

# RE-EVALUATING EMPEROR ASOKA A Relational Contract Theory Explanation for Economic Transformation

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**Abstract:** Emperor Asoka's rein is considered an important era in ancient Indian history because of the vastness of his empire and the Buddhist elements in his administration. We propose that in addition to these reasons for highlighting Asoka's rein, there is an important economic argument as well. It was during the century or two around Asoka's rule that the subcontinent's economy underwent a transformation from a simple pastoral-agricultural economy to a more mature economy with large scale production, specialisation and trade. The element that Asoka introduced into the social relations in his empire is Buddha's *Dhamma*, which formed and strengthened relational contracts. A key feature of relational contracts is incompleteness of arrangements that is managed by social iterations and formal and informal enforcement mechanisms. Each of these is reflected in Asoka's edicts, the earliest surviving writing samples from the subcontinent. Asoka planned for these measures to ensure political and economic stability. In addition, he also laid the most important foundational material in a rather unique way for all future economic transformations.

**Keywords:** Asoka, Economic Transformation, Edicts, Enforcement, Incompleteness, Iteration, Relational Contracts

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## 1. Introduction: Legendary Conqueror-Ruler

Asoka was crowned emperor of Magadha in 270 BCE, the third in line in the Mauryan Empire, after his grandfather, Chandragupta Maurya took over the Ganga belt from the Nanda dynasty. To put this into a global context: Alexander had briefly encountered India a century earlier. Among scholars of Indian history, the rule of Asoka is a more significant event than Alexander's famous battle with Puru in 327 BCE.<sup>1</sup>

Two of the most important reasons for this popularity are: [i] he was the first and only emperor to have controlled so vast an area of the Indian subcontinent - most of the present-day India, Bangladesh, Pakistan and Afghanistan, barring two princely states in the southern-most tip of the Deccan peninsula. Asoka's father Bindusara and grandfather Chandragupta Maurya had not entered the peninsula; and [ii] he converted to Buddhism, not just his personal belief system, but also his style of administration. It is from his rule that some of the oldest samples of religious architecture and writing survive.

While accepting and drawing from these two characteristics of Asoka, we propose a different reason for stressing the importance of his rule. The five centuries surrounding Mauryan rule were marked by significant economic and social change. Emperor Asoka, in the political and social environment of his age, acted as a catalyst for further nuanced transformations in the economic character of the age.

## 2. Pre-Asoka Economy and Society

The Rig Vedic period, second millennium BCE, is marked by primitive tribal social organisation, predominantly pastoral economy with egalitarian power structure, and absence of distinct classes.<sup>2</sup> Agriculture was productive enough that the smallest cities that it supported had five thousand people. There

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<sup>1</sup>Irfan Habib and Vivekanand Jha, *A People's History of India 4: Mauryan India*, New Delhi: Aligarh Historians Society, Tulika, 2009, 6.

<sup>2</sup>Uma Chakravarti, *Everyday Lives, Everyday Histories: Beyond the Kings and Brahmanas of Ancient India*, New Delhi: Tulika, 2006, 76.

were also fortified cities, and gold and rock salt mines.<sup>3</sup> Private ownership of land was absent and wealth was measured in terms of cattle. Agriculture was a family occupation – labour was not hired for tilling the soil. *Gahapatis* (referring to any householder participating in the economy, as distinct from brahmans and kshatriyas who belong in the realm of religion and power)<sup>4</sup> only owned as much land as they could work on using family labour. This is further confirmed in logs written by European travellers.<sup>5</sup> It is significant that the Rig Veda did not have a word for ‘wages’,<sup>6</sup> though there might have been something equivalent to the concept of wages for some occupations, say soldiers, it was not as ubiquitous a concept as it became within the following few centuries. Any mention of various craftsmen and traders is conspicuous by its absence. Brahmans are mentioned as teachers of philosophy, forest dwellers surviving with stone tools or none at all are mentioned, fishermen are mentioned who consume rather than sell their fish, and slavery existed.

The early Buddhist period, 700-500 BCE can be identified as a phase of emergence of agriculture as a capitalist enterprise. In this period the occupational description of *gahapatis* changed perceptibly to include owners of large tracts of land that required hired hands. References to iron implements in early Buddhist literature hint at the reason for this change. Tribal organisation was melting away under the arduous pressure of monarchic state formation. The natural consequence of the increased scale of agricultural operations and their productivity was specialisation and trade. Based on archaeological evidence from pottery fragments, Habib and Jha conclude that “considerable amount of technique diffusion, accompanied doubtless by artisans’ migration on some scale must have taken place before and during the period of the Mauryan Empire.”<sup>7</sup> A

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<sup>3</sup>Habib and Jha, *Mauryan India*, 1-2.

