

Economic Legacy of The Mughal Empire: Growth, Governance, and the Foundations of Modern India's Economy

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Abstract: The Mughal Empire, which held dominion over large parts of the Indian subcontinent from the early 16th to the mid-18th century, significantly influenced the trajectory of India's economic development. This research paper delves into the diverse economic dimensions of the Mughal era, including their agrarian reforms, revenue and taxation policies, trade mechanisms, industrial practices, and the development of infrastructure. Special attention is given to the empire's centralized economic administration and the sophisticated land revenue system, which had far-reaching implications for both rural productivity and state revenue. The study further explores how Mughal involvement in international trade networks positioned India as a vital player in global commerce. It critically assesses the role of monetary policy and coinage reforms in standardizing economic transactions while also examining the economic consequences of continuous military campaigns and the resultant fiscal pressures. The paper aims to offer a balanced analysis of the Mughal Empire's economic legacy, highlighting its contributions to prosperity as well as the structural challenges that laid the groundwork for regional disparities and future economic decline. In doing so, it also reflects on the socio-political ramifications of economic governance under the Mughals, providing insights into the complex interplay between economy and empire in pre-colonial India.

Key words: Mughal Empire, Indian Economy, Agrarian Reforms, Revenue System, Trade Networks, Industrial Development, Monetary Policy, Economic Legacy, Global Commerce, Military Expenditures, Socio-economic Structure, Regional Disparities, Pre-colonial India.



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Introduction: The Mughal Empire, which reigned over much of the Indian subcontinent from the early 16th to the mid-18th century, stands as one of the most formidable and enduring dynasties in Indian history. Beyond its architectural marvels and political dominance, the Mughal Empire played a pivotal role in shaping the economic contours of pre-colonial India. The economic structure under Mughal rule was characterized by a fusion of centralized administration and decentralized, localized governance. This dual framework facilitated the efficient management of resources and ensured the integration of diverse regional economies into a cohesive imperial economy.

The Mughal economic system was marked by a sophisticated and well-organized revenue collection mechanism, notably the Zabt and Ain-i-Dahsala systems introduced under Akbar's reign. These systems not only ensured fiscal discipline but also contributed to agrarian stability and state wealth. The empire actively engaged in international trade, fostering vibrant economic exchanges with Europe, Central Asia, the Middle East, and Southeast Asia. Indian textiles, spices, and precious stones were in high demand globally, and the Mughals capitalized on this commercial vitality.

However, the decline of centralized authority in the later years of the empire, coupled with increasing internal strife and external invasions, led to economic fragmentation and stagnation. The weakening of the Mughal economic machinery created a vacuum eventually filled by European colonial powers, particularly the British, who leveraged the remnants of Mughal fiscal infrastructure to establish their economic dominance.

This paper seeks to offer a comprehensive examination of the Mughal Empire's economic policies and their enduring legacy. It explores how Mughal fiscal strategies, trade mechanisms, agrarian policies, and monetary systems not only influenced contemporary prosperity but also laid the foundations for the economic transformations that accompanied colonial rule. Furthermore, it investigates the socio-economic impact of imperial expenditures, especially in warfare, and the role of the Mughal economy within the broader context of early modern global trade networks.

Review of Literature: The economic legacy of the Mughal Empire has attracted considerable scholarly attention, particularly about its administrative innovations, agrarian structure, and commercial growth. Numerous historians and economists have attempted to evaluate the complexities of Mughal governance and its long-term economic implications for the Indian subcontinent.

Irfan Habib, in his seminal work *The Agrarian System of Mughal India (1556–1707)*, provides a detailed examination of land revenue systems such as the Zabt and Ain-i-Dahsala, highlighting their administrative sophistication and the empire's strong fiscal foundation. Habib argues that Mughal India had a relatively efficient taxation system that supported state functioning without debilitating the peasantry, at least during the early part of the empire.

Shireen Moosvi, in her studies on Mughal India, emphasizes the empire's commercial expansion and monetization. She points out that the Mughal Empire facilitated a high level of urbanization and supported markets through infrastructure and stable governance, leading to significant domestic and foreign trade.

John F. Richards, in *The Mughal Empire*, frames the Mughals as integral to the formation of early modern empires, stressing the interconnectedness of Mughal India with global trade networks. His analysis suggests that the Mughal economy was dynamic and integrated with both Asian and European economic systems.

