THE OTTOMAN ADMINISTRATION OF THE SPICE TRADE IN THE SIXTEENTH-CENTURY RED SEA AND PERSIAN GULF

BY

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Abstract

Following the Ottoman conquest of Egypt and the Levant in 1516-17, administrators of the empire began to experiment with several innovative strategies to increase the total volume of the spice trade between the Indian Ocean and the Mediterranean, and to maximize the state’s share of its revenues. These became progressively more sophisticated over time, until by the end of the 1560s a comprehensive infrastructure was in place, including a rationalized empire-wide tax regime for regulating private trade, a network of “imperial factors” who bought spices for the sultan in overseas emporiums, and an annual convoy of spice galleys that shipped cargoes of state-owned pepper from the Yemen to the markets of Egypt and Istanbul. All of this, combined with natural advantages of geography and the goodwill of Muslim traders in the Indian Ocean, enabled the Ottomans to mount a formidable challenge to the “pepper monopoly” of the Portuguese Estada da India.

Keywords: Spice Trade, Red Sea, Persian Gulf, Yemen, Ottoman Empire, 16th century.

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More than fifty years ago, historians uncovered the first evidence of a surprising mid-sixteenth-century revival in the spice trade through the Red Sea and Persian Gulf.1 Ever since, a debate has raged about the significance of this discovery, and about its implications for our understanding of the economic development of the early modern world as a whole. Some, beginning with the influential work of Niels Steensgaard, have used it to challenge the “revolutionary” character of the Portuguese Estado da India, arguing that even at the height of their power the Portuguese did little to change the overall structures of trade in the region.2 Others have blamed corruption, undercapitalization, or structural inefficiencies inherent in the Portuguese “pepper monopoly” as reasons for the decline of the Cape Route during the second half of the century.3 Still others have questioned whether the Cape Route declined at all, attributing the recovery of trade through the Red Sea and Persian Gulf to increased demand within the Middle East, rather than a rising share of the European market.4

Noticeably absent, however, has been a meaningful discussion of the Ottoman Empire, whose possible role in weakening the Portuguese and reviving the overland routes has almost never been seriously considered. In fact, the only full-length monograph to have dealt extensively with this question is Nelly Hanna’s Making Big Money in 1600, a study of the late sixteenth-century Egyptian merchant Ismail Abu Taqiyya.5 In it, Hanna concludes that the Ottoman state was indeed important for the revival of the spice trade, but only as a result of its lack of direct involvement. As she argues, the Ottoman central administration had no particular interest in trade beyond the passive collection of customs revenues—unlike its Mamluk predecessors, who routinely intervened in the market through a variety of coercive and monopolistic commercial policies. Thus, the Ottomans’ principal contribution to inter-regional commerce was to renounce

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2 See Niels Steensgaard, *The Asian Trade Revolution of the Seventeenth Century*.

3 See in addition to the monumental work of Vitorino Magelhães-Godinho, *Os descobrimentos e a economia mundial*, see the collection of articles edited by Artur Teodoro de Matos and Luis Filipe Thomaz, *A Carreira da Índia e as Rotas dos Estreitos: Actas do VIII Seminário Internacional de História Indo-portuguesa* for a sampling of more recent research.


state-sponsored market interference, and “leave the field open to merchants, who henceforth reopened once more the profits of the Red Sea trade.”

In the long run, there is little question about the basic accuracy of what Hanna describes. The Ottoman conquest of Egypt and the Levant did bring an end to the Mamluk system for controlling the spice trade, and by the turn of the seventeenth century free-market principles were more or less established throughout the region. What Hanna’s analysis misses, however, are several intervening decades of surprisingly dynamic innovation, in which the Ottomans continually experimented with strategies designed both to increase the total volume of the spice trade, and to maximize the state’s share of its revenues. These became progressively more sophisticated over time, until by the end of the 1560s a comprehensive infrastructure was in place, including a rationalized Empire-wide tax regime for regulating private trade; a network of “imperial factors” who bought spices for the sultan in overseas emporiums; and an annual convoy of spice galleys that shipped cargoes of state-owned pepper from Yemen to the markets of Egypt and Istanbul. All of this, combined with natural advantages of geography and the goodwill of Muslim traders in the Indian Ocean, enabled the Ottomans to mount a formidable challenge to the Portuguese “pepper monopoly.” Only after the fact, towards the very end of the century, did the state withdraw once more from systematic intervention in the market, and give free reign to the private initiative of merchants like Abu Taqīyya.