<sup>4</sup>Chakravarti, *Kings and Brahmanas*, 61.

<sup>5</sup>Habib and Jha, *Mauryan India*, 1-2.

<sup>6</sup>Chakravarti, *Kings and Brahmanas*, 77.

<sup>7</sup>Habib and Jha, *Mauryan India*, 119.

few versions of the word 'wages' appear for the first time around 6<sup>th</sup> to 3<sup>rd</sup> century BCE<sup>8</sup> when slaves and labourers were employed to work on land. This period was also witness to a second urbanisation, the first being the Harappan period almost two millennia earlier.

### 3. *Arthashastra* to Understand the Post-Asokan Period

The *Arthashastra* is a political economic treatise by Kautilya, often compared by European scholars of political history to Machiavelli. There is an on-going debate on the dating of this work and on the identity of Kautilya. It may be understood from the level of details in taxation rules, listing of punishments for various offences, detailed description of methods to expand the empire and enrich the treasury, that the author must have had all the relevant experience in the role of a minister to an aspirant to power. The only individual who fits this description was Chanakya, the minister to Chandragupta Maurya, when he overthrew the Nandas. An alternative argument suggests that the styles of grammar used in various sections of the text are different and so must be attributed to different individuals. "[T]here is much in the *Arthashastra* that suggests different dates for the various parts within it, from practically the fourth century BCE to the second century AD."<sup>9</sup> These works were then compiled by a Kautilya around 150 CE, who plainly admits to referring to older works of this nature several times, including Manu, the sage who authored the *Manusmriti* around the first century BCE. But since most of those works do not survive, it is difficult to arrive at a consensus about the precise identity of Kautilya and the date when the *Arthashastra* was written.

Under these uncertain circumstances, how much of the evidence from the *Arthashastra* can be taken to represent the post-Asokan period is something that needs discussion. For the current purpose, it is sufficient to know that the political and economic sophistication was perceptibly greater around Asoka's time than before.

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<sup>8</sup>Chakravarti, *Kings and Brahmanas*, 78.

<sup>9</sup>Habib and Jha, *Mauryan India*, 48.

The most important angle that comes up through the *Arthashastra* is the predominance of the state in all matters. This treatise was meant as a guide to any ruler who wished to expand his frontiers in the most efficient way possible, while retaining peace within. Consequently, the very list of topics covered<sup>10</sup> in the treatise reveals the level of sophisticated detail demanded in the act of governance.

The political discourse of the *Arthashastra* is not only constricted to politics, but also reflects the sophistication in the economy on which the polity was based. Several of the prescriptions that Kautilya makes are ahead of his time. Throughout the treatise, mentions of public monopolies and public procurement of food grains suggest large scale operation in agriculture, mines and factories (metal works, textiles, leathers, etc.). The warning against collecting too much as revenue<sup>11</sup> suggests an understanding of something approaching a Laffer curve. So, economic agents' response to incentives is recognised – whether in the imposition of new taxes, or exemptions or punishments. The level of economic activity and technological sophistication created a fertile environment for counterfeiting coins, which were to be monitored by the 'Coin Examiner'.<sup>12</sup> The use of misleading weights by traders was checked by the Chief Controller of Private Trading.<sup>13</sup> State protection from international competition suggests that there was international competition in at least some trades,<sup>14</sup> and at least some trades were carried out through agents.<sup>15</sup> While explicit contracts between economic agents are mentioned, there is also a general sense of providing services to the people (excluding health and education)<sup>16</sup> in return for taxes paid – the unwritten contract between the people and the state. In an age

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<sup>10</sup>Rangarajan, *Kautilya: The Arthashastra*, New Delhi: Penguin, 1992, vii.

<sup>11</sup>Rangarajan, *Arthashastra*, 74.

<sup>12</sup>Rangarajan, *Arthashastra*, 75.

<sup>13</sup>Rangarajan, *Arthashastra*, 76.

<sup>14</sup>Rangarajan, *Arthashastra*, 86.

<sup>15</sup>Rangarajan, *Arthashastra*, 441.

<sup>16</sup>Rangarajan, *Arthashastra*, 89.

when the state was still a relatively new construct, to have such detailed observations regarding the best crops to be planted, which ones to be encouraged by the state, how to manage irrigation, how to incentivise production, etc. is precocious.

We highlight two observations from the preceding discussion: [i] incentives started to play a greater role in the economy rather than tradition or command;<sup>17</sup> and [ii] greater interactions in the economic sphere meant contractual relations started to appear between the state and the people and among the people.<sup>18</sup> These two observations, juxtaposed with the fact that the Mauryan state was a “strong and unified political centre anxious to preserve its monopoly”<sup>19</sup> over various trades, including slaves, lead us to the question: Were Asoka, or any of the other emperors of the age motivated to use this evolving economic set up to further the welfare of the people and the wealth and political stability of the state itself? We answer in the affirmative, and further seek the source of this motivation and the method used to carry out these operations.

