

The Economic Impact of Aurangzeb's Policies on the Stability of the Mughal Empire

Introduction

Aurangzeb's reign witnessed serious economic challenges. He continued the traditional Mughal revenue system without significant reforms, while his long wars drained the imperial treasury. The lack of innovation in revenue, commerce, and trade prevented the empire from adjusting to new economic realities.

Revenue System and Peasantry

The land revenue remained the main source of state income, but it placed a heavy burden on the peasantry. Local officials and jagirdars often exploited peasants through corruption and over-taxation. Many peasants fell into debt or abandoned their lands, leading to agricultural decline. Frequent revolts in different provinces showed the growing discontent among rural communities. The empire's failure to reform the revenue system directly weakened stability.

Military Expenditure and Treasury Crisis

Aurangzeb's continuous military campaigns, especially in the Deccan, consumed vast sums of money but achieved little lasting success. The Marathas' guerilla warfare forced the Mughals into endless, costly campaigns. Rising expenses and declining revenues created a financial crisis, making it difficult to pay soldiers and officials. This weakened loyalty and reduced the effectiveness of both army and administration.

Trade and Commerce

Aurangzeb largely ignored maritime trade, which by then was dominated by European powers such as the Portuguese, Dutch, English, and French. While the Mughals remained dependent on land revenues, they failed to take advantage of growing global commerce. Religious restrictions and new taxes also discouraged Hindu merchant communities. Decline in trade disrupted urban economies and reduced the flow of wealth into the empire.

Conclusion

Aurangzeb's failure to introduce meaningful economic reforms left the empire weak and unstable. Heavy taxation alienated peasants, costly wars drained the treasury, and neglect of trade reduced the empire's economic strength. Wealth remained concentrated among nobles, while the common people faced hardship. Economic decline directly undermined the Mughal army, administration, and political authority, making it one of the key reasons for the fall of the Mughal Empire.