

The Dharma of Sustainable Finance

*Reclaiming Ancient Wisdom
for Modern Sustainable Finance*

By

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The Dharma of Sustainable Finance: Reclaiming Ancient Wisdom for Modern Sustainable Finance

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Epigraph

“The harmony that keeps life going is true wealth, not the gold that fills vaults. In contrast to finance without Dharma, which consumes itself, finance with Dharma serves as a link between traditional wisdom and a fair and sustainable future”.

Table of Contents

Epigraph.....	v	
Preface	xiii	
Introduction	xv	
Chapter 1: Taxila – The Lost Financial Capital of the Ancient World 1		
1.1 A Thriving Crossroads of Trade and Knowledge.....	2	
1.2 The Role of Merchants, Guilds, and Bankers.....	3	
1.3 Merchants and the Moral Code of Trade	6	
1.4 Guilds (<i>Srenis</i>) as Engines of Economic and Social Order	8	
1.5 Bankers (<i>Sresthis</i>) and the Architecture of Ancient Finance.	10	
1.6 Intersections of State, Guild, and Dharma in Financial Regulation.....	13	
1.7 Archaeological Evidence of Economic Systems	15	
1.8 Workshop Remains and Craft Specialisation in Taxila	20	
1.9 Weights, Measures, and Trade Standardization	22	
1.10 Inscriptions and Accounting Practices in Daily Commerce	23	
1.11 Storage Facilities and the Management of Surplus Wealth.	24	
1.12 Religious Sites and Economic Endowments: Material Links Between Dharma and Trade.....	25	
Chapter 2: Shreni – The Guilds That Built an Economy		28
2.1 Merchant Guilds in Ancient Taxila.....	29	
2.2 Governance, Regulation, and Ethical Practices	36	
2.3 Shreni vs. Modern Cooperatives	43	
2.4 Economic and Social Impact of Guilds.....	50	
2.5 Guilds and the Role of Education in Skill Development	54	
2.6 Guilds in the Context of Global Trade.....	63	
2.7 Guilds and Sustainability: A Historical Precedent for Ethical Governance.....	67	

Chapter 3: Adesha – The Ancient Bill of Exchange	75
3.1 Introduction. The Evolution of Financial Instruments.....	76
3.2 The Meaning and Origin of Adesha.....	82
3.3 How the Adesha Functioned in Ancient Commerce	97
3.4 The Role of Guilds (Shreni) in Issuing and Guaranteeing Adesha.....	108
3.5 Security Features and Fraud Prevention in Adesha	112
3.6 Early Forms of Banking and Credit Systems Linked to Adesha.....	114
3.7 Modern Parallels: Cheques, Digital Payments, and Global Trade	115
3.8 Sustainability Lessons from Adesha for Modern Finance ...	116
3.9 Conclusion: Reviving the Wisdom of Adesha for a Sustainable Future	118
Chapter 4: The Currency of Taxila – Coins, Gold, and Trust	122
4.1 Punch-Marked Coins and Economic Significance	123
4.2 Hiranya and Suvarna in Trade.....	124
4.3 Ancient Lessons for Crypto and Currency Reform	126
4.4 Religious Symbolism in Coinage.....	129
4.5 Cross-Cultural Influence on Coinage	137
4.6 The Psychology of Trust in Currency	142
4.7 Lessons for Modern Monetary Systems	146
4.8 The Archaeological and Historical Significance of Taxila’s Coin Finds	154
4.9 The Relationship Between Coinage and Religion in Taxila ...	163
4.10 The Legacy of Taxila’s Currency System.....	174
Chapter 5: Dharma and Finance – The Ethical Foundations of Wealth.....	187
5.1 Dharma in Trade and Finance	188
5.2 Ethical Banking and Wealth Distribution.....	191
5.3 ESG, Islamic Finance, and Ancient Ethical Codes.....	203
5.4 The Four Purusharthas and Financial Ethics.....	209

5.5 Dharma in Conflict Resolution	212
5.6 Modern Relevance of Dharma in Finance	216
5.7 Ethical Decision-Making in Modern Finance	219
5.8 Technological Disruption and Dharma in Finance	235
5.9 Governance and Regulation in Dharma-Centric Finance....	241
5.10 Financial Justice and Equity: Lessons from Dharma	245
5.11 Global Financial Systems and Dharma.....	250
5.12 Future of Dharma in Finance	258

Chapter 6: The Guild Model for Modern Business and Green

Finance	267
6.1 Origins and Structure of Ancient Guilds (Śreṇīs).....	268
6.2 Guilds as Self-Regulating Ethical Institutions	271
6.3 Collective Responsibility and Mutual Credit Systems	277
6.4 Guild Principles in ESG and Stakeholder Governance	283
6.5 Reimagining Guilds for Green Finance and Local Economies	290
6.6 Lessons for Sustainable Entrepreneurship and Policy Design.....	298
6.7 The Dharmic Guild Model (DGM): A Framework for Sustainable Finance	307

