilya emphasizes strongly on the importance of resourceful treasury for the functioning of the state. Moreover stress is laid on sound finance, measures to enhance and enrich the treasury and to generate surplus in the state budget. At the same time it is emphasized that revenue collection of the state should not harm the interests of the country and its people. Kautilya insists on a surplus budget and suggests measures to avoid deficits in the budget. This is in conformity with ancient Indian principles of sound fiscal management which is quite contrary to modern practices of deficit budgeting.[4]

In Arthasastra, Kautilya also prescribes measures of for mobilizing finance for situations of crisis (apada dharma). In such a situation caused by war, drought, natural calamities etc. the state is to eschew the normal practices of revenue collection. In such a situation, Kautilya suggests various devious and apparently unethical methods of additional resource mobilization. But he is always cautious that the hardships caused by such methods do not fall on the poor and the weaker sections. From a close study of these prescriptions, it is found that at the time of crisis, pressure for collecting additional finance (whether ethical or apparently unethical) is to be exerted on the well to do persons alone and not on the poor.[5]

**VIII Division of Labour**

Division of labor has gained much importance in the modern era. Originally it started with the social division of labor, i.e., each person adopting a separate profession. It became necessary, as with the progress of productive activities of human society, it was not possible for a person to produce all the goods and services he requires. So, he works according to his capability, and with the income thus earned he purchases from others (through the market) all requisites for his livelihood. With the emergence of factory industries, division of labor has become more intense, as in an industrial establishment each person produces only a part of the total product. In ancient India, division of labor was looked upon as a part of the harmony of the universe and something ordained by the creator. From this standpoint, division of labour was based on the caste (varna) system.

But at present the society has become more complicated and viewpoints regarding traditional castes have changed considerably. The nature of human activities, too have changed, multiplied and become more diverse and qualitatively different. Under this situation it is almost impossible to revive the traditional caste system as such. The problem has become more complicated with the increase in the degree of intercourse with people of foreign countries as a consequence of the revolutionary changes in transport and communications in recent years. So, the question arises if the caste-based division of labor has any relevance for modern days at all. Here we may briefly mention that although the ancient system as such may not be appropriate today, the essence of the ancient system is likely to be of much significance.
Kautilya defines division of labor on the basis of division of the society into four major castes, viz., Brahmin, Ksatriya, Vaisya and Sudra. Kautilya defines the functions of these four castes according to the Vedic tradition:

i) Brahmin: studying, teaching, performing sacrifices for self, officiating at other people’s sacrifices, making gifts and receiving gifts.

ii) Ksatriya: studying, performing sacrifice for self, making gifts, living by (the profession of) arms and protecting beings.

iii) Vaisya: studying, performing sacrifice for self, making gifts, agriculture, cattle-rearing and trade.

iv) Sudra: service of the three upper castes, engaging in an economic calling (viz., agriculture, cattle-rearing and trade) and the profession of the artisan and actor.\[1\]

But as regards the functions of the Sudra, Kautilya deviates to some extent from the ancient tradition as he includes agriculture as one of the professions for the Sudras (tradition considered this to be a profession of exclusively the Vaisyas).\[2\]

Kautilya also mentions some specific duties for people in different walks of life, e.g. householders, Vedic students, forest-dwellers and wandering ascetics etc.\[3\]

Kautilya opines that one should stick to his own assigned duties and this will lead to success and happiness in this world as well as beyond this worldly life. On the other hand, violation of this would lead to mixture of duties leading to chaos and confusion. He considers this division of duties on the basis of castes as sacred, and entrusts the duty of preserving it with the king.\[4\]

Kautilya also mentions various mixed castes and their specific functions.\[5\]

Notes


I Environment & Ecology

1. II/1/39: Thus the king should protect the product-forests, elephant-forests, irrigation works and mines that were made in ancient times and should start new ones.

II/2/4: And he should established on its border or in conformity with the (suitability of the) land, another animal park where all animals are (welcomed) as guests (and given full protection).

II/2/5: And he should establish forests, one each for the products indicated as forest produce.

II/2/6: On the border (of the kingdom), he should establish a forest for elephants guarded by foresters.

II/2/7: The superintendent of the elephant-forest should, with the help of guards of the elephant-forest, protect the elephant-forest (whether) on the mountain, along a river, along lakes or in marshy tracts, with its boundaries, entrances and exits (fully) known.

II/2/8: They should kill anyone slaying an elephant.

2. II/4/1: Three royal highways running west to east and three running south to north, that should be the division of the residential area.
3. III/8/6: (He should make) the dung-hill, the water-course or the well, not in a place other than that suited to the house, except the water-ditch for a woman in confinement till the end of ten days (from delivery).

III/8/7: In case of transgression of that, the lowest fine for violence (shall be imposed).

III/8/9: He should cause to be made a deep-flowing water-course or one falling in a cascade, three padas away (from a neighbour’s wall) or one aratni and a half (away).

III/8/10: In case of transgression of that, the fine is fifty-four panas.

III/8/11: He should cause to be made a place for carts and quadrupeds, a fire-place, a place for the large water-jar, the grinding mill or the pounding machine, one pada away or one aratni (from a neighbour’s wall).

III/8/12: In case of transgression of that, the fine is twenty-four panas.

III/8/13: Between all two structures or two projecting rooms, (there is to be) an open lane one kisku (wide) or three padas.

III/8/14: Between them, the distance between the eaves of roofs (is to be) four angulas, or one may over-lay the other.

III/8/15: He should cause to be made a side-door in the intervening lane, measuring one kisku, for making repairs to what is damaged, not (allowing) crowding.

III/8/16: For light, he should cause a small window to be made high up.

III/8/19: And he should cause that part above the verandah which requires protection, to be covered by matting, or a wall touching (the roof), for fear of damage by rain.

4. II/36/26: For throwing dirt on the road the fine shall be one eight (of a pana), for blocking it with muddy water, one quarter.

II/36/27: On the royal highway, (the fines shall be) double.

II/36/28: Fines for voiding faeces in a holy place, in a place for water, in a temple and in royal property are one pana rising successively by one pana, half these for passing urine.

5. II/36/29: If (these are) due to medicine, illness or fear, (the persons are) not to be fined.

6. II/36/30: For throwing the dead body of a cat, a dog, an ichneumon or a serpent inside the city, the fine shall be three panas; for throwing the dead body a donkey, a camel, a mule, a horse or cattle, six panas; for a human corpse, fifty panas.

7. II/36/33: For depositing burning (a corpse) elsewhere than in a cremation ground, the fine (shall be) twelve panas.

8. IV/10/4: In case of theft of deer or objects from deer-parks or produce-forests, (there shall be) a fine of one hundred.

IV/10/5: In case of theft of deer or birds (intended) for show or pleasure or in case of killing these, the fine shall be double.
9. III/9/27: In the case of damage to the ploughing or seeds in another’s field by the use of a reservoir, channels or a field under water, they shall pay compensation in accordance with the damage.

III/9/28: In case of mutual damage to fields under water, parks and embankments, the fine (shall be) double the damage.

III/9/29: A tank on a lower level, constructed afterwards, shall not flood with water a field watered by a tank on a higher level.

III/9/30: A (tank) constructed on a higher level shall not prevent the flooding with water of a lower tank, except when its use has ceased for three years.

III/9/31: For transgression of that, (the punishment shall be) the lowest fine for violence and the emptying of the tank.