Tapan Raychaudhuri discusses Mughal India's place in global economic history, noting that it was a leading exporter of manufactured goods like textiles. He argues that the wealth generated under

Mughal rule contributed significantly to global mercantilism, and the subcontinent was one of the richest economic zones globally during the 16th and 17th centuries.

Douglas E. Streusand, in *The Formation of the Mughal Empire*, acknowledges the dual character of Mughal rule—where a centralized monarchy coexisted with local autonomy—which allowed both stability and flexibility in economic management. This structure is often seen as a precursor to federal tendencies in modern Indian governance.

More recent scholarship, including that by Radhika Singha and Muzaffar Alam, emphasizes the role of Mughal policies in fostering syncretic institutions, promoting economic pluralism, and nurturing artisanal and agrarian communities. Their work also challenges older colonial historiographies that portrayed pre-British India as stagnant or despotic.

Aims & Objectives: The principal aims of this research are to investigate the economic architecture of the Mughal Empire and assess its influence on the evolution of India's economy. The specific objectives are:

- To critically examine the economic policies and fiscal strategies employed by successive Mughal rulers.
- To analyze the influence of Mughal agrarian reforms on agricultural productivity and rural livelihoods in India.
- To assess the contribution of Mughal trade policies to domestic commerce and international trade relations.
- To investigate the long-term economic implications of Mughal rule in the context of India's transition to colonialism.
- To study the regional variations in economic development under the Mughal administrative framework.
- To evaluate the financial burden and economic outcomes of Mughal military campaigns and defence expenditures.
- To explore the formulation and impact of Mughal monetary policy on fiscal stability and trade efficiency.
- To position the Mughal Empire within the global economic system of the early modern period, examining its interactions with European and Asian economies.

Methodology: This research adopts a qualitative historical methodology supplemented with quantitative elements where relevant. The study is rooted in a critical review of both primary and secondary sources:

- Primary sources include official Mughal documents (such as the *Ain-i-Akbari*, *Akbarnama*, and *Baburnama*), contemporary traveller accounts (like those of François Bernier and Niccolò Manucci), imperial edicts, tax records, and archival data from the Mughal administrative system.
- Secondary sources comprise academic books, peer-reviewed journal articles, historical economic studies, and contemporary analyses by scholars of Mughal India.

In addition to textual analysis, the research employs comparative historical analysis to contrast Mughal economic policies with those of preceding Sultanate regimes and succeeding colonial administrations. Where applicable, economic indicators such as coinage records, trade volumes, agricultural yields, and revenue figures are used to provide a quantitative dimension to the study, thereby enhancing the depth and empirical grounding of the research.

Analysis

1. Administrative Efficiency and Revenue System: One of the most enduring and influential economic legacies of the Mughal Empire was its highly structured and hierarchical administrative and revenue system. At the core of this system was a meticulously organized approach to land revenue assessment and collection, which laid the foundation for future economic governance in both colonial and post-colonial India.

The Mughal rulers, particularly Emperor Akbar, revolutionized the agrarian economy through the implementation of the *Zabt* system, which entailed extensive land surveys, systematic crop assessments, and the standardization of tax rates. This system was not merely a fiscal arrangement but a sophisticated administrative tool that helped the empire manage its vast and culturally diverse territories. Revenue was typically assessed based on the average produce of different crops over a ten-year period, and taxes were fixed accordingly, ensuring relative fairness and predictability in state demands.

Complementing the revenue apparatus was the *Mansabdari* system, a unique administrative structure that intertwined civil, military, and economic responsibilities. Under this system, officials known as *mansabdars* were ranked and granted jagirs (revenue-yielding land assignments) in return for their services to the empire, particularly in maintaining troops and administering territories. Although primarily designed for military purposes, the Mansabdari system played a vital role in consolidating centralized control over the empire's vast economic resources. It ensured the regular flow of revenue to the imperial treasury and minimized the chances of local elites accruing independent power bases.

The Mughal state's bureaucratic machinery was highly disciplined, and it employed a cadre of trained officials, including *amils* (revenue collectors), *qanungos* (local record keepers), and *patwaris* (village accountants), all of whom were responsible for ensuring accurate record-keeping and revenue collection. The integration of Persian administrative culture with indigenous practices resulted in a hybrid system that was both adaptable and efficient.

Significantly, the Mughal revenue system influenced subsequent economic governance models. The British colonial state retained many elements of Mughal fiscal administration, especially during the implementation of the Permanent Settlement in Bengal and the Ryotwari and Mahalwari systems in other parts of India. Even in independent India, aspects of land revenue management and agrarian administration bear the imprint of Mughal innovations, particularly in land recordkeeping and rural taxation.