Chapter 7: Ancient Credit Systems and the Future of Impact

Investing	314
7.1 The Evolution of Credit in Ancient India: From Barter to Bills of Exchange	316
7.2 Role of Guilds and Merchants in Early Lending Practices ..	323
7.3 Trust, Reputation, and Informal Creditworthiness	331
7.4 Lessons from Ancient Lending Ethics for Modern Microfinance	339
7.5 Aligning Credit with Social Purpose: The Dharma of Lending	352
7.6 Reimagining Impact Investing through Historical Lenses ..	364

Chapter 8: The Dharma of Corporate Governance and Ethical

Banking	377
8.1 Dharma and Corporate Accountability: Ancient Roots of Good Governance	380
8.2 Transparency as a Sacred Duty: Financial Integrity in Ancient Texts	388
8.3 Fair Lending and Just Contracts: Lessons from Arthashastra and Dharmashastra.....	401
8.4 Banking for the Common Good: Reimagining Financial Institutions through Dharma	414
8.5 Ethical Fintech: Merging Innovation with Ancient Moral Codes	453

Chapter 9: Ancient Lessons for Climate Finance and Green

Growth	471
9.1 Eco-Dharma: Nature as Sacred Capital	472
9.2 Forest Management and Commons in Ancient India	476
9.3 Water Stewardship and Irrigation Finance in Early Civilizations.....	492
9.4 Temple Economics and Resource Redistribution for Environmental Balance	501
9.5 Ancient Incentives for Sustainable Agriculture and Land Use.....	510
9.6 Carbon Wisdom Before Carbon Credits: The Panchabhuta Perspective	520
9.7 Reimagining Green Bonds through Ancient Environmental Ethics	523

Chapter 10: Taxila's Forgotten Financial Legacy and the Road

Ahead	526
10.1 The Economic Foundations of Ancient Taxila	528
10.2 Universities as Knowledge Economies: Taxila's Academic-Commercial Nexus	530
10.3 Merchant Networks and Cross-Cultural Trade Routes	533

10.4 Legal Pluralism and Contract Enforcement in Taxila's Markets	535
10.5 Taxation, Public Finance, and Welfare in Gandhāran Administration	536
10.6 Ethical Finance Education: What Was Taught at Taxila? ...	544
10.7 The Role of Temples, Guilds, and Patrons in Local Economies	559
10.8 Lessons from Taxila for Financial Literacy and Inclusion Today	560
10.9 Reviving Indigenous Financial Models for Modern Sustainability	561
10.10 Toward a Dharma-Centric Framework for Future Financial Policy	562
10.11 Reclaiming Ethical Finance for the 21 st Century	564
10.12 Ancient Principles for Modern Challenges	565
10.13 A Call to Action	568
Epilogue	571
References	574
Author Biography	578

Preface

The economic systems of earlier civilizations, which existed long before us, had much to offer and are worthy of our attention more often than not. In our pursuit of profit, effectiveness, and speed, we tend to overlook the ethical framework and sustainable practices systematized in the human trade's roots. We can find valuable learnings on finance, ethics, and sustainability in these ancient systems, particularly in Taxila. The most fitting place to explore the fundamentals of sustainable finance, Taxila, a bygone centre of knowledge, trade and culture. Taxila was not simply a trading site. Rather, it was a point of convergence of the economic, religious, political, and moral layers of the geographic area of most of the ancient world. By observing the ideas and practices thriving here, we can take useful lessons that help build a future in which finance seeks not only profit but also the morality of society and of nature. The book called *Dharma of Sustainable Finance: Reclaiming Ancient Wisdom for Modern Sustainable Finance*, tries to link the various practices of ancient finance with the modern world. The ethical structure of Taxila is knitted into the concept of Dharma. The wealth creation of guilds, merchants, and bankers is brought to light. It did not matter how much money was made, but how money was used, which was a key trigger. The early forms of credit system, Adesha (bills of exchange), ethical practices of traders and the Śreṇīs (guilds), which all have ancient origins, indicate that finance can easily be associated with justice, equity and sustainability.

The economic systems at Taxila encouraged honesty and sustainability in the accumulation of wealth rather than profit-maximisation. The essentials of Dharma, Artha, Kama and Moksha, which were linked by the Indian Philosophy, were such that they made a holistic prosperity. Taxila's role as a centre of learning was signified by no coincidence. The physical wealth supported by values of ethi-

calness is depicted in Taxila, where religion meets governance and commerce. These days, the world is facing issues like climate change, social inequality and economic instability. So, there is a need for financial maths. The ancient wisdom of India has much to teach us about managing finances, given their experience through many problems. The trade-related ethical rules and guilds that promote good governance; encourage and enhance the good behaviour of *dramatis personae*. The impact investing principles to make a difference in the lives of people that existed long before one coined the term, can help contribute to financial sustainability.