#### **4. Mediating Ideological Force**

Emperor Asoka began his process of consolidation after he had accomplished his agenda of territorial expansion. That was also a critical time when many of these economic changes were happening. Even if we accept that the *Arthashastra* was written before Asoka’s time, and so the economic complexity it shows already existed before him, we still present the case that he pushed along certain changes in the way the economy functions so as to lay the foundations for future transformations in the nature of economic activity. After Asoka captured Kalinga, the gateway to the south of the subcontinent, he was struck at a very deeply emotional and moral level by the magnitude of loss of life and the misery of the survivors. This nudged him towards the

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<sup>17</sup>Robert Heilbroner, *The Worldly Philosophers: The Lives, Times and Ideas of the Great Economic Thinkers*, New York: Simon and Schuster, 1986, 19.

<sup>18</sup>Chakravarti, *Kings and Brahmanas*, 81.

<sup>19</sup>Chakravarti, *Kings and Brahmanas*, 81.

Buddhist faith, and he took up the cause increasingly proactively over the rest of his life. Manifestations of Asoka's Buddhist faith were many. He had edicts etched on rocks and pillars in the local languages across his vast empire, together with specially appointed officers to enforce his laws. These rock and pillar edicts survive for modern scholars to decipher and get a rare glimpse into the mind of an emperor in ancient India, who had decided to rule in a unique way. A more pragmatic explanation for these same events and responses is presented in a later section, thus adding different-hued motives to Asoka's acts of religiosity, though not necessarily to diminish the strength of his religious and moralistic motivations.

Common interpretations of the Buddhist belief system may have all held good in the way they manifested in Asoka's life, but he gave a very definite purpose to these beliefs as they appeared in his style of administration. Asoka meant *Dhamma* as “a set of desired forms of conduct and attitudes of mind.”<sup>20</sup> From Asoka's edicts, it may be said that his *Dhamma* included: compassion to living beings, obedience to parents, elders and teachers, liberality to brahmins, friends, etc., decorous behaviour to slaves and servants, truth, purity of thought, self-restraint, moderation in possessing and spending, among other things, all of which he followed himself. “One almost feels that he was moved here by a primitive sense of a ‘social contract’, in which the king, in receipt of taxes, needs to fulfil certain obligations in return.”<sup>21</sup> Asoka also felt obliged to remind his subjects of their most fundamental human responsibilities towards their fellow inhabitants of the earth. “Ashoka seem[s] to have recognised that in order to combat and counter a system of brainwashing as powerful as Brahmanical Hinduism required the use, for different ends, of some of the same ... techniques”<sup>22</sup> – employing religious rhetoric. *Dhamma* provided Asoka with this rhetoric with which to persuade his subjects to be loyal, trusting

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<sup>20</sup>Habib and Jha, *Mauryan India*, 63.

<sup>21</sup>Habib and Jha, *Mauryan India*, 67.

<sup>22</sup>Nayanjot Lahiri, *Ashoka in Ancient India*, Ranikhet: Permanent Black, 2015, 138.

and honourable, all of which would further his larger goals – religious, political and economic – discussed further below. An unintended outcome of his strategy was his catalysing the economic transformation of his empire.

### 5. Socio-Economic Background to Asoka's Reign

The social and economic conditions of Mauryan India fashioned Asoka's administrative policy. The *Kalinga* war completed Asoka's agenda of expansion of empire, allowing him the required political control, at a time when the economy was gradually evolving from a pastoral to an agro-mercantile system with relative permanency of ownership, occupation and transportation. This relative economic permanency was fertile ground for evaluation of taxes and the creation of a single administrative setup. He went about his agenda of consolidation by modifying the quality of the social fabric using Buddhist ideology, in part and significantly not in whole. Buddhism prescribed both humanitarianism and egalitarianism<sup>23</sup>, but Asoka only used humanitarianism as a tool to ensure loyalty and complicity. Encouraging egalitarianism would have been hazardous in the social environment of the age. Asoka's selective use of broad Buddhist values to perpetuate his rule without endeavouring to make drastic reformations in the social fabric means he assumed certain realities about the social structure as given for effective administration. By Asoka's time, caste had become the dominant framework of social categorisation.<sup>24</sup> Members of the various castes presented themselves as distinct interest groups to him. This enjoined upon him the obligation to meet up with these interest groups through his administration.

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<sup>23</sup>Chakravarti, *Kings and Brahmanas*, 93.

