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THE OTTOMANS AND LONG-DISTANCE TRADE IN THE EARLY MODERN WORLD

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I

Trade was the key sector in the European expansion at the beginning of the early modern times. While the role of the Europeans overestimated on this transcontinental long distance trade it can be said that the role of the Ottomans is underestimated. Moreover their role was neglected until present times². However, except American continent the Ottomans were also very important actors in transcontinental long distance trade from the Atlantic throughout Mediterranean until the Indian Ocean. The Ottomans also played a significant role in rising trading activities of European Atlantic nations from the Atlantic until the Indian Ocean.

As a result of major transformations in international trading routes it is often considered that the earlier dynamism disappeared in the Ottoman region and the Empire had lost its former importance in the long distance trade. Both direct access of European merchants to Asian merchandise and the development of Atlantic routes are cited as major factors in the decline of the Ottoman's former significance.

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2 For instance a famous Turkish scholar states that foreign trade never developed in the empire because the Ottomans did not attribute any importance to this field (Mardin 1990, 55)

Such explanations, however, tend to blur a much more complex reality, which is impossible to understand by reading the region's history either through the optic of European history or from European sources only, as has often been done in the past.

Braudel (1972) believes that for the early modern period the role of oceans routes in the world trade has been overestimated. He also added that the Ottoman economy was a world economy by itself and the Empire maintained control over the land routes crossing its huge territory until the nineteenth century.

By observing trading activities in the Ottoman world during the early modern period, we can put matters in a different perspective and identify some of its salient features. In addition to the organisation of trade within the immense world of the empire, the contacts and commercial relations with Asia, Europe and African continents were crucial for the Ottomans. And they continued to play their role in the long distance trade between the East and West as well as between the North and South.

From the east to the west, on the one hand, maritime and caravan trade stretching all the way from the Indian Ocean throughout Red Sea, Mediterranean and Gibraltar to the Atlantic provided linking local production the trade between trans-oceanic system of distribution and consumption. From the south to the north, on the other hand, trade

The Ottomans were in the center in between these long distance trade areas from the east to the west and from the south to the north. As the Ottomans located within the global world we need to know more on their role starting by standpoint of the center, and their connection not only to Europe but also with the Asia and Africa.

Temporally, the Ottoman Empire existed from the 13th to the 20th century. The Ottomans were effective power in the hinterland named today Anatolia, the Balkans, the Middle East, North Africa and the Causasus. There are more than 40 states today in this lands. They were also effective on the waters such as the Black sea, Aegean Sea, Adriatic, Mediterranean, Red sea and Indian Ocean, and more over Atlantic coasts. The Ottoman rule extended from the Middle East, the

Balkans, and Eastern Europe in the West, to Caucasus in the East, the Crimea in the North, and Arabian peninsula and North Africa in the South. Ruling over a vast terrain as a sovereign power, the Ottoman Empire was never directly colonized like Asia, Africa and America by expanding European Powers.

Of course there were very important internal dynamics in European expansion. However as external dynamics it seems that the Ottomans played a crucial role in their expansion.

For the first comers, Spain and Portuguese, it was the main “motivative actors” while for the late comers, England, Dutch and France it was they were the “door openers”. The Ottomans played both positive and negative affects on European expansion.



Who live in the late medieval and early modern times knew the dangers of travel and trade. There were a lot of obstacles for trade, especially in the long distance trade. Economists have called such obstacles to trade, transaction costs. The security was the key issue for travelers and merchants, and the cost of traveling and trading was always under the consideration for the traders.

The Ottomans try to establish a safe area for trading actors both in long maritime and land trade routes. Their strategy carried with it certain implications for economic development in their territories. By establishing caravans, constructing bridges and building caravansarays they made huge investments to improve the regional and inter-regional trade.

Fernand Braudel is the first western historian seeing the Mediterranean as an world economic unity. According to him, “Islam and Christendom faced each other along the north-south divide between the Levant and the western Mediterranean, a line running from the shores of the Adriatic to sicily and then on to the coast of present-day Tunisia. All the great battles between Christians and Muslims were fought along this line. But Merchant vessels sailed across it every day. The economy, all-invading, mingling together currencies and com-

modities, tended to promote unity of a kind in a world where everthing else seemed to be conspiring to create clearly distinguished blocs” (Braudel 1992, 22).

Braudel opened the door fifty years ago. He was able to see that all world economies recognised a center, some focal point that acted as a stimulus to other regions and was essential to existence of the economic unit as a whole. A world economy was different from the economy of the world. The first was only a fragment of the totality composed of all the different economies but its operational feature was a topological space within which existed a complete system of internal links and exchanges (Braudel 1992, III, 21-22). However, instead of wide Braudelian perspective Eurocentric approach continued to be strongly followed by the scholars from the East and West.