The subsequent chapters will take a look at the financial and economic layers of Taxila. In the city, the trading practices that were being followed were on the basis of trust, cooperation and a sense of responsibility. We will look at the ethical foundations of the banking system, the role of religious institutions in economic life and the role of guilds in achieving economic and social good.

This book examines the evolution of money in the context of markets and civilisation. It will think of banks and money as systems. It asks us to envision a world where we use money for the benefit of all rather than using it as a scale for greatness. Revisiting the Dharma of sustainable finance from a deep history, global experts said, can help us create a financial future for people and planet. Taxila's past, containing the lessons of the ancient teachers, witnesses the ultimate human suffering of man in the present. It indicates a time when morality and money wouldn't be at odds but would complement one another efficiently. Sustainable finance's goal is to transform our global financial systems. It will help us evolve towards equity, justice and stewardship of the environment.

Take a read of this book to reconnect with the fundamental and moral strength of finance, to relearn the almost forgotten lessons from Taxila, and to dream of a financial world which is prosperous but also equitable.

Introduction

In today's world, finance is seen to be cause of with instability, inequity, and unsustainability. In such a situation, it is often easy to forget that the roots of our modern finance lie where economic prosperity intermingles with moral responsibility. Taxila was very famous for being a commercial, cultural, and academic centre some time ago. The ancient wisdom of Taxila refers to Taxila's ancient heritage. Taxila, the site of a large and bustling town, was located at the crossroads of major commercial and overland trade routes in contemporary Pakistan. As such, it was not merely a commercial complex. It was also an important political centre, where finance was essentially based on Dharma. Taxila, a city largely left out of today's financial narrative, offers us a meaningful, albeit overlooked legacy. In ancient times, trade, banking and financial systems were designed not just to enhance profit but also to improve social welfare, promote sustainable production and consumption, and balance material prosperity with spiritual and social well-being. The merchants, guilds, bankers, and political leadership of Taxila understood what modern-day financialization forgot: the business of making money cannot be divorced from the business of making values.

Dharma of Sustainable Finance refers to the practices of Dharma, that formed the core of Indian thought and philosophy. The understanding of this thought and philosophy is essential towards achieving Sustainable Development Goals. In ancient India, these principles were understood as interrelated, which provided principles of conduct, social norms and economic structures to people and society. The successful use of principles in commerce and finance at Taxila resulted in a highly developed and ethical economic system. Under this narrative, the ancient financial wisdom, such as guilds, the

Adesha (an ancient bill of exchange), ethical taxation of public wealth and related practices became a part of the legacy of the region.

The book, *Dharma of Sustainable Finance*, seeks to draw upon these lessons that are otherwise forgotten to understand how ancient wisdom can change our contemporary finance. The ancient roots of economic ethics and the lessons they hold for addressing some of the most pressing financial and environmental challenges of our time are examined in doing so. The modern world stands at a crossroads. We're increasingly seeing a world where the rich don't get taxed or see growth in their wealth. The networks that run our global economy appear misaligned with social morality and ecology. Yet, we can turn to the ancient world for guidance. In Taxila, the approach to finance was sincere and fair. It sought to create a social order where brackets would be above and below the middle class.

As we explore this book, we will come across how the Shrenis (guilds) of Taxila managed to combine ethical governance with commerce. Adesha is an ancient credit facility that can be considered the forerunner of banks. Let us see how this credit system can teach us a few lessons. We will also see how the currency systems of ancient Taxila, with religious symbols and integrity of coinage, taught them to use currency not just as a medium of exchange but as a social value and a collective trust. As you follow through the course of the book, we will relate these ancient acts with modern-day finance, such as Impact Investing, Green Finance, Ethical Banking, and CSR. We will show how the tenets behind ancient money can be applied today to create a more sustainable, fair and socially-beneficial financial system. This book is an exploration of our past. It also asks modern finance practitioners, policy makers and scholars to bring back these values and have contemporary financial models based on them.

In the end, it aims to drive a change in the way we see and do finance. Reviving the ethical foundations of dharma can help us rethink

wealth, trade, and governance in a manner which honours the inter-relatedness of all aspects of life, economic, social and ecological. This is not a nostalgic throwback to a lost civilisation but an attempt to spread a message to future generations about the ancients and the 21st century that was lost in history.