THE ORIGINS OF EXPERIMENTATION UNDER HADIM SULEYMAN PASHA

Our story begins with the career of Hadim Suleyman Pasha, a former governor of Egypt who was appointed the Empire’s grand vizier in 1541. Before this date, the Red Sea spice trade had been regulated according to the terms of the provincial Egyptian kanunname, or law book, originally promulgated in 1525. This kanunname was essentially an administrative tax code that, along with a

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number of other reforms, provided for the dismantling of the Mamluk system of spice quotas and price-fixing, and its replacement with a free-trade tax regime. Excepting a few extraordinary measures designed to guard against corruption, the code limited the state’s participation in trade to the collection of a traditional 10% tariff on spices passing through Egyptian ports (and only half that much on cargoes passing through Jeddah, whose remaining revenues were reserved for the Sherif of Mecca). Even this limited role was further mediated by tax farmers, to whom the provincial administration routinely auctioned off the revenues from the customs houses of Alexandria and Suez.7

As should be clear, the original implementation of these regulations came at the high point of the Portuguese maritime blockade of the Red Sea, before the Ottomans had any significant naval presence of their own in the region.8 The provisions of the kanunname therefore reflected a pragmatic recognition that, given the increased risks merchants faced from the Portuguese at sea and the new element of competition introduced by the Cape Route, the state needed to align its policy as closely as possible with mercantile interests in order to benefit at all from the spice trade.

Over the course of the next fifteen years, however, thanks in large measure to the efforts of Hadim Suleyman Pasha, the Ottomans’ strategic position in the Indian Ocean improved dramatically. During his many years as governor of Egypt, Hadim Suleyman provided logistical support for the corsair Selman Reis’s naval operations in the Red Sea (1527); supervised the construction of an expanded arsenal and fleet in the port of Suez (1529-1531); and most famously, sailed to the Indian Ocean at the head of an armada of some seventy vessels (1538).9 This last mission, which extended Ottoman rule to Aden and the Yemeni coast, came on the heels of the Ottoman conquest of Baghdad from the Safavids (1534) and the vassalage of the formerly independent Emir Rashid of Basra (1535), two more operations in which Hadim Suleyman had played a significant role. Together, these victories gave the Ottomans exclusive control of the entire Red Sea and Persian Gulf trade routes with the solitary exception of Hormuz—a feat unmatched by any Middle Eastern power since the early Abbasid Caliphate.

7 For the text of this code, see Ömer Lutfi Barkan, XV ve XVInci Asırlarda Osmanlı İmperatorluğu’nda Ziraat Ekonomisinin Hukuki ve Mali Esasları, Birinci Cilt: Kanunlar, pp. 355-87; see also Sanford Shaw, The Financial and Administrative Organization and Development of Ottoman Egypt, pp. 101-5.
8 Vitorinho Magalhães-Godinho, Os descobrimentos e a economia mundial, vol. iii, pp. 84-5.
By the time Hadim Suleyman was promoted to grand vizier in 1541, this relentless advance had forced the Portuguese, fearful of continued Ottoman expansion, to open a formal dialogue with Istanbul about the future of the spice trade. One year before, in 1540, they had presented the Sultan with an unprecedented proposal to supply a guaranteed annual shipment of between 2,500 and 3,000 quintals of Malabar pepper to an Ottoman imperial factor in Basra. This pepper, however, was to be delivered in Portuguese ships, and its delivery was contingent on reciprocal promises from the Porte: 1) Not to purchase additional spices from any outside source; 2) Not to send any more of its own ships beyond the mouth of the Red Sea; and 3) To otherwise cooperate in enforcing the Portuguese crown’s pepper monopoly by preventing Muslim or other unauthorized merchants from trading in spices within the territory of the Empire.10

Predictably, the proposal was rejected. But it was soon followed by an Ottoman counterproposal with some rather surprising conditions of its own. While agreeing in principle to accept a limited annual quota of spices (which was raised from 3,000 to 4,000 quintals a year), the Porte insisted that this quota was to be transported by Muslim ships directly from the independent port of Calicut. Meanwhile, the Sultan demanded that traffic in all other goods besides spices would be freely permitted, promising peaceful Portuguese merchants the right to visit and trade in Ottoman ports if the same rights were extended to Ottoman and other Muslim merchants in all areas controlled by the Estado da India.11