In essence, the Mughal approach to administrative efficiency and revenue collection not only sustained the economic foundations of one of the world's most powerful empires but also bequeathed an enduring legacy to the Indian subcontinent's institutional architecture.

2. Urbanization and Commercial Activity: The Mughal Empire also ushered in a significant phase of urbanization and commercial expansion that transformed the economic landscape of the Indian subcontinent. Cities such as Agra, Delhi, Lahore, Multan, Surat, and Ahmedabad emerged as thriving commercial, administrative, and cultural centers, fostering vibrant marketplaces and production zones that played a central role in regional and global trade networks.

Under Mughal patronage, urban centers flourished due to the convergence of state-supported infrastructure, artisanal excellence, and vibrant trading communities. These cities became magnets for skilled craftsmen, merchants, and foreign traders, which led to a robust and diversified urban economy. Textile production—especially of fine muslins, silks, and cotton fabrics—was a hallmark of Mughal urban industry, with regions like Bengal, Gujarat, and the Deccan becoming famous for their high-quality outputs. Indian textiles were highly prized in Europe, the Middle

East, and Southeast Asia, with Surat functioning as a major port that connected India to the Red Sea, Persian Gulf, and beyond.

The Mughals invested significantly in infrastructure to support this commercial dynamism. A vast network of roads, caravanserais (rest houses), and *sarais* (inns) facilitated the safe movement of goods and people across the empire. The *Grand Trunk Road*, originally conceived in earlier eras, was modernized and extended, linking major commercial hubs across the subcontinent. These trade routes not only enabled the circulation of goods but also promoted cultural exchanges and mobility of artisans, traders, and ideas.

Markets within these urban centers were well-organized and regulated by municipal authorities. State-appointed officials monitored prices, standardized weights and measures, and ensured the availability of essential commodities. Additionally, the Mughal legal and policing systems provided security for merchants, which was crucial for sustaining commercial confidence and long-distance trade. Marketplaces like Chandni Chowk in Delhi and Meena Bazaar in Agra symbolized the empire's commitment to fostering regulated and prosperous commercial activity.

The Mughal economic ethos also encouraged religious and ethnic diversity in trade. Hindu, Jain, Armenian, and Muslim merchants coexisted and often collaborated in commercial enterprises. This pluralism enriched urban life and contributed to the growth of complex economic institutions, including moneylending, banking (via *hundis*), and guild-based organization of artisans and traders.

Furthermore, the Mughal Empire's relative political stability and patronage of the arts and crafts gave rise to a luxury goods economy. Royal courts and the nobility were major consumers of fine textiles, jewelry, miniature paintings, metalwork, and architectural services, thus stimulating production and innovation in urban industries.

In summary, the Mughal period marked a golden age of urban and commercial prosperity. The empire's cities were not merely administrative capitals but dynamic economic engines that connected India to the wider world. The legacies of Mughal urbanization and commerce continue to shape the subcontinent's urban planning, trade traditions, and artisanal culture to this day.

3. Agrarian Expansion and Food Security: A vital yet often underappreciated pillar of the Mughal Empire's economic legacy was its strategic focus on agrarian expansion and food security. As an overwhelmingly agrarian society, the prosperity of the Mughal state depended heavily on maximizing agricultural productivity and ensuring the stability of rural livelihoods. This objective was pursued through a multifaceted approach involving land development, irrigation enhancement, and institutional support to cultivators.

One of the primary strategies employed by the Mughal administration to promote agricultural expansion was the systematic clearing of forests and reclamation of wastelands. Vast tracts of uncultivated or marginal land were brought under the plough, especially in the Gangetic plains and Deccan region, as part of state-directed or incentivized settlement programs. Local peasants, landless laborers, and even tribal groups were encouraged to settle in these newly cleared zones, where they were often granted temporary tax exemptions or land entitlements to initiate cultivation. These policies not only expanded the empire's agrarian base but also served political ends by integrating peripheral populations into the Mughal administrative fold.

Crucial to the success of these expansionist policies was the Mughal emphasis on irrigation infrastructure. While much of Indian agriculture remained dependent on monsoons, the Mughals promoted the construction and maintenance of wells, canals, bunds, and tanks. In regions such as Punjab and Gujarat, canal irrigation systems were developed or revived, significantly boosting crop yields. The state often collaborated with local communities and zamindars (landholders) to

undertake these initiatives, recognizing the importance of water management in securing agricultural surplus.