The chapters below will take us through the economic systems of the ancient Taxila, which still impart valuable lessons for today. We will see how the city of Taxila and its principles could guide us towards a more just, sustainable and ethical future in money matters. From guild-based economies to ethical banking, from sustainable agricultural models to wisdom in coins and currency.

The wisdom of Taxila is timeless, and its lessons are increasingly relevant today. Let us go on a pilgrimage to rediscover the dharma of sustainability finance and reclaim a vision of finance serving humanity and the planet.

Chapter 1

Taxila – The Lost Financial Capital of the Ancient World

The ancient city of Taxila is a hidden gem of cultural ethics, intellectualism, business and spiritual connections. More than a lab of learning, Taxila manifested groundbreaking work in economic theory, governance and philosophical study. Long before New York and London emerged as the financial hubs, Taxila prepared minds that not only equipped them with financial wisdom but also provided ethical backing for financial decisions, which were also discussed. Imagine a stone footstep leading towards the courtyards of learning, and under the shades of trees and blowing winds, financial concepts, along with ethical boundaries, were taught. Knowledge was conveyed as a spiritual obligation rather than bookish theory, which eventually helped in maintaining the cosmic order. However, nowadays, Taxila is only known as a cultural heritage site with a focus on the architectural attributes; its financial wisdom has been forgotten long ago. Lost in Western economic thoughts, it nuanced long ago the concept of ethics, accounts, and sustainability. This book is an attempt to revive Taxila not only as a museum exhibit but as an encyclopedia of financial wisdom. It will lead the readers to the path towards how markets were managed by a moral system, education was not just degrees, and finance was more than a making tool, but it was a cosmic factor in maintaining the equilibrium between people, planet and Profit.

1.1 A Thriving Crossroads of Trade and Knowledge

Taxila stood as a nexus of Trade, wisdom and the spiritual realm long before the stock exchanges and modern trading platforms were established. Taxila is strategically located at the confluence of three major trade routes: the Royal Road, which connects Babylon and Persia, the Northern Himalayan passes, which lead to central Asia and China, and eastern routes into the Gangetic plains. Taxila emerges as both geographically blessed and politically significant in history. The placement of the city in a critical location turned it into a trade zone, where caravans of spices, precious metals, gemstones, and silk did business. Taxila also did wisdom trading where people used to sit from various backgrounds and share philosophical ideas, books and manuscripts.

But the intellectual legacy of Taxila always flowed through economic vibrancy. It was home to one of the higher education centres in the world. Students' ethnicity belonged not only to India but from central Asia, Persia, Mesopotamia and even Greece after Alexander conquered the Taxila. The city had a cosmopolitan character, which allowed a thriving exchange of ideas. Cultural interconnectedness of Taxila can be understood by;

- Vedas and Zoroastrian texts were recited alongside
- Buddhist sutras were discussed in courtyards
- In the same courtyards, economic theories from Kautilya's Arthashastra were taught in detail

The integration of various principles taught in the Taxila created a learning ecosystem.

Trade in Taxila proved to be the transaction activity which was embedded in the operational norms of the city. Merchants were not profiting from hunger, but they had the appetite too for Dhrama,

which shows their commitment to fairness, integrity and wellbeing. Laws of agreements, measurements, interest, and debt were not only codified in the Arthashastra, but they were also enforced through the teaching of Jainism and Buddhism, and people accepted the teachings wholeheartedly. It was very clear through the excavation of ancient Taxila that the role of the market is not to accumulate but to sustain the resources.

Ancient Taxila thrived as a living example where intellectual capital and financial capital were mutually enforced. Kings, policymakers, Traders and Teachers often collaborated to ensure that education is practical in producing wise leaders and ethical financial managers. Ancient records show that wealthy patrons sponsored educational and religious temples, and then public debates were held to discuss issues of budgets, wealth and taxation. They even established the foreign trade rules for regulating imports and exports.

The framework of financial management used in ancient Taxila presents a compelling alternative for modern finance, which detaches ethics and ecological issues from financial decisions. It assures us that ancient wisdom was not based on thoughts of capitalism, but they had sophisticated frameworks which are more practical than the rules. In today's era of inequality, environmental issues, and sustainability issues, ancient Taxila provides us with the lens through which we can rethink modern finance.

1.2 The Role of Merchants, Guilds, and Bankers

In ancient Taxila, the financial management system was quite advanced, which not only emerged from state policy but also from private sector cooperation, including merchants, guilds, and proto-bankers. In modern finance, there is a clear segregation between business and social values, but those civic actors help to merge the two concepts

in financial management. Merchants were not only traders, but they had influential status in the economy, diplomacy and overall social infrastructure of the city. Higher status was not given based on mere wealth but on the grounds of ethical standards and social impact. The merchants of ancient Taxila operated along a vast trade network stretching from China to Rome. They traded silk, spices, metals, wools and most importantly, ideas. The distinguishing factor between modern traders and those ancient merchants was their obligation towards Dharma, deeply rooted in their business practices; they stick to ethical standards in commercial conduct. Currently, trade happens with market forces as economic theory suggests, where demand and supply meet, price is determined, but at that time trade happens and is governed not only by market forces but also by social contracts, including trust, reputation and religious values. Fraudulent practices, including weight exaggerations and overcharging, were considered moral and social breaches, not just the breach of trade laws.