This counter-offer was in its turn rejected by the Portuguese, but the fact that it was made at all indicates that Ottoman attitudes towards the spice trade were moving in a new direction, away from the hands-off approach of previous decades and towards a new era of active state intervention and support. Who was responsible for such a policy innovation? The role of Hadim Suleyman, whose promotion to grand vizier coincided exactly with these negotiations, seems obvious. But equally important were a number of his associates, all recent arrivals to the Empire, who in a variety of ways had a vested interest in the future of an Ottoman-controlled spice trade. This cadre included powerful members of the Iberian Jewish émigré community like Abraham Castro, who held the contract for customs collection in Alexandria and rose to prominence during Hadim Suleyman’s first term as governor of Egypt;12 Christian renegades such as

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10 On these negotiations, see Antonio da Silva Rego, “Duarte Catanho, Espião e Embaixador (1538-1542),” Anais serie 2/4 (1953): 123-140.
Giovanni Contarini “Cacciadiavolo” and Gian Francesco Giustiniani, two Muslim converts from leading Venetian families who advised the Porte about the capabilities of the Portuguese and their system for controlling trade;¹³ even a Portuguese captive from the Indian Ocean by the name of Diego Martins, whom Giustiniani and Contarini convinced to embrace Islam and join them in collaborating with the Ottomans.¹⁴ It was with the help of such a corps of advisers, who were thoroughly familiar with both conditions in the Indian Ocean and with the practices of commercial powers like Portugal and Venice, that Hadim Suleyman was able to formulate his economic policies. The result was the new and ambitious strategy of state support for the spice trade that was embodied in the Ottoman proposals to the Portuguese crown of the early 1540s.

RETRENCHMENT UNDER RUSTEM PASHA AND INITIATIVE FROM BELOW

Hadim Suleyman Pasha’s brief tenure as grand vizier came to an end in 1544, when he was removed from office amidst accusations of financial improprieties. His replacement was Rustem Pasha, a leader who espoused very different ideas about how the Empire’s economy should be organized, for he was invertebately hostile to Christians, suspicious of foreign merchants, and said to be opposed on principle to trade in luxury goods as an ostentatious waste of resources. His preoccupation with safeguarding the Empire’s wealth from profligacy is most colorfully illustrated in the memoirs of the Austrian ambassador Busbecq, who lampooned the Vizier for selling the flowers in the Imperial rose garden for cash.¹⁵ But Rustem’s economic program also had a much more serious side, which involved creating barriers to external trade and protecting local markets for internal consumption.

This policy was most fully implemented in the Black Sea, which was closed off to Venetian and other foreign merchants and transformed by Rustem’s reforms into an “Ottoman lake” reserved for the provisioning of Istanbul.¹⁶ But elsewhere in the Empire, the implications of Rustem’s new approach were less clear—and particularly so in the Red Sea and the Levant. Here, in comparison to the Black Sea, a much larger share of commercial activity involved trade in luxury goods originating from outside of the Empire, so closing off the region

¹³ Gavetas, doc. 20-15.
from foreign interference could have had a potentially devastating effect on the local economy. Admittedly, such considerations did not prevent Rustem from cancelling all high-level negotiations with the Portuguese as soon as he came to power. But in most other respects, the Ottoman central administration seems to have been plagued with confusion and uncertainty about how best to administer Levantine trade—and particularly the spice trade—during the early years of Rustem Pasha’s tenure as grand vizier.

In December of 1544, for example, just a few months after Rustem first took office, the governor of Egypt sent a query about how to properly tax a heavily laden spice ship anchored in the Red Sea port of Quseir. The central government’s rather surprising response was that there were no copies in Istanbul either of the relevant law codes or of tax registers from previous years, leaving the authorities in the capital with no basis for making a decision. It would be hard to imagine the same sort of disinterested answer coming from Hadim Suleyman, who had served in Egypt for many years and had very clear ideas about how to exploit its trade to the fullest. And since it is tempting to see the arrival of such a ship as evidence that sea traffic was picking up as a result of the recent Ottoman conquest of Yemen (also engineered by Hadim Suleyman), such a change in attitude came at a particularly unfortunate time.

Similar problems seem to have plagued the administration of the overland trade route from the Persian Gulf to the Levant, which also developed rapidly in these years thanks to the peace treaty that Hadim Suleyman had successfully brokered with Venice in 1544. A petition from March of the following year, for example, indicates that Venetian spice merchants, who before the war habitually traveled by caravan from Mecca to Beirut via Damascus, had now begun to prefer the Gulf route and to cross directly from Basra to Trablus via Aleppo with their spices. In the petition, these merchants complained that because they had adopted this new route, they were now being unfairly penalized by being charged in Trablus with a new brokerage fee [simsâriye], a weight tax [resm-i kabbâniyye], and a stamp tax [resm-i ūmgâ], in addition to the ten percent tariff [‘öșür] they had previously paid in Damascus.