<sup>24</sup>Recorded history provides ample evidence of the presence of caste in various forms: Jawaharlal Nehru, *The Discovery of India*, London: Meridian, 1956, 73, 108-111. Thapar, *Penguin History*, Penguin, UK 62. Abhijit Banerjee, Lakshmi Iyer, and Rohini Somanathan, "History, Social Divisions, and Public Goods in Rural India," *Journal of the European Economic Association* 3, 2-3 (2005), 641.



So, our ensuing analysis cannot be oblivious to the forms of social stratification of his time.

### 5.1. Social Stratification

Even though caste was the most visible form of social stratification, there are multiple interpretations and frameworks of caste categories. Thapar points out<sup>25</sup> that the system manifests itself in different forms depending on the specific dominance that various social and economic groups enjoyed across geographies and across time. This is evidenced in the differences in descriptions of the caste system between the *Arthashastra* and reports of contemporaneous foreign visitors (Greek and Latin accounts, especially references in the account of Megasthenes). However, what is fairly common in these accounts as well as some of the brahmanical texts is the emergent superiority of the brahman called as *purohita* or priestly caste. Economically the brahman's potential eminence is reflected in being exempted from paying taxes<sup>26</sup> and from providing service to the realm.<sup>27</sup> This is also seen through several Asokan edicts in terms of references to special treatment given to them and in the way their religious position was taken as a substitute for productive labour to the state.

At the same time, Buddhist texts foregrounded occupation as the parameter of social stratification, rather than caste.<sup>28</sup> Tying these strands of extant literature we may infer that even though the caste construct had ascribed status, the competing Buddhist strand implicitly allowed for migration across castes.<sup>29</sup> This seeming discrepancy can be explained by accounting for the sources of information about caste in BCE India. Texts prepared by brahmans tended to represent caste as a rigid system,

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<sup>25</sup> Thapar, *Penguin History*, xxvii.

<sup>26</sup> Romila Thapar, *Ashoka and the Decline of the Mauryas*, New Delhi: Oxford University Publication, 2012, 74.

<sup>27</sup> Thapar, *Ashoka*, 74.

<sup>28</sup> Chakravarti, *Kings and Brahmanas*, 67.

<sup>29</sup> Chakravarti, *Kings and Brahmanas*, 93. Nehru, *Discovery of India*, 109.

whereas oral tradition, more likely originating from lower castes, tended to represent caste as fluid. A well-informed view of caste, therefore, requires the modern scholar to consider texts from a variety of sources.

## 5.2. Economic Classes

Of all the various economic agents, the role of the cultivator grew in importance despite the relatively inferior social status ascribed to this group. Their importance is quite evident by the fact that they paid a portion of their harvest as tax and also made an annual one-time payment in the form of land tribute. This means that cultivators as an economic constituency and their activity were critical to the public exchequer and for generation of economic value in the realm. Their significance and contribution to aggregate supply is even clearer as they constituted majority of the population, were not armed and were assigned only one task. This kind of assignment of duty ensured food production without the need for large scale slavery.

In the Mauryan period, there was formation of villages both through deportation from conquered regions and through voluntary migration or travelling. This is evident, among other sources, by the claim of Emperor Asoka himself that “on the roads, trees have been planted, and wells have been dug for the use of men and beast” (Edict 2).<sup>30</sup> Such demographic movement implied formation of new and additional sources of production and tax revenue, especially agriculture and trade. Although the Mauryas, particularly Asoka, strove to unify the empire into a single whole, they could not homogenise their subjects. Asoka acknowledges this challenge of being able to rule only with much strain and strategic adaptability when he confesses, “this set of edicts ... has been written by command of His Majesty King Priyadarsin<sup>31</sup> in a form sometimes condensed, sometimes of medium length, and sometimes expanded; for everything is

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<sup>30</sup>Vincent A. Smith, *Asoka, the Buddhist Emperor of India*, New Delhi: Low Price Publications, 2013, 160. All cited Edicts are from this work.

<sup>31</sup>Asoka insisted on being addressed with this very benevolent expression, which in translation means ‘beloved of the gods’.

not suitable in every place, and my dominions are extensive” (Edict 14). Its large size due to annexation by conquest of numerous principalities contiguous to the Magadha region as well as through control over dependant vassal kingdoms and the fact that these regions were at different levels of economic progress made the task of unifying the empire require more physical and mental effort. In the language of institutional economics, it entailed high specific investment of initiation, and high transaction costs of communication and monitoring. The efforts in bringing into control the large empire were a significant sunk cost – measured both in terms of royal resources and lives of common people – and so further efforts to protect this investment had to be substantial. These ideas are explored later in the paper.