Furthermore, the Mughal regime institutionalized systems that supported agrarian stability and incentivized cultivation. The introduction of a detailed crop calendar and seasonal tax assessments helped align state revenue demands with the agricultural cycle. The classification of land based on fertility and productivity allowed for more equitable tax burdens. This careful balance between state extraction and peasant subsistence was a hallmark of early Mughal economic governance, especially under Akbar's reign, and contributed to a sense of security among cultivators.

The increased food production resulting from agrarian expansion had far-reaching socio-economic consequences. It supported population growth and urbanization by supplying a consistent food surplus to cities and military garrisons. The emergence of market towns and rural bazaars facilitated the exchange of agricultural surplus for manufactured goods, textiles, and luxury items, contributing to a more integrated and monetized economy. Additionally, the surplus from the countryside acted as a cushion during periods of drought or crop failure, helping to mitigate the risk of famine, at least in the early and middle phases of the empire.

Importantly, Mughal policies encouraged crop diversification, including the cultivation of cash crops like cotton, sugarcane, indigo, and opium alongside staple grains. This diversification not only contributed to rural prosperity but also enhanced the empire's engagement in international trade, as many of these crops had significant export value.

In conclusion, the Mughal state's commitment to agrarian expansion, food security, and rural stabilization laid the groundwork for a resilient and surplus-generating economy. These efforts not only fed the empire but also created the agricultural backbone necessary to sustain its military, administrative, and commercial structures.

4. Integration with the Global Economy: One of the most defining aspects of the Mughal Empire's economic legacy was its successful integration into the expanding global economy of the early modern period. Positioned strategically at the crossroads of maritime and overland trade routes, Mughal India emerged as a key player in transcontinental commerce, supplying coveted goods and drawing in precious metals, particularly silver, from around the world.

Indian goods—most notably cotton textiles, indigo, spices, and saltpeter—were in high demand across global markets, from Southeast Asia and Central Asia to the Middle East and Europe. Indian calicoes and muslins were prized for their fineness, vibrant colors, and durability, making them popular commodities in European markets, especially in England, France, and the Netherlands. Indigo, used as a dye, was another high-demand export, cultivated in regions like Bihar and Bengal. These goods were exchanged for bullion, especially silver, which was the principal medium of exchange in India and crucial to the monetization of the Mughal economy.

European trading companies—beginning with the Portuguese in the early 16th century, followed by the Dutch (VOC), the English (EIC), and the French (Compagnie des Indes)—established fortified trading posts and factories along India's western and eastern coasts. Surat, Masulipatnam, Madras, and Hooghly became bustling port towns that facilitated international commerce. These foreign merchants, though initially subordinate to the imperial authority, were granted trading privileges and often paid substantial tribute to the Mughal court in return for access to Indian markets.

The inflow of bullion, especially Spanish-American silver via European intermediaries, had transformative economic effects. It stabilized the currency system, particularly the silver *rupiya*, which became a standard of value throughout the empire. The availability of coined money expanded the scope of market transactions, encouraged the growth of credit and financial services, and contributed to a more dynamic and monetized economy. Indigenous financial instruments

such as *hundis* (bills of exchange) and *sarrafs* (bankers) played an important role in facilitating long-distance trade and capital movement.

The Mughal court itself was an avid participant in the global luxury economy. It consumed goods like Chinese porcelain, Persian carpets, Arabian horses, and Central Asian falcons, thereby contributing to reciprocal trade flows. Diplomatic and commercial missions from Central Asia, Iran, the Ottoman Empire, and Europe further enhanced India's global connections.

Moreover, the imperial tolerance towards foreign traders and religious communities—such as Armenians, Jews, and various Christian denominations—created a cosmopolitan atmosphere in port cities and trade centers. These communities acted as crucial intermediaries in global commerce, linking Indian producers with foreign buyers.

Despite being agrarian at its core, the Mughal economy's openness to global trade challenges the stereotype of pre-modern Indian isolationism. On the contrary, the Mughals presided over one of the most outward-looking and commercially sophisticated economies of the early modern world. This engagement with global markets not only enriched the imperial treasury but also created enduring networks of exchange that persisted into the colonial era.