III/10/5: For encroaching on a path for small animals or men the fine is twelve panas; on a path for large animals twenty-four panas, on a road for elephants or fields fifty-four panas, on a road to a dike or a forest one hundred and six, on a road to a cremation ground or a village two hundred, on a road in a dronamukha five hundred, on a road in a sthaniya, the countryside or pasture land, one thousand.

III/10/6: In case of reducing the size of these (roads), the fines are one-quarter of the fines (mentioned).

III/10/7: In case of ploughing on (them, the fines are) as prescribed.

IV/11/17: For one breaking a dam holding water, drowning in water at the same spot (shall be the punishment), the highest fine for violence if it was without water, the middle if it was in ruins and abandoned.

IV/11/20: He shall cause to be burnt in fire one who sets on fire a pasture, a field, a threshing ground, a house, a produce-forest or an elephant forest.

10. IV/3/1: There are eight great calamities of a divine origin: fire, floods, disease, famine, rats, wild animals, serpents and evil spirits.

IV/3/2: From them he should protect the country.

11. IV/3/4: Prevention of fire is explained in ‘Rules for the City Superintendent’ and in connection with royal possessions in ‘Rules for the Royal Residence’.

12. II/36/15: And (citizens shall take) steps against (an outbreak of) fire in summer.

II/36/16: In the two middle quarters of the day, one-eighth (of a pana) is the fine for (kindling) fire.

II/36/17: Or they should do their cooking outside (the house).

II/36/18: One quarter (of a pana is the fine) for not providing five jars, also a big jar, a trough, a ladder, an axe, a winnowing-basket, a hook, a ‘hair-seizer’ and a skin-bag.

II/36/23: For the owner, not running to save the house on fire, the fine (shall be) twelve panas, six panas for a tenant.

II/36/24: In case of (houses) catching fire through negligence, the fine (shall be) fifty-four panas.

13. II/36/19: The (City-superintendent) should remove things covered with grass or matting.

II/36/20: He shall make those who live by (the use of) fire reside in one locality.
II/36/22: Collections of water-jars should be placed in thousands on roads and at cross-roads, gates and in royal precincts.

14. IV/3/6: In the rainy season, villages situated near water should live away from the level of the floods.
IV/3/7: And they should keep a collection of wooden planks, bamboos and boats.
IV/3/8: They should rescue a (person) being carried away (by the flood) by means of gourds, skin-bags, canoes, tree-stems and rope-braids.
IV/3/9: For those who do not go to the rescue, the fine is twelve panas, except in the case of those without canoes.

15. IV/3/17: During a famine, the king should make a store of seeds and food-stuffs and show favour (to the subjects), or (institute) the building of forts or water-works with the grant of food, or share (his) provisions (with them), or entrust the country (to another king).
IV/3/18: Or, he should seek shelter with allies, or cause a reduction or shifting (of the population).

II Empowerment of Women

1. III/2/14: Maintenance and ornaments constitute woman’s property.
III/2/15: Maintenance is an endowment of maximum of two thousand (panas); as to ornaments there is no limit.

2. III/2/16: It is not an offence for the wife to use that for the maintenance of her sons and daughters-in-law or if no provision is made when (the husband is) away on a journey, (or) for the husband (to use it) for taking steps against robbers, diseases, famine (and other) dangers and for religious acts, or for the couple (to use it) jointly when they have begotten a son and a daughter.

3. A. Marriages according to ancient Indian texts were of eight kinds – four pious marriages and four impious marriages.

   Pious Marriages
   III/2/2: Making a gift of the daughter, after adorning her (with ornaments) is the Brahma form of marriage.
   III/2/3: The joint performance of sacred duties is the Prajapatya.
   III/2/4: On receiving a pair of cattle (from the bride-groom) is the Arsa.
   III/2/5: By making a gift (of the daughter) to the officiating priest inside a sacrificial altar, it is Daiva.

   Impious Marriages:
   III/2/6: By secret association (between lovers), it is the Gandharva. III/2/7: On receiving a dowry, it is the Asura.
   III/2/8: By forcible seizure (of a maiden), it is the Raksasa.
   III/2/9: By the seizure of a sleeping or intoxicated (maiden), it is the Paisaca.

4. III/2/17: And if it has been used for three years, the (wife) shall not question, in the case of the pious marriages.
III/2/18: If used in the Gandharva and Asura marriages, the (husband) shall be made to return both with interest, if used in the Raksasa and Paisaca marriages, he shall pay (the penalty for) theft.

5. III/2/19: When the husband is dead, the (widow) desirous of leading a life of piety, shall forthwith receive the endowment and ornaments and the remainder of the dowry.

III/2/33: A (widow) without sons, remaining faithful to her husband’s bed, shall use her woman’s property in the proximity of elders, till the end of her life.

III/2/34: For, a woman’s property is meant for calamities.

6. III/2/20: If, after receiving (these), she marries again, she shall be made to return both with interest.

III/2/26: A (widow) remarrying shall forfeit what was given her by her (late) husband.

III/2/27: She shall use it if desirous of a pious life.

7. III/2/28: If a (widow) who has sons marries again, she shall forfeit her woman’s property. III/2/29: The sons, however, shall receive that woman’s property.

III/2/30: Or, if she remarries for the maintenance of her sons, she shall augment (the woman’s property) for the sake of the sons.

III/2/31: The (woman) shall settle on sons born (to her) from many husbands her woman’s property as given by the respective fathers.

III/2/32: A (widow) marrying again shall settle on her sons her woman’s property even when she is entitled to do what she pleases with it.

8. III/2/21: If, however, she is desirous of having a family, she shall receive, at the time of remarriage, what was given to her by her father-in-law and her (late) husband.

III/2/23: If she remarryes against the wishes of her father-in-law, she shall forfeit what was given her by her father-in-law and her (late) husband.

9. III/2/48: A husband, who has become degraded or gone to a foreign land or has committed an offence against the king or is dangerous to her life or has become an outcast or even an impotent one may be abandoned.

10. III/4/24: The wives of a Sudra, a Vaisya, a Ksatriya and a Brahmana, who are away on a short journey, shall wait for a period (of one year) increased successively by one year, if they have not borne children, for one year more, if they have borne children.

III/4/25: Those who are provided for (shall wait) for double the period.

III/4/26: The trustees shall maintain those unprovided for, kinsmen for four or eight years after that.

III/4/27: Thereafter, they shall release (them) after taking back according as they had given.

III/4/28: The (wife) shall wait for a Brahmana who is away studying, for ten years if she has no child, for twelve if she has a child, for a royal servant (she shall wait) till the end of her life.
III/4/29: And if she bears a child from a man of the same varna, she shall not incur blame.

III/4/30: Or, when the affluence of the family has disappeared, she, being released by the trustees, may marry again as she desires, or when she is in distress, for the sake of livelihood.

III/4/31: After a pious marriage, the maiden shall wait for her husband who has gone away without informing her, for seven periods if no news is heard about him, for one year if news is heard.

III/4/32: If he has gone away after informing her, she shall wait for five periods when no news is heard, for ten if news is heard.

III/4/33: If he had paid only a part of the dowry, she shall wait for three periods if there is no news, seven periods if there is news about him.

III/4/34: If he had paid the dowry (in full), (she shall wait) for five periods if there is no news, ten if there is news.

III/4/35: After that, she may remarry as she desires, with the permission of the judges.