III

For understanding the role of the Ottomans in the world trade and economy, there were also some other attempts both in the West and Turkey. One concept is “world system” or “peripheralization” analysis, which was introduced by Wallerstein in the 1970s (Wallerstein). According to this conception, the rest of the world (and also Ottoman Empire) was “incorporated” into a process of politico-economic development that began in the early modern Europe and culminated in the European commercial empires. It was assumed that “peripheralization” in a world economy dominated by European commercial empires and trading companies sufficed to explain why Ottoman trade and manufacturers were unable not only to capture markets abroad, but even to maintain themselves in their own domestic context (Kasaba 1987, 88-100). While the recent writings assume that “incorporation” occurred later, in the nineteenth century, some authors following the the world system school assumed a general decline of Ottoman trade and industry from as early as the late sixteenth century (Barkan 1975).

The histories of empires and world system (world capitalism) tend to explain inequality using the concept of the “incorporation” of

a region into a Europe-centered world economy. Through the mediation of concept such as “empire” or “world system”, the world enters Ottoman history via stylized “Eurocentric” idea of the world rather than through a historically and geographically particular idea of Ottoman world.

Instead the Eurocentric approach we need to see how the people of the Ottomans that tended to share some commercial practices, institutional traditions, resource endowments, as well as cultural and moreover political heritage, engaged in transactions and long distance trade and world economy. We need to know more on their role on the long-distance trade by following their heritage, traditions, cultures, geographies, institutions and practices in the long trading routes as well as in the regional markets. For better understanding their role on the long-distance trade, rather than the Eurocentric one we need to use the Ottoman region-centric approach.

Within this tradition, however, there have been notable attempts to discern long-term patterns of change. But these attempts focused on the relationship between the land and the state, confining foreign trade to a place on the margins of a fiscal system dominated by the taxation of agriculture.

Most writing on Ottoman economic history preoccupied with issues of land control and land revenue. The rise of the Ottoman Empire was a history of successive attempt to break down the power of local landed magnates through a combination of military and administrative means. The state eventually emerged as the single largest financial enterprise with its income and expenditure forming a significant proportion of total production and consumption. The redistributive function of the centralised state encouraged and fostered a type of commercial capitalism which in strict theory had no institutional basis in law. The great merchants acted as bankers to the state directly. They also converted the agricultural surplus into disposable income for central treasury and for those officials whose salaries were paid in the form of revenue assignments. This approach did not exactly neglect the role of the Ottomans in general; it did not offer a definitive-perspective on their role on the long-distance trade and world economy.

A good argument can thus be made that shifting the focus of economic history from land to trade should enable us to bring into story of economic change over the long run a relatively neglected, and yet a very important and dynamic equation, that is, the one between the land and sea, or between the settled and the mobile components of society. In this respect we can explain another story of the Ottomans from the regional perspective of the “globalization”. Moreover, instead of economic growth theory approaches based on the productivity of resources (North 1991) it would be possible to look to economic growth issue from the accumulation resources approach (Pomeranz 2000).

As it was known the political actors and political events were registered in the Ottoman world. But we do not have the merchants diaries like the merchants’ registers in the West Europe. Ottoman merchants did not have not left us commercial pepers and letters. Lack of registers tradition does not mean that the merchants in the Ottoman world were passive comparing to the their counterparts in Europe. However, the examples from the court records of Aleppo, Cairo, Cyprus, Kayseri, Bursa, Dubrovnik, Istanbul show that the economic actors of the Ottoman world, such as merchants and guilds were more active than the general aceptation of the Daily life in the Empire. Moreover, most of the daily life stories were not registered and have been missed.

The studies of Henna (1984; 2001) on Cairo, Faroqhi (2002) on Kayseri and Ankara, Gerber (1980) on Bursa, Jennings (1993) on Cyprus, reveal that the Ottoman merchants were very active in trade activities. The mentioned reserhers used the court records from the Ottoman times. These documents gives us lots of information on the merchants’ activities such as different kinds of dealings and transactions, partnerships, loans, and sales on credits. These documents also offer us valuable materials about the way that business was actually carried out and trade patterns and techniques were changing. While the court recods gives the view and approach from inside, there are some sources gives the historian view from outside. The sources and registers that presented by European historians, such as consular re-

ports, travelers' accounts and company correspondence. In addition to merchants' diaries there are also some sources in Western European countries such as municipalities archives and state register.