In summary, the Mughal Empire's integration into global economic systems was marked by robust exports, a favorable balance of trade, and an inflow of precious metals that fueled domestic economic growth. This interconnectedness laid the foundation for India's prominence in the world economy well into the 18th century and shaped the trajectory of its economic history for centuries to follow.

5. Foundation for Modern Economic Structures: The Mughal Empire's legacy extended far beyond its own temporal and political lifespan, significantly shaping the contours of India's administrative and economic structures well into the colonial and post-colonial periods. A critical contribution of the Mughals to India's economic trajectory was the institutional framework they established—particularly in the realms of land revenue administration, recordkeeping, urban planning, and centralized authority—which served as the foundational infrastructure for later British colonial governance and modern Indian statecraft.

Central to this enduring legacy was the meticulous recordkeeping system developed under the Mughal revenue administration. Offices such as the *patwari* (village accountant), *qanungo* (local record-keeper), and *amil* (revenue collector) were instrumental in creating and maintaining detailed land and tax records. These records not only documented ownership and cultivation patterns but also formed the basis for revenue assessment and collection. The British colonial administration, recognizing the value of these records, adapted and institutionalized them under their own land settlement schemes, such as the Permanent Settlement in Bengal, the Ryotwari system in Madras and Bombay, and the Mahalwari system in the northwestern provinces. These settlements retained the basic Mughal principles of land-based revenue assessment, reflecting a clear institutional continuity.

Furthermore, the Mughal emphasis on centralized control and administrative rationalization influenced the development of bureaucratic systems in India. The empire was governed through a complex yet coherent structure of provincial administration, subdivided into *subahs*, *sarkars*, and *parganas*. Each administrative unit had officials responsible for tax collection, law enforcement, and public works. This template was subsequently refined and expanded by the British Raj to suit their objectives, but its foundational logic derived from Mughal governance.

In the domain of urban planning and economic regulation, the Mughals introduced standardized practices that echoed through history. Cities such as Agra, Delhi, Fatehpur Sikri, and Lahore were not only political centers but also models of urban design, incorporating marketplaces (*bazaars*), administrative quarters, residential zones, and religious institutions. These cities featured

structured layouts, water supply systems, public gardens, and road networks that influenced later colonial urban designs. Even in independent India, echoes of Mughal urban sensibilities can be found in the spatial organization of towns and the location of administrative centers.

Additionally, the Mughal concept of sovereign authority, exemplified through symbols like the imperial *farman* (edict), coinage, and court rituals, laid the groundwork for the legitimacy of centralized power in Indian political culture. This idea was crucial for British administrators, who positioned themselves as successors to the Mughal emperors, adopting titles, ceremonies, and institutional hierarchies to consolidate their rule.

In essence, the Mughal Empire did not vanish without a trace. Instead, it bequeathed a durable institutional and administrative architecture that was inherited, modified, and expanded by successive regimes. These legacies continue to inform contemporary India's governance structures, from land administration and bureaucracy to urban planning and fiscal policy.

6. Limits and Decline of the Mughal Economy: While the Mughal economy exhibited remarkable dynamism and resilience during its zenith, particularly under emperors like Akbar, Jahangir, and Shah Jahan, it was not without significant limitations. By the late 17th and early 18th centuries, the structural weaknesses within the empire began to surface, gradually undermining the economic foundation that had supported Mughal prosperity for over a century. These vulnerabilities, exacerbated by internal and external pressures, contributed to the eventual decline of the empire's economic and political influence.

One of the foremost limitations was the growing burden of over-taxation. As military campaigns grew more frequent and the administrative machinery more expensive to maintain, successive emperors imposed increasingly heavy revenue demands on the agrarian population. The delicate balance between state extraction and peasant subsistence, so carefully maintained under Akbar, began to erode. In many regions, cultivators faced exploitation by both state officials and local zamindars, leading to widespread agrarian distress and rural discontent.

These economic pressures coincided with rising political instability. The later Mughal period witnessed a proliferation of regional revolts and power struggles, including the Maratha uprisings, the Sikh resistance in Punjab, and the Jat and Afghan rebellions. These movements were often fuelled by local grievances, particularly the oppressive revenue policies and exploitative practices of local elites. The weakening of centralized authority meant that large swathes of the empire operated autonomously, disrupting trade routes, damaging agricultural output, and eroding the administrative coherence that had once held the empire together.