III/4/36: ‘For, frustration of the period is destruction of sacred duty’, says Kautilya.

11. III/4/37: The wife of a (man) who has gone away on a long journey or has become a wandering monk or is dead shall wait for seven periods, for one year if she has borne children.

12. III/4/38: After that she may approach (for marriage) a full brother of the husband.

III/4/39: If there are many (such brothers, she should approach) one who is proximate (to the husband), one who is pious, one capable of maintaining her, or the youngest if without a wife.

III/4/40: In the absence of these, even one who is not a full brother, a sapinda or a member of the family who is near.

III/4/42: In case she marries setting aside these heirs of her husband, (or) in case she has a lover, the lover, the woman, the bestower (of the woman) and the man who marries her receive the penalty for adultery.

13. III/2/36: If a woman dies while her husband is living, her sons and daughters shall divide her woman’s property among themselves, daughters (only) if she had no sons, in the absence of these the husband (shall receive it).

III/2/37: The dowry, the post-marriage gifts and other things given by her relations, the relations shall receive.

14. II/1/28: If a person with means does not maintain his children and wife, his father and mother, his brothers who have not come of age, and his unmarried and widowed sisters, a fine of twelve panas (shall be imposed), except when these have become outcasts, with the exception of the mother.

15. II/1/29: If one renounces home (to become an ascetic) without providing for his sons and wife, the lowest fine for violence (shall be imposed), also if one induces a woman to renounce home.
III Price Policy
1. Arthasastra, Book-IV, Chapter-2

2. II/22/9: And no sale of commodities (shall be allowed) in the places of their origin.
   II/21/7: “Traders shall declare the quality and price of the goods that have arrived at the foot of the flag.

3. II/21/3: For (goods) without the stamp the penalty is double the dues.
   II/21/4: For those with a forged stamp, the fine is eight times the duty.
   II/21/5: For those with broken stamps, the penalty is distraint in the warehouse.
   II/21/6: “In case of change of the royal stamp or of (change in) the name, he should make (the trader) pay a fine of one pana and a quarter per load.

4. II/21/10: If for fear of duty a (trader) declares the quantity of the goods or the price, to be less (than it actually is), the king shall confiscate that excess.
   II/21/11: Or the (trader) shall pay eight times the duty.
   II/21/12: He should impose the (same penalty) in case of depreciation of price of a package containing goods by (showing) a sample of lower value and in case of concealment of goods of high value by goods of low value.

5. II/21/13: Or, if through fear of a rival purchaser a (trader) increases the price beyond the (due) price of a commodity, the king shall receive the excess in price, or make the amount of duty double.

6. II/21/14: The same (penalty) eightfold (shall be imposed) on the Superintendent concealing (the trader’s offences).

7. III/13/26: Those who are near shall note a labourer’s engagement in work.
   III/13/27: He should receive wages as agreed upon, in conformity with the work and time (if the wage is agreed upon).

8. III/13/28: A cultivator, a cowherd (and) a trader should receive one-tenth part of the crops, of butter (and) of the goods dealt in by them (respectively) if the wage is not agreed upon.
   III/13/29: But if the wage is agreed upon, then as agreed upon.
   III/13/30: But the group of those who work in hope (of remuneration) such as craftsmen, artists, minstrels, physicians, professional story-tellers, attendants and others should get a remuneration as others of that type do or as experts fix.

9. III/13/31: (Disputes) shall be settled only on the testimony of witnesses.
   III/13/32: In the absence of witnesses, (the judge) should inquire at the place where the work (was carried out).
10. III/13/33: In the case of non-payment of wage, the fine is one-tenth or six panas. 
III/13/34: In the case of denial, the fine is twelve panas or one-fifth.

11. II/23/3: He should fix the wage after ascertaining the fineness, coarseness or medium quality of the yarn, and the largeness or smallness of quantity. 
II/23/4: After finding out the amount of yarn, he should favour them with oil and myrobalan unguents. 
II/23/5: And in festive days, they should be made to work by honouring (them) and making gifts. 
II/23/6: In case of diminution in yarn, (there shall be) a diminution in wage, according to the value of the stuff. 
II/23/7: And he should cause work to be carried out by artisans producing goods with an agreement as to the amount of work, time and wage, and should maintain close contact with them.

12. Salaries of Government Employees

**48,000 panas**
[V/3/3]: i) Sacrificial priest; ii) Preceptor; iii) Chaplain; iv) Minister; v) Commander-in-Chief; vi) Crown Prince; vii) King’s mother; viii) Crowned Queen. V/3/4: With this much remuneration, they become insusceptible to instigations and disinclined to revolt.

**24,000 panas**
[V/3/5]: i) Chief palace usher; ii) Chief palace guards; iii) Director (of labour corps); iv) Administrator; v) Director of stores.
V/3/6: With this much, they become efficient in their work.

**12,000 panas**
[V/3/7]: i) Princes; ii) Mothers of princes; iii) Commandant; iv) City judge; v) Director of factories; vi) Provincial officer; vii) Council of ministers; viii) Frontier Officer.
V/3/8: For, with this much, they help in strengthening the entourage of the master.

**8,000 panas**
V/913/10: For, with this much, they are able to carry their groups with them.

**4,000 panas**
[V/3/11]: i) Superintendents of Infantry, Cavalry, Chariots and Elephants, ii) Guardians of materials and Elephant-forests.

**2,000 panas**
[V/3/12]: i) Chariot-fighter; ii) Elephant-trainer; ii) Physician; iii) Horse-trainer; iv) Carpenter; v) Breeders of Animals.

**1,000 panas**
[V/3/13]: i) Fortune-teller; ii) Soothsayer; iii) Astrologer; iv) Narrator of Puranas; v) King’s Charioteer.
[V/3/21]: vi) Bard; vii) Chaplain’s Men; iii) All Superintendents; ix) Sharp Pupils, Monks Fallen from Vow, and Agents Appearing as House-holders, Traders and Ascetics

**500-1,000 panas according to merit**
[V/3/13]: i) Teachers and Learned Men; ii) Elephant Driver; iii) Sorcerer; iv) Miners of Mountains; v) All kinds of Attendants, Teachers & Learned Men; vi) Spies.

500 panas

[V/3/14]: i) Foot-soldiers trained in the (fighting) arts; ii) Groups of Accountants, clerks and others; iii) Makers of Musical Instruments

[V/3/15]: iv) Village Servants, Secret Agents, Assassins, Poison-givers and Female Mendicants.

250 panas

[V/3/15]: i) Foot-soldiers trained in the (fighting) arts; ii) Groups of Accountants, clerks and others; iii) Makers of Musical Instruments

[V/3/16]: i) Actors; ii) Those moving about for Spying.

120 panas

[V/3/16]: i) Artisans; ii) Artists.

60 panas

[V/3/17]: i) Servants, valets, attendants and guards of Quadrupeds and Bipeds, ii) Foremen of Labourers; iii) All Attendants; iv) Riders, Bandits and Mountain-diggers supervised by Aryas.

10 panas/yojana up to 10 yojanas and 20 panas/yojana beyond 10 yojanas.

[V/3/19]: i) The Average Envoy.

13. III/11/1: One pana and a quarter is the lawful rate of interest per month on one hundred panas, five panas for purposes of trade, ten panas for those going through forests, twenty panas for those going by sea.