The diversity, especially economic, was reflected in the multiple forms of land ownership of which ownership by the king, the state and by large scale landowners were quite dominant.<sup>32</sup> Further a new economic class emerged due to the settled nature of agrarian and mercantile communities during the time of Asoka. They were financial entrepreneurs who according to Fick were referred to as *gahapatīs* in the *Jatakas*. They were wealthy merchant financiers to both cultivators and tradesmen.<sup>33</sup>

## 6. Relational Contracts and Asoka’s Strategy

This increasing complexity of economic motivations and activity would have needed something to sustain it. Given the contrast with the simple agrarian economy of a few centuries earlier, there must have been some change in the way economic agents interacted with each other, and carried out business transactions. Here we introduce the concept of relational contracts as the specific actor that mediated this change. Asoka ruled at a time when the economy of the Indian subcontinent showed possibilities of new and more refined forms of exchange

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<sup>32</sup>Thapar, *Ashoka*, 81.

<sup>33</sup>Richard Fick, *The Social Organisation in North-East India in Buddha’s Time*, Memphis: General Books LLC, 2010, 253, 305.

relations – an observation that will be reiterated subsequently when attempting to contextualise the contract theoretical frame being chosen in this study. Exchange relations are made up of mutual inducements, which are in turn mutual promises.<sup>34</sup> Mutuality means keeping it up for each other. Promises are agreements to meet up with expectations and so mutual promises are agreements to fulfil reciprocal expectations. Reciprocity and, therefore, “particular types of contractual relations necessarily give rise to relational ways.”<sup>35</sup> Economic exchange behaviour when it occurs in an evolving social context such as it was during Asoka’s rule, make it imperative for the ruler to take steps to develop and structure relations in the public space. Such a social contract would be less discrete and less specific, which means the scope and degree of exactness of terms would be low.<sup>36</sup> In fact, ‘relations’ constitute the core of all exchange and human social behaviour. So, it is important to analyse ‘relations’ rather than exchange which is an overt expression of relations. Taking the argument further, governance as ‘relations’ allows one to take note of both the discrete as well as the non-discrete aspects of social, economic as well as political control. This also implies that relational pathways are not necessarily limited by discrete exchange behaviour but rather are open as well as unfinished pathways to socio-economic arrangements. The ‘relations’ also consist of the subconscious,

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<sup>34</sup>Relational contracts consist of interactions which do not account for all future contingencies that may or may not happen. On the other hand, the term exchange relations are defined as interactions that are based on costs and benefits. Comparing the two, exchange relations are clearer than relational contracts. However it must be noted even exchange relations are relations in the first place. So, the idea of relations is more comprehensive and generic than just the idea of exchange.

<sup>35</sup>Ian R Macneil, “Reflections on Relational Contract,” *Zeitschrift für die gesamte Staatswissenschaft/Journal of Institutional and Theoretical Economics*, H. 4, 1985, 541.

<sup>36</sup>Gillian K Hadfield, “Problematic Relations: Franchising and the Law of Incomplete Contracts,” *Stanford Law Review* (1990), 927.

and permits participants to take on multiple contextually tuned understanding of aspects such as (un)fairness, (in)justice, (in)equity and (de)control. What this means is, the ‘relational’ has, according to Macneil, ‘value arenas’ affected by internal principles and exogenous social situations as well as ‘level of values’ ranging from utility to morality.<sup>37</sup> That is to say, relational contract theory possesses both coherence and openness to take account of emerging realities and contexts. It is fixed in continuity of relations between parties who are in some way connected and at the same time principles governing these relations are made acceptable as well as complied with by combining cooperation with coercion and communication with strategy. This means it is essential not so much to examine exchange as to analyse relations as the forum of social exchange, political control and also as the means of governing economic relations<sup>38</sup> and, therefore, the choice of relational contract theory for the ensuing analysis.

In a basic sense, relational contracts are long term incomplete arrangements posited within the rubric of relations. These relations have several spheres - the economic, community, kinship and political.<sup>39</sup> Relational contracts arrange these relations taking cognizance in an appropriate manner of the various nuances of this mass of relations. The degree of inclusiveness of various actors in the contract cannot be predetermined and the social contract emanating is bound to be incomplete. It is construed as incomplete because relational contracts cannot take note of all possible future contingencies but simultaneously operate as continuing arrangements wherein past, present and future relations among the parties are relevant and significant. This incompleteness would demand social iterations, conventions and internal, moral instruments of enforcement to exercise authority and governance. This feature

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<sup>37</sup>Ian R Macneil, “Values in Contract: Internal and External,” *North Western University Law Review* 78 (1983), 342-343.

<sup>38</sup>Macneil, *Values in Contract*, 345.