To regularise and audit the trade Guilds, known as *srenis*, were established, which played a crucial role in regulating business and ensuring ethical conduct. There were no professional associations or unions, but they acted as complex institutions that combined financial coordination, social security, quality and moral education. Guilds have their internal dispute resolution mechanisms, they issue loans, and also give insurance coverage. Guilds commissioned temples and public infrastructure for the well-being of society. Guild members were privileged, but they also have an enduring responsibility to ensure fair pricing, contract honouring and contribution to effective collaborative welfare. The autonomy and independent nature of Guild operation were one of the unique features of the financial system. While the state overall monitored economic activity, the guild had the authority to pass orders for ensuring improved internal governance. All the guild members vote to elect the guild leader, whose authority is binding. The *Arthashastra* provided a complete framework of interaction of

the guild with the state, how taxation, licensing and penal actions in case of malpractice will be imposed.

Bankers also were part of this thriving financial sector, and they were known as *sresthis*. Bankers provided services such as safekeeping, money lending and financial guarantees. Lending was not unregulated; it was based on the interest ceilings, ethical scrutiny and moral advisories from both religious and state policies. Debtors' rights were also protected, and excessive interest rate charging was discouraged. Buddhism and Jainism teachings promoted lending as a source of service rather than a source of earning. Repayment schedules were formulated and followed, and in case of hardships, special privileges were provided on a case-by-case basis. The financial services provided by Banks include Trade financing, joint ventures and investment portfolios. Ancient records suggest that all contracts were written and signed on palm leaf manuscripts, witnessed and then verified by guild authorities and in the presence of religious authorities. The integration of financials within a broader economic trade model shows the framework of embedded finance. Social principles of justice, equality and equity were deeply embedded in the financial management. The independent nexus of merchants, guilds and bankers provides the idea of Dharma of finance, which is an integrated system that not only self-regulates the market through incentives but also embeds the values in transactions. These institutions provide the buffer to the state in deficit and surplus, where they help to regulate the market by stabilising it. In an attempt to revisit those ancient wisdoms, inspiration is found to rebuild the financial ecosystem that can balance efficiency with equity, growth with justice and innovation with integrity.



Figure 1 *Role of Merchants, Guilds and Bankers*

1.3 Merchants and the Moral Code of Trade

Merchants or traders of Taxila in ancient times were not merely agents of commerce. They were preservers of the trust, custodians of the moral exchange and above all a protectors of the community's well-being. Unlike the stereotype of being profit-takers, the merchants of Taxila worked within the most well-defined ethical system above all laws and rules of business. The basis of dharma not only regulates behaviour between the merchant and consumer but also dictates business interactions. The high ethical standards they operated with ensured that their social status was built in. Thus, character became better currency than gold or silver. Trade was only a religious obligation rather than merely an initiative to earn profit. Both selling and purchasing possessed an ethical sense. The traders had to sell fairly and use the right weights and measures, and also resist exploitation or any act of misinformation through tactics of scarcity. Books of Gypsies, the Jataka stories of the Buddhists and the Jain texts often extolled pithy honesty and raged against fraud, trickery or excess

greed. According to a historical record and inscriptions, a businessperson's moral behaviour not only affected the patronage he received, but it also affected his right to run a guild, and to take part in... The post Basically a Man's Good Manners can be Seen if He isn't Given Dues for his Mother appeared first on The Oxfordian. Also, business relationships were based on trust and social reciprocity. Many times, people did business without having complicated contracts. Instead, they made deals based on oral contracts supervised by members of a relevant guild or older people.

The code of morality was not limited to integrity but to giving and taking up of responsibility. Merchants were also required to give back to the community, especially through charity, contribute to religious and educational organisations and support the poor during periods of famine or misfortune. The state did not just tolerate such deeds but believed that they helped to make sure that there was a balance between the cosmos and fraternity. The ideology of daana (giving daana) was frequently implemented using the gifting of the riches as a result of the honest trade; thus, privately gained money resulted in a social benefit. To a great degree merchant of Taxila represents a kind of financial archetype that is not glorified in modern economics: the ethical entrepreneur. Their model conflicts with the contemporary utilitarian assumptions that markets usually are successful despite being limited by moral considerations, but rather due to the moral considerations. The age-old Taxilan system teaches us in the accolade of the importance of integrity, humility, and social obligation in trade that financial exchange, when infused with values, is not only an Economic activity, but a civilising one.