III/11/2: For one charging or making another charge a rate beyond that, the punishment shall be the lowest fine for violence, for witnesses, each one of them, half the fine.

III/11/3: If, however, the king is unable to ensure protection, the (judge) should take into consideration the usual practice among creditors and the debtors.

III/11/4: Interest on grains (shall be) up to a half, on the harvesting crops; thereafter it may increase being turned into capital.

III/11/5: Interest on capital (shall amount to) half the profit, to be paid for one year, being set apart in a store.

14. IV/2/28: And he should fix a profit for them of five per hundred over and above the permitted purchase price in case of indigenous commodities; ten (per hundred) in case of foreign goods.

IV/2/29: For those who increase the price beyond that or secure (a profit beyond that) during purchase or sale, the fine shall be two hundred panas for (an additional profit of) five panas in one hundred panas.

15. II/21/17: Secret agents operating on roads and in places without roads should find out such (evasion).

II/21/27: Or a secret agent appearing as a trader should communicate to the king the size of the caravan.

16. II/7/1: The Superintendent should cause the Record Office to be built facing the east or the north, with separate halls, (as) a place for record books.
II/7/2: There he should cause to be entered in the record-books: the extent of the number, activity and total (income) of the departments; the amount of increase or decrease in the use of the (various) materials, expenses, excess, surcharge, mixing, place, wages and labourers in connection with factories; the price, the quality, the weight, the measure, the height, the depth and the container in connection with jewels, articles of high value, of low value and forest produce; laws, transactions, customs and fixed rules of regions, villages, castes, families and corporations; the receipt of favours, lands, use, exemptions, and food and wages by those who serve the king; the receipt of jewels and land (and), the receipt of special allowances and (payments for) remedial measures against sudden calamities, by the king and his queens and sons; and payments and receipts in connection with peace and war with allies and enemies.

II/7/3: From that he should hand over in writing the (revenue) estimate, accrued revenue, outstanding revenue, income and expenditure, balance, (the time for) attendance (for audit), (sphere of) activity, customs and fixed rules, to all the departments.

17. II/7/16: The accounts should come in on Asadha full moon day.

II/7/17: When the (officers) have come with sealed account books and balances in sealed containers, he should impose restriction in one place, not allowing conversation (among them).

II/7/18: After hearing the totals of income, expenditure and balance, he should cause the balance to be taken away (to the treasury).

II/7/21: For (officers) not coming at the proper time or coming without the account-books and balances, the fine shall be one-tenth of the amount due.

II/7/22: And if, when the works officer presents himself, the accounts officer is not ready to audit, the lowest fine for violence (shall be imposed).

II/7/23: In the reverse case, the fine for the works officer (shall be) double.

II/7/24: The high officers should render accounts in full in accordance with their activity, without contradicting themselves.

II/7/25: And among these he who makes a divergent statement or speaks falsely shall pay the highest fine (for violence).

18. II/7/26: He should wait for one month, if the (officer) has not brought in the day-to-day accounts.

II/7/27: After the month, the (officer) shall pay a fine of two hundred panas increased (by that amount) for each succeeding month.

II/7/28: If an (officer) has a little of written balance due (from him), he should wait for five days.

II/7/29: If he brings in the day-to-day accounts after that period, preceded by (delivery of the balance into) the treasury, he should look into (the case) with reference to laws, transactions, customs and fixed rules and by totaling up, (and by looking at) the work actually carried out, by inference and the use of spies.

19. II/7/30: And he should check (the accounts) for each day, group of five days, fortnight, month, four months and year.
II/7/31: He should check the income with reference to the period, place, time, head of income, source, bringing forward, quantity, the payer, the person causing payment to be made, the recorder and the receiver.

II/7/32: He should check the expenditure with reference to the period, place, time, head (of expenditure), gain, occasion, the thing given, its use and amount, the person who orders, the person who takes out, the person who delivers and the receiver.

II/7/33: He should check the balance with reference to the period, place, time, head, bringing forward, the article, its characteristics, amount, the vessel in which it is deposited and the person guarding it.

II/7/34: If, in an affair of the king, the accounts officer is not ready for audit or disregards an order or changes the income and expenditure in a way different from the written order, the lowest fine for violence (shall be imposed).

II/7/35: For one writing down an item (in the accounts) without any order or in a wrong order or in an illegible manner, or twice over, the fine is twelve panas.

II/7/36: For one writing down the balance (in any of these ways) the fine is double (that).

II/7/39: In case of a false statement, the punishment is that for theft.

II/7/40: For admitted afterwards, (the fine is) double, so also if an item is forgotten and then brought in.

II/5/22: He should be conversant with receipts from outside and inside even after a hundred years, so that when asked he would not falter in respect of expenditure, balance and collections.

II/9/19: Therefore, he who is appointed by an order to a particular department shall communicate to him [i.e., the king] the real nature of that work and the income and expenditure (both) in detail and in the aggregate.

II/9/28: Therefore, his superintendents should carry out the works accompanied by accountants, writers, examiners of coins, receivers of balance and supervisors.

II/15/22: From these he should set apart one half for times of distress for the country people, (and) use the (other) half for times of distress for the country people, (and) use the (other) half.

II/15/23: And he should replace old (stock) with new.

IV Agriculture and Land Use

1. I/4/1: Agriculture, cattle-rearing and trade, – these constitute economics, (which are) beneficial, as they yield grains, cattle, money, forest produce and labour.

I/4/2: Through them, the (king) brings under his sway his own party as well as the party of the enemies, by the (use of the) treasury and the army.

2. I/3/7: Those of the Vaisyas are: studying, performing sacrifices for self, making gifts, agriculture, cattle-rearing and trade.

II/1/2: He should cause villages to be settled consisting mostly of Sudra agriculturists, with a minimum of one hundred families and a maximum of five hundred families, with boundaries extending over one krosa or two krosas, (and) affording mutual protection.
3. II/1/8: He should allot to tax-payers arable fields for life.
II/1/9: Unarable fields should not be taken away from those who are making them arable.

4. II/1/10: He should take away (fields) from those who do not till them and give them to others.
II/1/11: Or, village servants and traders should till them.
II/1/12: Or, those who do not till should make good the loss (to the treasury).
II/1/13: And he should favour them with grains, cattle and money.
II/1/14: These they should pay back afterwards at their convenience.

5. II/1/19: He should set going work in mines, factories, produce-forests, elephant-forests, cattle-herds and trade-routes and (establish) water-routes, land-routes and ports.
II/2/1: On land unsuitable for agriculture, he should allot pastures for cattle.

6. II/1/20: He should cause irrigation works to be built with natural water sources or with water to be brought in from elsewhere.
II/1/21: Or, to others who are building (these), he should render aid with land, road, trees and implements, and (also render aid) to (the building of) holy places and parks.
II/1/23: And he should be a sharer in the expenses and yet should receive no portion (of the benefits derived).
II/34/8: In waterless regions, he should establish wells, water-works and springs, also flower- and fruit-enclosures.
III/9/33: When tanks and embankments are newly constructed, an exemption (from taxes) for five years (should be granted), when those that are ruined and abandoned are renovated, an exemption for four years, when those that are over-grown with weeds are cleared, for three years, when dry land is newly brought under cultivation, for two years.
III/9/34: He is free to mortgage or sell.
III/10/46: The king should do what is agreeable and beneficial to these, when they build dykes that are of benefit to the country or bridges on roads or carry out works beautifying the villages or defences (of the villages).