Here again, as in the case of the Egyptian spice ship discussed above, the central government seems to have responded with more confusion than anything...

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17 From the text of the petition, it would appear that the governor of Egypt wanted to know if he was required to share the tax revenues from the ship with the Sherif of Mecca, as in Jeddah, but this seems to have been lost on the authorities in Istanbul. Halil Sahillioğlu, ed., Topkapı Sarayı Arşivi H.951-952 Tarihli ve E-12321 Numaralı Mühimme Defteri, doc.124, pp. 100-1.

else, mixed in with an added touch of suspicion towards the “infidel” Venetians and their intentions. While an investigation into the merchants’ complaints was ordered, Istanbul’s main concern seems to have been that an increase in traffic between Syria and Basra could pose a security risk, since Christian merchants might be tempted to travel with weapons and military supplies that could then be exported to Iran or Hormuz. A variety of measures to keep the caravans under closer surveillance was therefore introduced, including a new directive that they be composed only of low-grade pack animals rather than horses or even mules that could potentially be used as military mounts.

The implementation of such measures reinforces the impression that, under Rustem, the top leadership in Istanbul had assumed a decidedly ambivalent attitude towards international trade through the Red Sea and the Levant. The innovative pro-trade policies pioneered by Hadim Suleyman Pasha were certainly not continued by Rustem, but neither is there evidence of a concerted, centrally-directed effort to reorganize the structures of commerce away from exports and towards an economy of internal consumption (as in the case of the Black Sea). Instead, despite Rustem’s distrust of foreign merchants and his dim view of the luxury trade, he appears to have had no clearly discernible, overarching policy with regards to the commercial traffic between the Indian Ocean and the Mediterranean. In most cases, he seems to have been content to defer even quite important decisions about day-to-day administration to the judgment of provincial officials. This had the (perhaps unintended) consequence of leaving local leaders with a significant amount of leeway to institute reforms of their own—and since these were carried out in border provinces along major trade routes, they had the potential to profoundly affect the Empire’s macro-level trade policy in ways that were often hardly in keeping with Rustem’s general anti-trade bias.

Perhaps the best illustration of this process at work is to be found in Basra, a formerly docile dependency of the Ottoman Empire which in 1544 was taken over by an Arab tribal chieftain friendly to the Portuguese. In response, the governor of Baghdad, Ayas Pasha, began preparing an expeditionary force to take direct control of the city, but soon came against strong opposition from Rustem, who dismissed Basra as “a ruined place... worth nothing at all,” and refused to supply any additional men or supplies for the expedition. Rustem could not,

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19 Sahillioglu, E-12321 Numarali Mühimme Defteri, doc. 359, p. 265.
22 Salih Özbaran, Ottoman Response to European Expansion, p. 143.
however, prevent Ayas Pasha from moving ahead with the several thousand troops already under his control, and with these he easily took possession of the city in the fall of 1546. Then, Ayas Pasha had a close associate by the name of Belal Mehmed appointed as governor of Basra, who shortly thereafter contacted Luis Falcão, his Portuguese counterpart in Hormuz, in order to negotiate an agreement on the free exchange of goods between the two ports.24

Officially, the Portuguese refused these advances. But in practice, the prospect of free access to the Ottoman market proved too enticing to ignore. Within a year, observers from India were claiming that nearly all the local surplus of pepper and ginger was being shipped to Basra,25 and that collusion of Portuguese officials in this trade was rampant.26 One particularly conspicuous culprit was Dom Manuel de Lima, who replaced Luis Falcão as Captain of Hormuz in the spring of 1547.27 By the end of his three-year term, records show that Lima was sending agents to contract personal business in Basra on almost a weekly basis, and that he had concluded a formal agreement with Belal Mehmed according to which each was allowed to establish a factor in the other’s city and trade tax free.28 Interestingly, this arrangement seems to have outlasted the personal relationship between the two men, since a permanent tax exemption for the Captain of Hormuz was formally incorporated into Basra’s first provincial law code in 1551.29 Budgetary figures from Basra in the same document also show that trade-related income had by this time become overwhelmingly important for government finances, amounting to some 66 percent of Basra’s total provincial revenues.30