1.4 Guilds (*Srenis*) as Engines of Economic and Social Order

Srenis/ ancient Taxila Guilds were not marginal employers in the economy, but its keystone. The science and engineering associations, artisans and merchants and other professional bodies served a critical role in coordinating production, managing trading and ensuring a collectivist sense of responsibility far beyond the trading level. The *srenis*, ecological types of socio-economic institutions which covered trade practices, social conduct and morality were, unlike modern trade unions or business chambers, narrowly concerned with advocacy or protection of labour rights alone. Every guild was normally the embodiment of one profession or craft- metalworkers, potters, silk merchants, weavers or financiers and was highly autonomous. The work of guilds was governed by norms, which are usually old norms, or may be written down in law-charters of the community. They appointed leaders, controlled expenditure, meted out punishment against malpractices and maintained an internal system of dispute resolution. These were not precolonial alliances; the *srenis* were deemed legitimate (legal and social) and widely accepted and honoured by the state. These guilds had the capacity to regulate themselves, and this was among the most astonishing occurrences. Instead of taking such control over a state-level of trade and labour, the state handed the job to the guilds and allowed them to impact ethical standards, adjudicating disputes and keeping tabs on their members. Governance that was decentralised brought a sound economic democracy wherein there was decentralisation of power over professional circles. Not only did the guild leaders (*jetthakas* or *sresthis*) have to be experienced and wealthy, but also to have a rather good moral standing and the capability to handle the affairs of their group.

Guided on top of their economic purposes, the guilds were potent purveyors of social control. These were mutually supportive

networks, which, when the members fell ill, when a member lost a family member, or disaster struck, set up pensions catering to the old age of members, or the deaths of wives. During war or famine, food and relief were organised through the guilds. They reinvested their collective money not just in business but in the construction of roads, rest houses, wells, and temples basic infrastructure not only in commerce, but to the civic good as well. Such measures strengthened the absorption of the individual business into state service, a characteristic of the dharmic finance. Guilds also helped in the educational role immensely. They served as apprenticeship and professional training centres, passing on both technical and ethical values from one generation to the succeeding generation. Young members were taught that success does not have to be evaluated by monetary gain but by honour, reliability and contribution to the guild's reputation. Such stress of continuation across generations and cultural values made the guilds not only strong but also culturally ingrained.

The state and *srenis* were in symbiosis; Although it levied taxes and more general economic circulation, the state also consulted with the guilds in the development of policies, used them as implementers in carrying out urban planning projects, and occasionally even a kind of borrowing from their mutual funds. The masterpiece on statecraft by Kautilya's *Arthashastra* asserts the guilds as important powers in collecting taxes, collecting labour, and maintaining law and order. This acknowledgement suggests that the two types of governance that were going towards were economic governance and political governance, and the relationship between the government and the industry is a different institutionalisation, but not an exception in ancient India. The Guilds in Taxila were not, then, but economic organisations. Civilisation. They marked a special combination of business and morality and showed that mass economic life does not have to compromise on values. It is in this age that the concept of the *sreni* system as presented by the Taxilans is highly instructive: because, in our time,

personal gain tends to be the primary focus of financial systems, and collective good can frequently be sacrificed to it, there must be norms of contracted morality, entities guiding the engine of the *sreni*, which check the vested profit.

1.5 Bankers (*Sresthis*) and the Architecture of Ancient Finance

The *sresthis*, or the caste of noble bankers and moneylenders, was instrumental and refined in the rich trade of commercial tapestry in ancient Taxila. They were not only moneylenders but custodians of money, constructors of financial intermediation and trade and urban development switches. Ranging deep into the moral and institutional structure of the day, this helped create a financial architecture of focus on trust, community obligation and wealth as *dharma*. *Sresthi* is a term created based on the Sanskrit origin of the word excellence or superiority, based on the heritage status these bankers enjoyed in society. They were also usually seniors or even chiefs of merchant guilds and charged with massive funds transactions. They used their work to provide loans to trade expeditions, fund infrastructure, such as roads and caravanserais, secure religious bequests, and administer the funds of common weavers and temples. It was not only that the *sresthi* needed technical expertise in the field of finance but an untarnished reputation of honesty and social responsibility as well. Among the very interesting features of ancient Indian money was the systematic use of which today are called financial instruments. Transactions consisting of loan deals, written contracts and contracts involving collateral and equal risk were written down through such documents as *mapatra* (deeds of loans), *lekhyas* (written contracts), and *yogakshema* (contracts with their collateral and the mutual danger of being thrown off course). They were shown and verified, occasionally by representatives of guilds or local government, and so were inevita-

bly transparent and enforceable. Forms and arrangements of Taxilan bankers were based on the many miscellaneous arrangements by which several investors combined their capital to fund speculative but profitable long-distance the earliest venture capital.