7. II/24/1: The Director of Agriculture, himself conversant with the practice of agriculture, water-divining and the science of rearing plants, or assisted by experts in these, should collect, in the proper seasons, seeds of all kinds of grains, flowers, fruits, vegetables, bulbous roots, roots, creeper fruits, flax, and cotton.

8. II/24/2: He should cause them to be sown in land, suitable for each, which has been ploughed many times, through serfs, laborers and persons paying off their fines by personal labor.
II/24/11: In conformity with that, he should cause crops to be sown, requiring plenty of water or little water.
II/24/15: Or, the sowing of seeds (should be) in conformity with the season.
II/24/19: According to the amount of water (available) for the work, he should decide on wet crops, winter crops or summer crops.
II/24/22: (A region) where the foam strikes (the banks) is (suited) for creeper fruits, (regions on) the outskirts of overflows, for long pepper, grapes and sugarcanes, (those on) the borders of wells, for vegetables and roots, (those on) the borders of moist beds of lakes, for green grasses, ridges for plants reaped by cutting, (such as) perfume-plants, medicinal herbs, usira-grass, hribera, pindaluka and others.

II/24/23: And on lands suitable for each, he should raise plants that grow on dry lands and that grow in wet-lands.

9. II/24/10: Where it rains distributing wind and sunshine properly and creating three (periods for the drying of) cowdung cakes, there the growth of crops is certain.

II/24/12: sali-rice, vrihi-rice, kodrava, sesamum, priyangu, udaraka and varaka are the first sowings.

II/24/13: mudga, masa and saimbya are the middle sowings.

II/24/14: Safflower, lentils, kulattha, barley, wheat, kalaya, linseed and mustard are the last sowings.

10. II/24/24: Soaking in the dew (by night) and drying in the heat (by day) for seven days and nights (is the treatment) in the case of seeds of grains, for three days and nights or five in the case of seeds of pulses, smearing at the cut with honey, ghee and pig’s fat, mixed with cowdung in the case of stalks that serve as seeds, (smearing) with honey and ghee in the case of bulbous roots, smearing with cowdung in the case of stone-like seeds, (and) in the case of trees, burning in the pit and fulfillment of the longing with cow-bones and cowdung at the proper time.

II/24/25: And when hey have sprouted, he should feed them with fresh acrid fish along with the milk of the snuhi-plant.

II/24/26: He should collect (and burn) the seeds of cotton and the slough of a serpent. Serpents do not remain where there is this smoke.

V Craft Industries

1. II/12/1: The Director of Mines, being conversant with the science of (metal) veins in the earth and metallurgy, the art of smelting and the art of coloring gems, or having the assistance of experts in these, and fully equipped with workmen skilled in the work and with implements, should inspect an old mine by the marks of dross, crucibles, coal and ashes, or a new mine, where there are ores in the in the earth, in rocks or in liquid form, with excessive color and heaviness and with a strong smell and taste.

II/12/18: What is produced from ores, he should put to use in factories for the respective metals.

II/12/23: The Director of Metals should establish factories for copper, lead, tin, vaikrintak, brass, steel, bronze, bell-metal and iron, also (establish) trade in metal-ware.

II/12/24: The Mint Master should cause to be minted silver coins.

II/12/27: The Superintendent of Mines should establish factories for (articles of) conch-shells, diamonds, gems, pearls, corals and caustics as well as commerce in them.

II/13/37: Setting, stringing, and minor work, these are ways of working (in gold).

II/13/38: Setting is the fixing of binding and so on.

II/13/39: Stringing is weaving in threads and so on.

II/13/40: (Making) a solid article, a hollow article or one with beads and so on is minor work.
II/14/1: The Goldsmith should cause the gold and silver work of the citizens and the country people to be carried out by workshop artisans.

II/17/1: The Director of Forest Produce should cause forest produce to be brought in by guards in the produce forests.

II/17/2: And he should start factories for forest produce.

II/17/15: Vessels made of split bamboo-cane and of clay.

II/17/16: Charcoal, husks and ashes; enclosures for deer, beasts, birds and wild animals and enclosures for fuel and grass.

II/17/17: Separate factories making all kinds of goods should be erected, outside as well as inside, by the Director of Forest Produce, for ensuring livelihood and protection of the city.

II/18/1: The Superintendent of the Armory should cause to be made machines for use in battles, for the defence of forts and for assault on the enemies’ cities, also weapons, armors and accoutrements by artisans and artists expert in those lines, producing goods with an agreement as to the amount of work, time allowed and wages, and should store them in places suitable for each.

II/19/1: The Superintendent of Standardization should cause factories to be established for the manufacture of standard weights and measures.

II/23/1: The Superintendent of Yarns should cause trade to be carried out in yarns, armours, cloth and ropes through men expert in the work.

II/23/2: He should get yarn spun out of wool, bark-fibres, cotton, silk-cotton, hemp and flax, through widows, crippled women, maidens, women who have left their homes and women paying off their fine by personal labour, through mothers of courtesans, through old female slaves of the king and through female slaves of temples whose service of the gods has ceased.

II/23/9: He should bring about the production of varieties of cloth, bed-sheets and coverings.

II/23/10: And he should start factories for armors by artisans and craftsmen expert in the line.

II/23/18: And he should cause articles, such as straps and others to be manufactured.

II/23/19: He should cause ropes to be made of yarn and fibers, (and) thongs of canes and bamboos, as trappings for war and bindings for vehicles and draught-animals.

II/33/1: The (duty of the) Superintendent of Chariots is explained by (that of) the Superintendent of Horses.

II/33/2: He should establish factories for (the manufacture of) chariots.

2. II/11/2: That from the Tamraparni a, that from Pandyaka-vata, that from the Pasika, that from the Kula, that from the Curni, that from (Mt.) Mahendra, that from Kardama, that from the Srotasi, that from the Lake, and that from the Himavat, these are pearls.

II/11/28: Gems come from Koti, from the Mala and from beyond the sea.

II/11/37: Diamonds come from Sabharasātra, from TajjamaRAstra, from Kastirarastra, from (Mt.) Srikatanaka, from Manimanta and from Indravana.

II/11/42: The Coral from Alakananda and from Vivarna.

II/11/43: Sandal-wood from Satana is red and has the smell of the earth.

II/11/44: That from Gosirsa is blackish red and smells like fish.
II/11/45: The sandal-wood from Hari is of the color of the parrot’s feather and has the smell of a mango, also that from the Trinasa.

II/11/46: That from Grameru is red or red-black and has the smell of goat’s urine.

II/11/47: That from Devasabhā is red and has the smell of a lotus, also that from Japa. II/11/48: That from Jonga is red or red-black and smooth, also that from Turupa.

II/11/49: That from the Mala is whitish red.

II/11/50: Kucandana is rough, black like aloe or red or reddish black.

II/11/51: That from Kala mountain is reddish-black or of the colour of saffron.

II/11/52: That from the Kosagara mountain is black or black-variegated.

II/11/53: That from the Sitodaka has the lustre of the lotus or is black and smooth.

II/11/54: That from Naga mountain is rough or of the colour of moss.

II/11/55: That from Sakala is brown.

II/11/57: Aloe from Jonga is black, black-variegated or variegated with round spots.

II/11/58: That from Donga is dark.

II/11/61: Tailaparnika (incense) from Asokagrama has the colour of flesh and the fragrance of a lotus.