IV

There is no doubt that from the end of fifteenth century Western Europe began to expand its commercial and economic activities in the world. The history witnessed an expansion of Southern Europeans to the South (Africa) to the East (Asia), and to the West (America) in the sixteenth century. In the following centuries the North Europeans became more active than the South Europeans in the world trade and economy. By the beginning of the seventeenth century the foundation of the Dutch and English East India Companies (1600-2) was a part of wider economic development which historians describe as the rise of commercial capitalism, leading eventually to the industrial capitalism of the nineteenth century. This later came gave rise to a form of political dominance which is known the vocabulary of current historiography as economic imperialism. Cross-border economic exchange was an explicit aim of these empires, which are seen as expression of a type of state that lived to advance capitalistic market integration. The course of Asian and African history entered to a new period of violent transformations. These two continents did not participate as direct agents in the new developments but they were large recipients of its operation.

This success constituted a start for many things for the European nations. Some works analyzed the results this success brought about for the Western civilization. One of the issues which was emphasized at the highest degree in these studies is how the Ottomans who controlled the trade routes in the east-west direction were affected by these developments. How did the Ottomans react and what kinds of policies did they produce when the sea routes began to be used as an alternative to the Silk Road and caravan trade in the east-west direction? Another question which can be asked in relation with this is the following: what were the Ottomans' pursuit when the Europeans reached and began to control the sources in Asia and the Indian sub-

continent by achieving great successes in intellectual, military, economic, political and institutional fields including shipping technology? What kinds of measures did the Ottomans take and what did their initiatives bring about? Did the Ottomans implement trade and economic policies similar to those of the Western European nations or did they adopt different policies? What kinds of relations emerged between the developing Europe and the expanding Ottomans? This book aims to answer these kinds of questions as much as it can.

The Ottomans organized their domestic economy in the form of a world economy. In the light of the conditions of that time, it could be said that they achieved great successes in terms of their land and sea trade connections from Vienna in Europe to Yemen in Asia in the east-west direction and in terms of the integration of their cities and regions. This success should be considered together with the heritage of the historical silk and spice roads. Apart from the east-west axis, the Ottomans also built in the north-south direction, infrastructures and implemented incentive policies to strengthen connections between land and sea trade routes extending from the Crimea in the north of the Black Sea to Darfur in Africa. In this way, they achieved powerful commercial and economic integration.

The Ottomans controlled a large geographical place in the east-west and north-south direction in the period when the Europeans initiated trade worldwide and made international trade their first priority. For the policy makers of the Ottoman State, organizing internal trade between trade centers, ports and regions of this large state was perhaps much more important than foreign trade. In comparison with the internal trade within the Ottoman borders, the weight of foreign trade remained insignificant. Foreign trade which had been below 10 percent of domestic trade in the 15th and 16th centuries reached 20% in the 17th century. It later exhibited an important increase in the 18th century in comparison with the previous periods, but it did not exceed 50% of domestic trade. Therefore, it was natural for the Ottomans to give priority to domestic trade rather than foreign trade in the centuries when Europe concentrated on international trade.

The Europeans firstly turned to trade in Eastern Mediterranean and later engaged in commercial and economic activities in the regions around the Red Sea, the Persian Gulf, the Indian Ocean and generally Asia. Nevertheless, the Ottomans initiated some efforts as a response to the European actions by strengthening their positions in Eastern trade.

The Europeans were engaged in the activities of navigation, piracy and trade in the Indian ocean and the Asian continent. However, the Ottomans launched considerable initiatives and took important measures to respond to European activities in this region which was considered as one of the most important trade regions of the world. These studies demonstrate the commercial and economic competition between the Ottomans and the Europeans as well as their struggle and competition in the seas and oceans. The struggle between the Ottomans and the Europeans for gaining superiority in technological, military, geopolitical, cultural and political fields could also be seen in those works.

V

The Ottoman State covered a large area. It included the old centers of civilization in Asia and Africa such as Egypt, Mesopotamia and Anatolia including “the fertile crescent”. It extended from the Mediterranean and the Middle East to the Balkans, the Black Sea basin and central Europe. The Ottoman efforts of improving trade and achieving economic integration in such a vast territory went beyond their efforts of improving foreign trade. In the words of Fernand Braudel (1972), the Ottoman economic activities constituted a world economy themselves. However, there were also important Ottoman efforts to improve the trade in the east-west direction.

The Ottomans were aware of the importance of the east-west trade. They were also aware of the advantages and stability in economy brought about by the gains which emerged in the life of the state and the society thanks to controlling the trade in the direction of the Indian Ocean, the Red Sea and the Mediterranean. The Ottomans

were interested closely in controlling this trade route and attributed great importance to shipping and navigation for this purpose. They allocated great amount of money in the state budget to be able to gain the control of both land and sea trade routes throughout the 16th century (Bostan 2007).