Market forces were not the only regulating forces governing interest rates (vyaja), but there were some moral and religious codes as well. Failing to lend out money (ati-vyaja) was shunned, especially in Buddhist and Jain literature, which championed lending money in need, above all during difficult periods. A perfect banker struck a balance between profit and dharma such that the circulation of money was both beneficial and harmonious to an individual and the society in general. Cash or grain endowments to temples and monasteries were repeatedly returned to a community in the form of loans rifled by sresthis. This gave rise to a round format of wealth distribution that was highly informed by the spiritual and communal principle. Bankers also featured prominently in transactions founded on billenting. Traders were also able to make transactions over a long-distance using letters of credit and oral promises through the reputation of a sresthi. The Reliability of the Banker. In a society where the written law was supplemented by other laws, such as the customary and ethical norms, the word of a trusted banker could replace the billed collateral. This points to a major characteristic of ancient financial systems: that relational trust was the main price and that reputation constituted a form of intangible capital that could not be rebuilt easily when lost. Also, the power of this spread to the life of society. They would frequently serve as advisors to monarchs, funders of schools, and investors in social infrastructure. Their riches earned them authority, but it was their sense of responsibility, i.e. the idea of Artha (material wealth) pursued in conformity with dharma, that made them look respected. Here, the sresthi, as well as a financier, was an agent of morality, whose commercial judgments merged the religious with the civil responsibility.

The Sresthi model can be used in the contemporary world, where strong precedent is indicated by ethical banking and finance. Though the financial systems nowadays have become more and more detached from the values, the ancient grid is a reminder that finance can and must be framed within a bigger moral/social structure. The ancient finance formed in Taxila was not just efficient and in any way improved; it met the needs concerning human dignity, trust, and justice. For future sustainable finance, a retreat to the Taxilan ethos does not spell romance of the past, but a shopping list of what to do in the future.



Figure 2 Bankers (*Sresthis*) and the Architecture of Ancient Finance

1.6 Intersections of State, Guild, and Dharma in Financial Regulation

Ancient Taxila never existed in a vacuum as such; instead, its economy had a three-polar structure, with the state, guilds of professionals (*sreni*) and moral philosophy (*dharma*) reinforcing one another. The issue of financial regulation was not an administrative issue, although

it was highly charged with ethical values and community-based governance. A financial system was created that was robust and fair due to this convergence of political power, economic hierarchy and spiritual responsibility. The state is considered as a king (rajan) and his administrators' loyalty. During economic life participated in facilitating and monitoring tasks. However, in contrast to the current centralised regulatory regimes, the state frequently assigned the roles of the guilds in enforcing the commercial codes, resolving the conflict and regulating standards. It did not mean a weak move but was a strategy to enhance effectiveness and internalise control in the professional community. As they were nearest to the ground, the guilds were in better positions to verify misconduct, modify standards according to evolving trade realities and also enforce rules through peer pressure and moral values, not just through coercion.

Nevertheless, this was not a laissez-faire system. The state intervened when there was need and this was particularly in the issues of taxation, safeguarding trade routes and inter-guild conflict. An elaborate guide to such intervention is given in Kautilya's Arthashastra with the accumulated recommendations of state control over weights and measures, prices in the market, and rates of interest. The role of the state as it was voiced in the dharmic texts, was not merely to gather the revenue but to safeguard economic justice and the welfare of society-lokasangraha. A ruler was legitimized in light of the possibility of allowing dignified trade, ensuring non-exploitation, and defending dharma in every deal. Instead, guilds were more than an economic interest: they constituted the common morality. They imposed documents of behaviour, selected quality, and disapproved of members, who violated ethical/technical standards. These guilds existed as internal councils, and were elected leaders and had very strong sense of solidarity. The principles of dharma-truthfulness in contracting, equity in price, openness in interactions and responding to their clients and apprentices used to shape their rules.

The third, dharma, served as the soul of the system of regulation. It was not written down such as a contemporary law, but it has been learnt through education, religion and social conditioning. The traditions of Buddhism, Jain, and Hindu had in common the necessity to promote the beauty of fair trade and denounce the economic exploitation. Religious establishments recommenced this vision of the world by preaching the pass that wealth had to be accrued virtuously (artha by dharma) and deployed in social betterment (daana and seva). Consequently, all matters were not only economic but a financial choice with morals and karmic consequences involved. The state, guild and dharma are explanations of this triangular model that gave checks and balances. The state afforded order and justice, competence and peer accountability in guilds, inner restraint and public-mindedness in dharma. They jointly developed a participatory, ethical, contextually adaptive regulatory environment.