<sup>39</sup>Robert Hahnel, *The ABCs of Political Economy*, London: Pluto, 2002, 13.

of relational contracts allows scope for flexibility and bounded responses wherein cooperation, coercion, communication and strategy, all play varied roles in settling the enforcement problem.<sup>40</sup> Contextualising the concept of relational contracts to Asoka's reign, the characteristic of incompleteness in relational contracts is apparent in the Asokan economy, as he was just consolidating a newly conquered empire that was also in a state of economic flux. The options available to Asoka to manage this incompleteness were social iterations and enforcement through a series of mechanisms. These two strategies clearly show up in various sections of his edicts, which are discussed in the ensuing sections.

### 6.1. Social Iteration

Asoka sets out on the exercise of social iteration to establish both his authority and ensure governance of the empire by enjoining his representatives so:

... everywhere in my dominions the leiges, and the Commissioners, and the District Officers must every five years repair to the general assembly, ... [with the purpose] of proclaiming the law of piety, to wit obedience ..., liberality..., respect ... avoidance of extravagance and violence of language... (Edict 3).

He supplements this with another ordering,<sup>41</sup> consisting of the network of social relations. He influences the nature of this social network through visits to different regions of the empire. "Their Majesties [Asoka and his ancestors]... used to go out on so called tours..." (Edict 8). He sought to initiate a transformation in the

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<sup>40</sup>Hadfield, *Relations*, 927.

<sup>41</sup>The word sanction is more commonly used in this context. But 'sanctions' only refer to legal provisions, whereas in the context of relational contracts, there are both legal and non-legal methods of enforcement. The word 'ordering' satisfies this broader definition, and so is used henceforth. Oliver E. Williamson, *The Economic Institutions of Capitalism*, New York: Free Press, 1985; Arthur Taylor von Mehren and James Russel Gordley, *The Civil Law System*, Boston and Toronto: Little Brown, 1977.

character and goals of these journeys from, “so called tours of pleasure, during which hunting and other similar amusements used to be practiced” (Edict 8).

His Majesty King Priyadarsin, however, in the eleventh year of his reign went out on the road leading to true knowledge, whence originated here, tours devoted to piety, during which are practiced the beholding of ascetics and Brahmins, ... beholding of elders, ... the beholding of the country and the people, proclamation of the law of piety, and discussion of the law of piety (Edict 8).

He converted the traditional royal tours, which took place at fixed frequencies, to opportunities to meet his subjects and keep information channels open; to seek out signals from his subjects on key matters of state. Here it is fitting to ask what he would have sought. Taking a clue from the wording of this edict, to behold implies to look upon, to contemplate and to fix attention on something. For a ruler of an empire – for Asoka – the target of attention and contemplation would have involved gathering information, first hand management of issues of governance and consolidation of regal authority. These tours, therefore, would have been critical for the Emperor to absorb signals from various population groups that might have been of strategic importance. He also supplements this through other arrangements that involve elements of delegation.

## **6.2. Enforcement Mechanism**

Against the backdrop of the fundamental characteristic of Asoka’s style of relational social contracting to create a governance structure, it automatically follows as imperative to examine how he strived to sustain his rule. The beholding of members of all constituencies through acclamations and debate, though seemingly liberal and democratic, was limited to a particular governing frame called ‘Law of Piety’, based on Buddhist *Dhamma*. This was evidently intended to encourage pervasive trust among the members of the community to ensure self-enforcement of laws as well as administration within agreed

upon conditions.<sup>42</sup> However, for this network to provide the intended force of self-enforcement it needed to be sustained and its moral fabric needed to be precisely primed up by suitable means of governance and control. Asoka wisely pursued such an enterprise through the regularity of his tours, naming his framework of administration with a highly moralistic expression, 'piety',<sup>43</sup> and changing the character of his journeys from pleasure to one that reaches out to the governed and also involves discussion of the paradigm of his governance.

To sustain these incomplete relationships Asoka wanted to enable a union of parties by propagating his governing framework not just as a reasonable and pragmatic principle in this life but also as some sort of means of salvation in an inter-temporal sense spanning across present and future generations. This is implied by phrases such as, "His Majesty King Priyadarsin does not believe that glory and renown bring much profit unless the people both in the present and the future obediently hearken to the law of piety, and conform to its precepts." Further in the same edict he proceeds to state, "whatsoever exertions His Majesty ... has made, all are for the sake of the life hereafter, so that everyone may be freed from peril" (Rock Edict 10). Here it is important to notice Asoka using a high moral ground laced in with threat of serious danger as a non-formal ordering to incentivise his subjects and vassal kingdoms not only to know the rules of his administration but also to act in purposeful agreement with it.

### **6.3. Economic Provisioning as a Tool of Enforcement**

Asoka adds to this enforcement mechanism by a certain amount of social provisioning, particularly making travel and transportation convenient by, "Everywhere in the dominions ... as well as among his frontgaters, ... have been made healing arrangements ... On the road, too, wells have been dug and trees

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<sup>42</sup>Mark Granovetter, *Getting a Job: A Study of Contacts and Careers*, Chicago: University of Chicago, 1995, 220.