Factionalism within the Mughal court further compounded these problems. The imperial succession was rarely smooth, and the internal competition among nobles for power, patronage, and jagirs led to administrative inefficiency and corruption. These internal rifts drained resources and diverted attention from essential economic governance, leaving the empire vulnerable to both internal collapse and external aggression.

Perhaps the most significant structural limitation of the Mughal economy was its failure to keep pace with technological innovation and industrial mechanization. While Europe was entering a period of scientific advancement and the early stages of industrial capitalism, Mughal India remained rooted in artisanal production and traditional methods. Although Indian craftsmanship remained superior in quality, it lacked the mechanized means to compete with the rising productivity of European industries. This technological stagnation left Indian industries, particularly textiles, vulnerable to foreign competition, especially after the British began flooding Indian markets with machine-made goods during the colonial era.

The empire also suffered from a lack of institutional adaptability in the face of global economic shifts. While the Mughals successfully integrated into early modern trade networks, they failed to

develop an indigenous mercantile or naval strategy that could withstand the aggressive expansion of European trading powers. The absence of a strong maritime tradition and a coherent naval policy meant that control over coastal trade gradually slipped into the hands of the Portuguese, Dutch, and eventually the British.

By the time the British East India Company began asserting political control in India during the mid-18th century, the Mughal economy was already in a state of disarray. The economic vulnerabilities created by internal decline were ruthlessly exploited by colonial forces, leading to the dismantling of indigenous industries and the redirection of economic surplus toward British interests.

In conclusion, while the Mughal economy achieved remarkable heights, its limitations—particularly those emerging in the late period—played a crucial role in its eventual downfall. Over-taxation, administrative decay, regional unrest, and technological stagnation undermined the empire's economic foundations and paved the way for colonial domination. These failures serve as a cautionary tale of how even the most sophisticated pre-modern economies can falter in the absence of institutional reform and innovation.

Summary and Conclusion: The economic legacy of the Mughal Empire is a complex and multifaceted phenomenon that left a profound imprint on the socio-economic landscape of the Indian subcontinent. Spanning from the early 16th to the mid-18th century, the Mughal period was marked by significant advancements in revenue administration, agricultural productivity, artisanal output, and commercial enterprise. During the zenith of Mughal power—particularly under rulers like Akbar, Jahangir, and Shah Jahan—India experienced remarkable economic stability and prosperity. The structured land revenue systems, such as the **Zabt** and **Dahsala**, allowed for predictable state income and encouraged agricultural expansion. Moreover, a relatively efficient bureaucracy helped maintain law and order, enabling market growth and regional connectivity.

The Mughal economy was not insular; it was deeply connected to the larger global economic network through extensive trade. Indian textiles, spices, and precious stones were in high demand across Asia, Africa, and Europe, and Mughal India became a prominent node in global commerce. The monetization of the economy, combined with urbanization and infrastructural development, fostered vibrant marketplaces and a cosmopolitan urban culture. Mughal cities such as Lahore, Agra, Delhi, and Surat evolved into major commercial and cultural centers. The flow of bullion from foreign trade helped stabilize the currency system and encouraged internal commerce.

However, this flourishing economy began to face challenges in the later Mughal years. Administrative overreach, decentralization of authority, frequent wars of succession, and increasing corruption began to erode the centralized control that had sustained economic growth. Heavy taxation without proportional reinvestment and the growing autonomy of regional governors weakened the central administration. Additionally, the empire's inability to industrialize or adopt modern economic innovations made it vulnerable to emerging European trading powers, especially the British.

Foreign invasions, including those by Nadir Shah and Ahmad Shah Abdali, further disrupted trade and drained economic resources, exacerbating internal decline. The weakening of Mughal authority coincided with the rise of the British East India Company, which gradually filled the power vacuum and reoriented India's economy to serve colonial interests. Thus, while the Mughal Empire laid down administrative and infrastructural foundations that were later adapted by the British, it also left behind an economy weakened by systemic inefficiencies and external shocks.

In conclusion, the Mughal Empire played a dual role in India's economic history. On one hand, it promoted growth, urbanization, and integration with global markets. On the other hand, its later decline contributed to conditions that facilitated colonial dominance. The legacy of Mughal

economic policies—both constructive and detrimental—shaped the foundation on which modern India’s economy would be built. Understanding this legacy is essential to appreciating the broader continuum of Indian economic development and the transitions from pre-colonial to colonial and eventually post-colonial economic structures. It also serves as a reminder of how governance, innovation, and adaptability are crucial determinants of economic resilience and sustainability.

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