II/11/62: That from Jonga is reddish yellow and has the fragrance of a blue lotus or the smell of cow’s urine.

II/11/63: That from Grameru is smooth and has the smell of cow’s urine.

II/11/64: That from Suvarnakudya is reddish yellow and has the smell of the citron fruit.

II/11/65: That from Purnakadvipa has the fragrance of a lotus or the smell of butter.

II/11/66: Bhadrasriya from beyond the Lauhitya is of the colour of the jati-flower.

II/11/67: That from Antaravati is of the colour of usira.

II/11/69: Kaleyaka from Suvarnabhumi is smooth and yellow.

II/11/70: That from the northern mountain is reddish yellow.

II/11/77: The bisi and the mahabisi come from Dvadasagrama.

II/11/81: The syamika, the kalika, the kadali, the candrottara and the sakula are produced in Aroha.

II/11/88: The samura, the chinasi, and the samuli come from Bahlava.

II/11/92: The satina, the nalatula, and the vrittapuchha are from Odra.

II/11/100: The apasaraka which keeps off rain, – that is (woolen cloth) from Nepala.

II/11/102: The dukula from the Vangas is white and smooth.

II/11/103: That from the Pundras is dark and smooth like a gem.

II/11/104: That from Suvarnakudya is of the colour of the sun, with gem-smooth water-weave, with a uniform weave and with a mixed weave.

II/11/106: By that is explained the Kshauma from Kasi and Pundras.

II/11/107: The patrorna-silk comes from the Magadhas the Pundras and Suvarnakudya.

II/11/114: By that are explained the silk and silk-cloth from the land of Cina.

II/11/115: Cotton fabrics from Mudhura, the Aparantas, the Kalingas, Kasi, the Vangas, the Vatsas and the Mahishas, are best.

3. IV/1/65: In this manner the (king) should prevent thieves who are not known as thieves such as traders, artisans, actors, mendicants, jugglers and others from oppressing the country.
4. IV/1/2: Employers of artisans capable of making good an article, those good at entrusting materials, (and) artisans working with their own capital should accept entrusted material with the guarantee of the guild.

IV/1/3: In case of death, the guild shall be responsible for the entrusted material.

5. IV/1/4: And they shall carry out the work with the place, time and (nature of the) work stipulated, without stipulation as to place or time if the nature of the work can be pointed out (as the reason).

IV/1/5: For exceeding the time limit, (there shall be) a reduction in the wage by one quarter and double that as fine.

IV/1/6: They shall be liable for what is lost or destroyed except in case of deterioration or a sudden calamity.

IV/1/7: For carrying out a work otherwise than as ordered, (there shall be) loss of wage and double that as fine.

Weavers

IV/1/8: Weavers shall increase yarn to the extent of eleven (palas) from ten.

IV/1/9: For diminution in increase, the fine shall be double the diminution.

IV/1/10: The wage for weaving (shall be equal to) the value of the yarn, one and a half times in the case of aumaks and kauseya, double in the case of patrorna, blankets and dukula.

IV/1/11: For shortness in measure, (there shall be) a reduction in wage equal to (the value of) the short measure and double that as fine, for short weight the fine (shall be) four times the deficiency, for change of yarn (the fine shall be) double its value.

IV/1/13: In one tula of wool, a reduction in carding to the extent of five palas (is allowed), and (the same amount of) reduction in the hair (when carded).

Washermen

IV/1/14: Washermen shall wash garments on wooden boards or smooth slabs of stone.

IV/1/15: Those washing on anything else shall pay for damage to garments and a fine of six panas.

IV/1/16: (Washermen) wearing a garment other than one marked with the sign of the club shall pay a fine of three panas.

IV/1/17: For selling, hiring out or pledging the garments of others the fine shall be twelve panas, for change of garments (the fine shall be) double the price and the return of the garment.

IV/1/18: They shall return a garment, which is white like a bud, which is cleansed on a slab of stone, which has the colour of washed yarn, and which is bleached white, after one day increased successively by one day.

IV/1/19: One with a light red colour (may be returned) after five days, one dyed blue after six days, a precious garment dyed in (saffron) flower, lac-juice or manjistha the treatment of which is arduous and which has to be worked upon with great care, after seven days.

IV/1/20: After that they shall lose their wage.

IV/1/21: In cases of dispute concerning dyeing, trustworthy experts shall fix the wage.
IV/1/22: For the most precious (garments) the wage (shall be) one pana, for middling one half, for lowest one-quarter, for rough (garments) one masaka or two masakas, double for dyed (garments).

IV/1/23: At the first washing there is a loss of one-fourth (of the value of the garment), at the second of one-fifth.

IV/1/24: By that are explained later (losses in value).

Tailors

Rules for the tailors are the same as specified for the weavers above.

IV/1/25: By washermen are explained tailors.

Goldsmith

IV/1/26: For goldsmiths purchasing silver (or) gold in the same form from the hands of a disreputable person without informing (state officers) the fine is twenty panas, if in a changed form twenty-four pan, if from the hands of a thief forty-eight panas.

IV/1/27: In cases of purchase at a low price in secret or what is changed in appearance there shall be the punishment for theft, also in case of deceit in the article manufactured.

IV/1/28: For (the goldsmith) stealing one masakas from one suvarna (of gold) the fine shall be two hundred panas, for stealing one masaka from one dharana of silver twelve panas.

IV/1/29: By that are explained higher (values).

IV/1/30: For one securing an (artificial) enhancement of colour or practising removal or mixture (with base metals), the fine shall be five hundred panas.

IV/1/31: In case of fraud in connection with these two (metals), he shall treat it as (a case of) removal of colour.

IV/1/32: One masaka is the wage for one dharana of silver, one-eighth part (of a pana) for one suvarna (of gold).

IV/1/33: In accordance with special skill, the wage may be increased to double.

IV/1/34: By that are explained further rates.

In Book-IV, Chapter-1, slokas 35-64, there are innumerable such guide lines and regulations for the artisans of base-metal like copper, iron, steel, bell-metal, vaikrintaka, brass and lead, for the artisans making and examining coins, for the physicians, for the actors, the mendicants, wandering minstrels etc.

VI Role of the State Sector

I/124: The ownership of the fish, ducks, and green vegetables in the irrigation works should go to the king.

II/12/19: He should establish trade in manufactured goods in a single place, and (lay down) a penalty for those who manufacture, purchase or sell elsewhere.

II/12/22: He should let for part-share or on lease a mine that is burden-some in point of expenses or working; a light one, he should work himself.

II/12/28: The Salt Commissioner should collect at the proper time the share of salt as released after crystallization as well as the lease-rent, also the price, the inspection fee and the surcharge from the sale.

II/13/1: The Superintendent of Gold should cause to be built a workshop with a court-yard having four work-halls without inter-communication (and) with a single door, for the manufacture of gold and silver.
II/13/2: In the middle of the market highway he should establish the Goldsmith, skilled in his profession, of noble birth and trustworthy.

II/14/15: They shall purchase the scales and weights from the Superintendent of Standardization.


2. II/12/23: The Director of Metals should establish factories for copper, lead, tin, vaikrintaka, brass, steel, bronze, bell-metal and iron, also (establish) trade in metal-ware.

II/12/27: The Superintendent of Mines should establish factories for (articles of) conch-shells, diamonds, gems, pearls, corals and caustics as well as commerce in them.