<sup>43</sup>The original word is *dhamma* (of Buddha), while the translation used herein mentions it as the 'Law of Piety'.



planted for the enjoyment of man and beast” (Rock Edict 2). This gave him some grounds on which to demand compliance and allegiance. Provision of transport and communication facilities also expanded markets and encouraged intermingling among the three economic divisions of his empire, namely, the agrarian-pastoral regions along the river Ganges, the seafaring and mercantile regions of the east and west coasts, and the most recently conquered Kalinga territory that constitutes the modern Deccan plateau. He also adds a strong humanitarian angle to economic provisioning when, in Rock Edict 5, he expects his officers to be concerned not only of “the establishment of the law,” but also of, “the business of almsgiving.”

Further in these two edicts one sees the use of certain universal expressions like, “everywhere,” “man and beast” and “among people of all sects” and an undercurrent of repeated reference to the “Law of Piety” (Rock Edicts 2 & 5). When these expressions are seen in an interconnected way, Asoka emerges as the intuitively intelligent emperor who tried to put an empire that is materially well provided and regionally balanced in the economic sphere, politically as well as socially inclusive of all people and endeavoured to maintain both through a system of morals in the Law of Piety. Evidently one could not expect a better base for prosperity.

#### **6.4. Correcting Information Asymmetries to Ensure Enforcement**

The incomplete nature of relational contracting makes it imperative that connections are maintained through a network of relationships<sup>44</sup> and constant flow of information that mitigates the degree of incompleteness in relational contracts. This Asoka tried to ensure by deploring how before him there was slackness in the manner of completing administrative tasks as well as documenting reports and further commanding that such laxity would stand corrected. He had “arranged that at all hours ... the official reporters should keep him constantly informed of the

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<sup>44</sup>Ian R Macneil, “The Many Futures of Contracts.” *Southern California Law Review* 47 (1973), 753.

people's business, which business of the people I am ready to dispose of at any place" (Edict 6). In this manner he has clearly attempted to avoid any misruling of his subjects that might be the fallout of asymmetric information and more so due to existence of private information by demonstrating moral willingness and proactiveness to address all issues irrespective of time and place. In effect the mechanism of enforcement is not just social networks and the goodness of cooperative behaviour but is also strengthened through political authority and system of legal compliance.

### **6.5. Policing behind Piety**

Asoka was not naive in the exercise of his rule over his territory through the Law of Piety. He tried to discourage opportunism both through formal legal means as well as by less formal sanctions, which according to Mehren and Gordley<sup>45</sup> are forms of autonomous orderings. He communicates this arrangement through his Rock Edict 5 where he claims that he was appointing "censors of the law of piety" (Edict 5). Now the term 'censors' is important because it has two significant meanings: one who superintendents adherence to rule of law in both letter and spirit, and one who makes a charge of offence against someone about her deviant conduct. In the words of Asoka the duties of these censors included "promoting the establishment of piety," stimulating "the welfare and happiness of the leiges," to promote "the welfare and happiness," and to encourage "those among my leiges who are devoted to piety, established in piety or addicted to almsgiving" (Edict 5). In this situation it is a case of an ordering of initial concession being followed by retaliatory or punitive action if one does not act appropriately to both the letter and spirit of the regulations.

### **6.6. Self-Enforcement**

Besides Asoka's dominant goals of unifying and eventually ruling, he could not divest himself of the need to be flexible and adaptable as his realm was made of relatively

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<sup>45</sup>Von Mehren and Gordley, *Civil Law*, Chapter 11.

heterogeneous constituencies in terms of geographical space, ethnicity of people, different creeds constituting Hindus, Jains, Buddhist and other heterodox groups. For this purpose, he tried to induct inbuilt avenues of sustaining relationships by exhorting, "people both in the present and the future obediently hearken to the Law of Piety and conform to its precepts," (Edict 10) and also expresses an ardent fervour to this law when he states that, "Directly after the Kalingas had been annexed began His Sacred Majesty's zealous protection of the Law of Piety, his love of that Law, and his inculcation of that Law" (Edict 13). Continuing the trend of such enthusiasm Asoka seeks to spread these principles and values both within his own territories and across neighbouring regions and vassal states, when in two other parts of the same edict he continues to claim that,

And this is the chiefest conquest in the opinion of His Sacred Majesty, that conquest of the Law of Piety, which, again, has been won by His Sacred Majesty both here and among all his neighbours as far as six hundred leagues, where the king of the Greeks ..., in the South, the Cholas and Pandyas as far as the Tamraparani and ... everywhere they follow the instructions of His Sacred Majesty in the Law of Piety.