The Ottomans performed many activities in order to strengthen trade and economic infrastructure which interconnected these regions extending from the Balkans to the Middle East and from the Black Sea to the Mediterranean and Africa and covered by more than forty states today. They tried to improve land trade routes extending in the east-west and the north-south directions and the sea trade routes extending from the Black Sea to the Mediterranean and from the Adriatic to the Red Sea and the Atlantic, while at the same time ensuring their security. In other words, the Ottomans attributed great importance to both domestic and foreign trade and engaged in infrastructure works in terms of both land (caravan) trade routes and sea trade routes (Güçer 1987). With these infrastructure works, regional commercial and economic integration was aimed between the regions such as the Balkans, the Black Sea, Anatolia, the Middle East and Northern Africa.

The argument that Jewish and Armenian rather than Muslim merchants had been influential in the Ottoman trade is also controversial. The results of İnalçık's study (1960) which was based on the archives of the qadis of Bursa demonstrate that many merchants from Aleppo and Alexandria were involved in the trade in this city. Most of the 28 merchants who were recorded in the documents, came from the modern Middle Eastern cities such as Aleppo, Damascus, Hama and Dimyat while some of them were the merchants of Andalusia (Spain). As early as the 16th century, the merchants coming from the Middle East and the Northern Africa were active in many Balkan cities. According to the figures of Braude (1985, 335) based on the archive findings of L. Felekete, in the mid-16th century, the rate of Muslim merchants who were involved in trade in Budin (Hungary) was 68%, while the rate of Christian and Jewish merchants who were Ottoman citizens were 26% and 6% respectively. So, it is clear that, on the vast

Ottoman territory, both Muslim and non-Muslim merchants were actively engaged in commercial activities.

The Ottoman State covered a large territory in which such seas as the Mediterranean, the Red Sea and the Black Sea became almost internal waters of the state. In order to achieve integration between the regions, ports and cities of this vast area, the Ottomans tried to use many instruments and to benefit from all economic and political actors of that period, whether regardless of Muslims or non-Muslims. Given the conditions and constraints of that period, it would be unfair to underestimate the successes of the Ottomans.

In this process the main actors were the statesmen and merchants. And the long distance trade played an important role. What was the situation in the Ottoman empire at the same long period? Recent studies reveal that caravan connections from Asia (India and Iran) to Ottoman commercial centers remained of significance well into eighteenth and nineteenth centuries. Moreover, not only traders but also artisans were adept in the art of self-defence. In sixteenth century Aleppo and later in the seventeenth and eighteenth centuries İzmir with their large communities of foreign traders the goods exported from the Ottoman realm to the world. There were both domestic and foreign products in this trade. The vast majority of Ottoman textiles, made of cotton, wool, mohair, or silk were doubtless produced for the domestic market. Tokat, Ankara and Bursa were the main industrial centers in Anatolia in the early modern period. (Faroghi 2009, 90). Lots of merchants financed long distance trade, from Aleppo to İstanbul and from Mocha to Dubrovnik.

By giving them privileges the Ottomans were encouraging foreign merchants and trade. Both domestic and foreign trade were flourishing during the early modern times in the Ottoman world. We have seen that there were both import and export on textile products. And the Ottoman commercial and economic policy were not mercantilist but open market towards the East and Western world. In terms of cotton cultivation and manufacture, Southern part of Anatolia (Syria and Cyprus) was an important region. In addition to this part of the Ottoman World North and Western part of Anatolia and the Balkan regions

appeared as significant centers for textile production and manufacture in the early modern times. It can be said that the some Ottoman production areas in Anatolia and the Balkan region could produce in lower cost comparing to West Europe (the Netherlands and England) during the early modern period.

Halil İncalcık gives information about Anatolian cotton yarns and cotton cloth imported into Crimean khanete, whose rulers had recently come to recognize the sultans as their suzerains. Textiles such as *boğası* from northern Anatolia, printed cottons (*basma*) from Tokat, fine muslin for turbans from Western part of Anatolia (Bergama) and rough fabric (*kirbas*) and cottons from Bursa were exported to Crimea. (İncalcık 1997, 121).

VI

The Ottomans were not active only in trade between the East and West maritime and land roads, but they wer also active in trading routes between the North and South. The association between political power, long distance trade, and a high level of economic activities in cities of substantial status appears to have been almost taken for granted by many Islamic historians. The unity of the central region rested on large-scale commercial relations along the caravan and maritime routes. It was also fostered by the reintroduction into world trade of the great consuming markets of the Mediterranean. Urban centers added their economic and social strenght to the cities at the heartland of Islam to create a complete system of relations, the strong points and the motive force of economic life.

The growth of the transcontinental trade of Ottoman world operating through a network of commercial community benefited from the development of regional, interregional and foreign trade, and yet it remained firmly linked to an international order of economic specialisation.

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