This combined approach has some potent lessons implicated in modern finance. The modern regulation tends to pendulum the one way or the other between the overreach and underreach, and there exists a lack of relationship between the formal rules and the informal conduct. Another way of restoring trustfulness and sustainability in current financial structures was reintroducing regulatory systems to an element of ethical reasoning, community-based monitoring, and public interest. According to the Taxilan model, it is not rules, but relationships, between individuals, entities and values that construct durable financial systems.

1.7 Archaeological Evidence of Economic Systems

This synergistic treatment has strong lessons to teach modern finance. Modern regulation tends to swing between excess and insufficiency, and to lack the ability to reconcile formal provisions with informal action. Memorisation of regulation; The restoration of faith and



Figure 3 *Intersection of State Guild and Dharma*

sustainability in modern financial systems would be possible through the reintroduction of ethical schooling, community-based surveillance and the public interest in the regulation itself. According to Taxilian model, the ancient Taxila ruins are not the polylog persistence of the rules, but rather the polylog of relationships, between individuals and institutions as well as between individuals and principles, the construction of durations of economic activity, financial savvy and urban design, which once dominated the financial life of South Asia. Digs by archaeologists like Sir John Marshall at the beginning of the 20th century have found not only divine monuments and learning centres but also organized low-level markets, coin stocks, crafts ateliers, storage vases, weights and well-laid-out streets. These results provide concrete evidence that Taxila was not just a seat of study. It was in effect, an economic metropolis.

This material is preserved out of the Bhir Mound, Sirkap and Sirsukh; three successive cities of Taxila. which show a high level of commer-

cial organisation. Repeated patterns of street grids, the similarity of units of values and multiples of coins of Indian, Greek, Persian and Central Asian origin speak of an economy that was both monetised, connected internationally, as well as regulated. The features of the formalised documentation of trade and accounting are evidenced by pottery stamps, merchant seals, Brahmi and Kharosthi written inscriptions. This corpus of archaeology becomes an important supplement to text, so as to base the abstract principles of dharma and artha in the economic life of the city.

1.7.1 Urban Design and Marketplaces: Blueprints of Economic Planning

Urban topography of ancient Taxila shows that there was a planning that not only favoured the social and religious life but also a successful economic set up. In the three largest archaeological strata -Bhir Mound (6th century BCE), Sirkap (2nd century BCE), and Sirsukh (1st century CE): the layouts have evolutionary but strictly sophisticated approaches catering to ease of access, connectivity and trade. They were not suburban shanties; they were economic eco systems, worked out to support trade and storage, the contexts of the flow of goods and man. Bhir Mound the oldest of the three cities is dynamic but still distinctly business-oriented. This feeling is created by the narrow streets with the stalls and houses which indicate the mixed-use of space where craftsmen and merchants both lived and carried out their activities. Importation of goods (in the case of beads, semi-precious stones, and Greek amphoras) points to active local production, as well as the intercultural trade. Although Bhir does not have grid planning that has been formalized, the commercial motive is also clear and the way it is arranged it can be attributed to early economic adjustment to cities.

This design had become more regular, in the Indo-Greek city of Sirkap, adopting a Hippodamian grid-plan, which was probably perhaps

inspired by Hellenistic urbanism. The arrangement of streets was at right angles and there were designated zones of public buildings, religious and commercial spaces. The positioning of the market place was conveniently near to the gateways, highways, and places of worship, where they could utilize the human traffic movement going through pilgrims, students and tourists. This fusion of religious and business area was not just coincidental; it was an economic philosophy where dharma (religion and duty) and artha (material prosperity) were not contradictory turns in a proper life but instead they supported each other. This pattern was further perfected in the last city which is referred to as Sirsukh constructed during the Kushan period. Once surrounded by huge stone walls, provided with broad avenues, it had special commercial quarters and handicraft and caravanserai rests of passing tradesmen and their wares. This type of infrastructure shows that long-range trading and the role of state in helping people trade is important. Market design did not solely concern economic convenience, but also the standards of collection of taxes, law and order and standards. These aspects represent a proto-regulatory space within spatial patterns.

The most remarkable aspect of the urban planning of Taxila is that economic thought was structured into the architecture. Streets served as commercial streets. Open places also became trade fair grounds and areas of civil discourse. Its neighbouring of residential and commercial areas contributed to local based entrepreneurship and wealth decentralization. The city was not just a plan of stone, but a plan of a financial ethic which was built on accessibility, interdependence and sustainability. Thus the geographical origin of Taxila found its phylum in the philosophical. As dharma aimed to bring a degree of balance and order in individual life, the plan of the city aimed to bring a sense of harmony between civic welfare and commerce.