II/17/1: The Director of Forest Produce should cause forest produce to be brought in by guards in the produce forests.

II/17/2: And he should start factories for forest produce.

II/17/15: Vessels made of split bamboo-cane and of clay.

II/17/16: Charcoal, husks and ashes; enclosures for deer, beasts, birds and wild animals and enclosures for fuel and grass.

II/17/17: Separate factories making all kinds of goods should be erected, outside as well as inside, by the Director of Forest Produce, for ensuring livelihood and protection of the city.

II/18/1: The Superintendent of the Armory should cause to be made machines for use in battles, for the defense of forts and for assault on the enemies’ cities, also weapons, armors and accoutrements by artisans and artists expert in those lines, producing goods with an agreement as to the amount of work, time allowed and wages, and should store them in places suitable for each.

II/23/1: The Superintendent of Yarns should cause trade to be carried out in yarns, armors, cloth and ropes through men expert in the work.

3. II/7/1: The Superintendent should cause the Record Office to be built facing the east or the north, with separate halls, (as) a place for record books.

II/7/2: There he should cause to be entered in the record-books: the extent of the number, activity and total (income) of the departments; the amount of increase or decrease in the use of the (various) materials, expenses, excess, surcharge, mixing, place, wages and laborers in connection with factories; the price, the quality, the weight, the measure, the height, the depth and the container in connection with jewels, articles of high value, of low value and forest produce; laws, transactions, customs and fixed rules of regions, villages, castes, families and corporations; the receipt of favors, lands, use, exemptions, and food and wages by those who serve the king; the receipt of jewels and land (and) the receipt of special allowances and (payments for) remedial measures against sudden calamities, by the king and his queens and sons; and payments and receipts in connection with peace and war with allies and enemies.

II/7/3: From that he should hand over in writing the (revenue) estimate, accrued revenue, outstanding revenue, income and expenditure, balance, (the time for) attendance (for audit), (sphere of) activity, customs and fixed rules, to all the departments.

II/7/16: The accounts should come in on Ashad full moon day.

II/7/17: When the (officers) have come with sealed account books and balances in sealed containers, he should impose restriction in one place, not allowing conversation (among them).
II/7/18: After hearing the totals of income, expenditure and balance, he should cause the balance to be taken away (to the treasury).
II/7/21: For (officers) not coming at the proper time or coming without the account-books and balances, the fine shall be one-tenth of the amount due.
II/7/22: And if, when the works officer presents himself, the accounts officer is not ready to audit, the lowest fine for violence (shall be imposed).
II/7/23: In the reverse case, the fine for the works officer (shall be) double.
II/7/24: The high officers should render accounts in full in accordance with their activity, without contradicting themselves.
II/7/25: And among these he who makes a divergent statement or speaks falsely shall pay the highest fine (for violence).

4. II/7/26: He should wait for one month, if the (officer) has not brought in the day-to-day accounts.
II/7/27: After the month, the (officer) shall pay a fine of two hundred panas increased (by that amount) for each succeeding month.
II/7/28: If an (officer) has a little of written balance due (from him), he should wait for five days.
II/7/29: If he brings in the day-to-day accounts after that period, preceded by (delivery of the balance into) the treasury, he should look into (the case) with reference to laws, transactions, customs and fixed rules and by totaling up, (and by looking at) the work actually carried out, by inference and the use of spies.

5. II/7/30: And he should check (the accounts) for each day, group of five days, fortnight, month, four months and year.
II/7/31: He should check the income with reference to the period, place, time, head of income, source, bringing forward, quantity, the payer, the person causing payment to be made, the recorder and the receiver.
II/7/32: He should check the expenditure with reference to the period, place, time, head (of expenditure), gain, occasion, the thing given, its use and amount, the person who orders, the person who takes out, the person who delivers and the receiver.
II/7/33: He should check the balance with reference to the period, place, time, head, bringing forward, the article, its characteristics, amount, the vessel in which it is deposited and the person guarding it.

6. II/7/34: If, in an affair of the king, the accounts officer is not ready for audit or disregards an order or changes the income and expenditure in a way different from the written order, the lowest fine for violence (shall be imposed).
II/7/35: For one writing down an item (in the accounts) without any order or in a wrong order or in an illegible manner, or twice over, the fine is twelve panas.
II/7/36: For one writing down the balance (in any of these ways) the fine is double (that). II/7/39: In case of a false statement, the punishment is that for theft.
II/7/40: If admitted afterwards, (the fine is) double, so also if an item is forgotten and then brought in.
7. II/5/22: He should be conversant with receipts from outside and inside even after a hundred years, so that when asked he would not falter in respect of expenditure, balance and collections.
II/9/19: Therefore, he who is appointed by an order to a particular department shall communicate to him (i.e., the king) the real nature of that work and the income and expenditure (both) in detail and in the aggregate.
II/9/28: Therefore, his superintendents should carry out the works accompanied by accountants, writers, examiners of coins, receivers of balance and supervisors.

8. II/36/1: The City-superintendent should look after the city in the manner of the Administrator.
II/36/2: The section officer (should look after) a group of ten families or twenty families or forty families.
II/36/3: He should find out the number of individuals, men and women, in that (group), according to caste, family- name and occupation, also their income and expenditure.

9. I/19/34: In the happiness of the subjects lies the happiness of the king and in what is beneficial to the subjects his own benefit. What is dear to himself is not beneficial to the king, but what is dear to the subjects is beneficial (to him).
II/1/26: And the king should maintain children, aged persons and persons in distress when these are helpless, as also the woman who has borne no child and the sons of one who has (when these are helpless).

10. II/1/36: The king should exempt from taxes a region laid waste by the army of an enemy or by foresters, or afflicted by disease or famine, and he should prohibit expensive sports.
II/15/22: From these he should set apart one-half for times of distress for the country people, (and) use the (other) half.
II/28/8: He should rescue boats that have gone out of their course or are tossed about by a gale, like a father.
II/28/9: He should make goods that have fallen in water either duty-free or pay half the duty.

VII Taxation & Fiscal Policy
1. II/21/1: The Collector of Customs and Tolls should establish the customs house and the flag facing the east or the north in the vicinity of the big gates (of the city).
II/21/2: The receivers of duty, four or five in number, should record in writing (details about) traders who have arrived in caravan, who they are, from what place, with how much merchandise and where the identity-pass (was issued) or the stamping was made.
II/21/8: When it has been thrice proclaimed, he should give it to those who have sought it.
II/21/9: In case of competition among purchasers, the increase in price together with the duty shall go to the treasury.
II/21/16: And for goods that have passed beyond the foot of the flag without the duty being paid, the fine is eight times the duty.
II/21/18: Goods intended for marriage, marriage-gifts accompanying the bride, goods intended as gifts, goods required on the occasion of a sacrifice or a ceremony or a birth and goods used in various rituals like worship of the gods, tonsure rite, initiation for Veda study, hair-cutting rite, consecration for a vow and so on, should go duty-free.

II/21/19: For a (person) making a false declaration (in this respect) the punishment for theft (shall be imposed).

II/21/20: For the trader taking out a commodity for which duty has not been paid along with one for which duty has been paid, or carrying off a second (commodity) under one stamp after breaking open the package, forfeiture of the same and an equal amount as fine (shall be the punishment).