And, again, the conquest thereby won everywhere is everywhere a conquest full of delight. Delight is won in the conquests of the law.

In the last phrase Asoka does not divest himself of the idea of conquests although he endeavours to do this through a juristic arrangement and in the immediate previous phrase tries to propagate it by attributing a sense of joy when one conforms to his paradigm of rule. Asoka did not limit the spread of his paradigm of governance within his conquered territories but also strove to propagate it in contiguous territories so as to spread his sphere of influence to the border kingdoms (some of them could have been potential threats to his power) as well as to secure his foreign relations. Besides, such exhortations would have enabled him to forge a union of parties across time so that not only enforcement but also adaptation to change took place without compulsion.

Self-enforcement would have been necessary in situations involving substantial specific investments and in contexts where fundamental transformations were taking place.<sup>46</sup> Arguably war and conquest are costly specific investments, especially if, “one hundred and fifty thousand persons were ... carried away captive, one hundred thousand were slain and many times the number perished” (Edict 13). Regardless of whether this count is authentic, the edict is surely implying how Asoka himself understood both the economic and human cost and enormity of the change the Kalinga war caused to his empire and reign. In terms of the strength of its specificity of cost, and in connection to the transformation it brought, there was no chance of going back. This undoubtedly called for a relational arrangement as a form of unified governance, which he consciously strove to form through regular and repeated exhortations of the Law of Piety by his “leiges” and “commissioners” (Edict 3); by denouncing animal slaughter (Edict 1); restraint, not necessarily prohibition, on religious gathering with respect to their aggressiveness and vigour (Edict 1); and by creating a distinction between “trivial and worthless ceremonies” and the “ceremonial of piety” that produces “endless merit” (Edict 9). The moralistic, self-driven and adaptive features of this relational governance form was essential due to the high transaction costs on communication consequential to multiplicity of lingual dialects, and high enforcement costs due to geographical distances as well as limited capacity for quick transportation in the context of available technology of the time of the Mauryan empire.

## 7. Conclusion

Emperor Asoka inherited an already vast empire and made it the vastest in subcontinental history: only Akbar, in the sixteenth century CE matched Asoka’s expanse. The magnitude of costs incurred in this expansionary process demanded further expense towards maintenance. Transport and communication expenses required for effective administration would have been prohibitive, given the technology of the age; so other methods

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<sup>46</sup>Williamson, *The Economic Institutions of Capitalism*, 61.

needed to be employed. Asoka chose to communicate with his subjects across his empire through edicts bearing specific messages, suited to the time and place. The effect of his adoption of the Buddhist faith and his consequent determination to base his entire administrative style on *Dhamma* was to expose the vast population of his empire to a new mode of social interaction. The moral codes espoused by Asoka certainly did not have a ring of novelty, but the fact that they were being purposively prescribed by an emperor and for his ministers to be actively monitoring adherence to them was a new phenomenon. As complex and unlikely as this system was, it was cheaper than any alternatives to ensure economic stability and political peace, and probably the only way to achieve some level of political and social inclusivity in the vast empire with varied populations. So, it is clearly established that, given the circumstances, Asoka chose his strategies with an eye on a political and economic prize, not just as his religious responsibility.

The claim that religion was not his sole aim is proved by his selective use of the Buddhist ideals. He did not unquestioningly include all Buddhist teachings in his administrative style. While he encouraged his subjects to be humane to all castes, he did not denounce the caste system as a whole – that would not have been a feasible strategy for political or social harmony. This shows the instrumental role that Buddhism played in the attainment of Asoka's larger political and economic aims. Here we witness the prudent interface orchestrated by Asoka between the political and religious spheres of governance.

Now to connect this change in administration and the insistence on good moral conduct with economic change requires cognizance of the fact that economic transformation needs not just changes in opportunities in terms of access to resources and improvement in productivity, but also reformation in the mind-set of participants. The notion of reciprocity, which strongly comes out in the demands made by Asoka's Law of Piety is a key component of the ability to exchange. In the context of economic exchanges, the notion of reciprocity may be interpreted as being aware of the need to

provide an honest deal to ensure smooth future interactions. Since there is no end period in an incipient economy where social relations are densely packed (and there is no reason to believe that they get weaker over time), cheating may not be the best mode of conducting transactions. So, moral codes well-placed in the political, economic and religious spheres would create the essential stability required for economic transactions. Such stability would be easier to achieve in a climate where these moral codes were not just left to the discretion of the individual, but supplemented by royal encouragement, and enforced by 'censors'.

The submission, therefore, is that Emperor Asoka provided important foundational material for all future economic transformations, and management of an economy through a politically expedient and selective use of religion.