II/21/21: For the (trader) taking out (goods of high value) from the customs house after securing acceptance of cow dung (cakes) or straw as the basis (for calculating duty), the highest fine for violence (shall be the punishment).

II/21/22: For the (trader) taking out any one of the un-exportable articles, viz., weapons, armours, coats of mail, metals, chariots, jewels, grains and cattle, there shall be a fine as proclaimed as well as loss of the goods.

II/21/23: In case anyone of these is brought in, its sell (shall be effected) duty-free outside (the city gate) itself.

II/21/30: For one concealing goods of low value the fine shall be eight times the duty, (for concealing) goods of high value, confiscation of everything (shall be the punishment).

II/21/31: He should cut out goods that are harmful to the country and that are worthless. He should make goods that are highly beneficial duty-free, also seeds that are rare.

2. II/21/24: The frontier officer should charge a road cess of one pana and a quarter for a cart-load of goods, of one pana for a one-hoofed animal, of half pana for cattle, of a quarter pana for small animals, of one masaka for a shoulder-load.

II/21/25: And he shall make good what is lost or stolen (on the way).

3. II/25/39: Dealers in goods not manufactured by the state shall pay a duty of five percent on sura, medaka, arista, madhu, sour fruit juices, and sour liquors.

II/27/27: (Prostitutes) who live by their beauty, shall pay per month (a tax) double the (normal) fee (charged by them).

II/27/26: Their musical instruments, when coming from foreign lands, shall be charged a fee per show of five pana.

II/22/3: On goods coming in (the duty shall be) one-fifth of the price.

II/22/4: Of flowers, fruits, vegetables, roots, bulbous roots, fruits of creepers, seeds, dried fish and meat, he should take one-sixth part (as duty).

II/22/5: Of conch-shells, diamonds, gems and necklaces of pearls and corals, he should make (a valuation) through men expert in the line, making an agreement with them as to the amount of work, time allowed and wages.

II/22/6: On ksauma, dukula, silk yarn, armours, yellow orpiment, red arsenic, antimony, vermilion, metals of various kinds and ores, on sandal-wood, aloe, spices, fermentation, and minor substances, on skins, ivory, bed-spreads, coverings and silk
cloth, and on products of goats and rams, (the duty to be charged is) one-tenth part or one-fifteenth part.

II/22/7: On clothes, four-footed and two-footed creatures, yarn, cotton, perfumes, medicines, woods, bamboo, barks, leather goods and earthen-ware, and on grains, fats, sugars, salts, wine, cooked food and so on (the duty is) one-twentieth part or one twenty-fifth part.

II/22/8: To be received at the gate is one-fifth of the normal duty, or he should fix it with a concession in accordance with the benefit derived by the country.

II/16/10: One-sixteenth part is the surcharge in measure by capacity, one-twentieth part in measure by weighing, one-eleventh part of commodities sold by counting.

II/16/11: He should encourage the import of goods produced in foreign lands by (allowing) concessions.

II/16/12: And to those (who bring such goods) in ships or caravans, he should grant exemptions (from taxes) that would enable a profit (to be made by them).

4. II/1/15: And he should grant to them favours and exemptions which would cause an increase in the treasury, (but) avoid such as would cause loss to the treasury.

II/1/16: For, a king with a small treasury swallows up the citizens and the country people themselves.

II/6/28: Thus the wise (Administrator) should fix the revenue and show an increase in income and decrease in expenditure and should remedy the opposite (of these).

II/9/13: He who causes loss of revenue consumes the property of the king.

II/9/15: He who procures double the (normal) revenue, consumes the country side.

II/12/37: The treasury has its source in the mines; from the treasury the army comes into being. With the treasury and the army, the earth is obtained with the treasury as its ornament.

VI/1/1: The king, the minister, the country, the fortified city, the treasury, the army and the ally are the constituent elements (of the state).

VI/1/10: Acquired lawfully by the ancestors or by oneself, consisting mostly of gold and silver, containing various kinds of big jewels and cash, (one) that would withstand a calamity even of a long duration in which there is no income, – these are the excellences of a treasury.

5. For detail, see Book-V, Chapter-2 of the Arthasastra.

**VIII Division of Labour**

1. I/3/4: The Law laid down in the Vedic lore is beneficial, as it prescribes the respective duties of the four varnas and the four stages of life.

I/3/5: The specific duties of the Brahmana are: studying, teaching, performing sacrifices for self, officiating at other people’s sacrifices, making gifts and receiving gifts.

I/3/6: Those of the Ksatriya are: studying, performing sacrifice for self, making gifts, living by (the profession of) arms and protecting beings.

I/3/7: Those of the Vaisya are: studying, performing sacrifice for self, making gifts, agriculture, cattle-rearing and trade.

I/3/8: Those of the Sudra are: service of the twice-born, engaging in an economic calling (viz., agriculture, cattle-rearing and trade) and the profession of the artisan and actor.
2. II/1/2: He should cause villages to be settled consisting mostly of Sudra agriculturists, with a minimum of one hundred families and a maximum of five hundred families, with boundaries extending over one krosa or two krosas, (and) affording mutual protection.

3. I/3/9: Those of the householders are: earning his living in accordance with his own special duty, marrying into families of the same caste but not of the same gotra, approaching the wife during the period, worship of the gods, manes and guests, making gifts to dependents and eating what is left over (after the others have eaten).

    I/3/10: Those of the student of the Veda are: studying the Veda, tending the (sacred) fires and (ceremonial) bathing, keeping the vow of living on alms only, residing till the end of his life with the preceptor or, in his absence, with the preceptor’s son or with a fellow-student.

    I/3/11: Those of the forest-anchorite are: observing celibacy, sleeping on bare ground, wearing matted locks and an antelope-skin, worship of the (sacred) fires and (ceremonial) bathing, worshipping the gods, manes and guests and living on forest produce (only).

    I/3/12: Those of the wandering ascetic are: having full control over the senses, refraining from all active life, being without any possessions, giving up all attachment to worldly ties, keeping the vow of begging alms, residing not in one place and in the forest, and observing external and internal cleanliness.

4. I/3/14: (The observance of) one’s own special duty leads to heaven and to endless bliss.

    I/3/15: In case of its transgression, people would be exterminated through (the) mixture (of duties and castes).

    I/3/16: Therefore, the king should not allow the special duties of the (different) beings to be transgressed (by them); for, ensuring adherence to (each one’s) special duty, he finds joy after death as well as in this life.

    I/3/17: For people, among whom the bounds of the Aryan rule of life are fixed, among whom the varnas and the stages of life are securely established and who are guarded by the three Vedas, prosper, do not perish.

5. For detail see Book-III, Ch-7 of the Arthasastra

References

III: Price Policy

V: Craft Industries

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The author of this book Dr. Ratan Lal Basu is a prolific writer of books and articles in economics. His articles, published in various journals, cover all conceivable branches of economics. He is one of the few scholars who have done their doctorate degree on the Arthasastra of Kautilya, a treatise on Economics, Statecraft and Espionage Mechanism written in India around 300 B. C. Dr. Basu, a renowned Indologist, is an authority on the economic ideas embedded in the Ancient Indian Sanskrit texts and his recent work ‘Ancient Indian Economic Thought: Relevance for Today’ has obtained wide acclaim all over the world. Dr. Basu is a moralist and also an optimist as regards future of the human race and his ideas pertaining to these have been reflected in the articles included in this book. The author may be contacted at: rlbasu@rediffmail.com

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