The problem with this cozy arrangement, of course, was that it remained un-sanctioned either by Rustem Pasha or by the Portuguese viceroy in Goa, leaving

26 *Gavetas*, XV-16-25.
the trading environment of the Persian Gulf vulnerable to sudden and violent interference from above—as in 1552, when Rustem organized a naval strike against Hormuz from the Egyptian port of Suez. While ultimately unsuccessful, this campaign provoked a series of tit-for-tat raids and confrontations at sea that seriously damaged relations for several years. Yet despite this, by the end of the decade envoys were once more being discreetly sent out from Basra to restore relations with Hormuz, and even before this traffic never really came to a halt.31

Increased demand for war supplies resulting from the conflict even stimulated a healthy trade in weapons, strict prohibitions against this from both the Ottoman and the Portuguese sides notwithstanding. In 1553, for example, the Ottoman admiral Seydi Ali Reis made no secret of an attempt to purchase artillery from Hormuz, despite the fact that he was equipping a fleet in Basra to be launched against the Portuguese!32

THE GREAT TRANSFORMATION: FROM SEMIZ ALI PASHA TO SOKOLLU MEHMED

Because Rustem Pasha’s idiosyncratic economic policies were so unsuited to the conditions of the Red Sea and Persian Gulf regions, they did not survive his own reign as grand vizier, which ended with his death in 1561. Significantly, his immediate replacement was Semiz (‘Fat’) Ali Pasha, a statesman much more sympathetic to the concerns of merchants and highly regarded by foreign diplomats as a potentially friendly negotiator.33 Furthermore, as a former governor of Egypt, Semiz Ali was well acquainted with trading conditions in the Red Sea, and shortly after taking office he also began to take an interest in the Persian Gulf and its smoldering conflict with the Portuguese. In fact, one of his first acts as grand vizier was to appoint Dervish Ali Pasha, one of his personal clients, as the new governor of Basra. According to the Portuguese chronicler Diogo do Couto:

When this Pasha of Basra [Dervish Ali] arrived in that city, since he was a prudent and sagacious man, he took stock of the land and of the trade and commerce which our merchants had previously conducted with that city and throughout that entire [Persian Gulf], which was now lost and forgotten on account of the galleys of the Turks which

31 Maria do Rosário de Sampaio Themudo Barata de Azevedo Cruz, “‘A ‘Questão de Baçora’ na menoridade de D. Sebastião (1557–1568)” Rivista da Falcudade de Letras, 5th series, 6 (1986): 50.
33 On Semiz Ali’s ties with the Venetian consul of Alexandria (and future Bailo in Constantinople) while governor of Egypt, see CC, I, 106-8.
continually patrolled those waters. He thus set his mind to renewing this trade during his own term in office, both as a service to the Sultan and for the sake of his own profit, and he sent a letter to [Semiz] Ali Pasha to this effect, in which he demonstrated how much was lost by continuing to fight against the Portuguese in that sea. 34

This initiative paved the way for Semiz Ali to reopen high-level negotiations with the Portuguese for the first time in nearly twenty years. He duly authorized Dervish Ali to invite a Portuguese ambassador to Istanbul, and Goa responded by sending envoys in 1563. 35 When they arrived in the Imperial capital, the Portuguese were presented with a plenary free trade agreement, the most comprehensive of its kind ever offered by the Porte, in which Semiz Ali asked for permission to place commercial factors “in Sind, Cambay, Dabul, Calecut, and any other ports [the Ottomans] desired,” and promised in return to allow permanent Portuguese factors in Basra, Cairo and Alexandria. 36 Talks relating to this proposal, which essentially set the stage for the dismantling of the Portuguese trade embargo and the establishment of a network of Ottoman trade representatives overseas, continued throughout the remaining years of Semiz Ali’s tenure as grand vizier.

Unfortunately, resistance from Lisbon and Goa prevented a concrete agreement from coming out of these negotiations, although the Ottoman offer was viewed favorably by at least some ranking Portuguese. Even before the talks were definitively abandoned, however, their importance was already being overshadowed by a series of internal Ottoman reforms directly relating to the administration of the spice trade. These reforms were championed by the Empire’s second vizier Sokollu Mehmed Pasha, Semiz Ali’s immediate subordinate, who was an equally accomplished statesman with an even stronger record of involvement in the economic affairs of the Red Sea and Persian Gulf. In fact, the lucrative potential of the spice trade seems to have attracted Sokollu’s interest more consistently than almost any other issue, and the earliest signs of his influence date back to the mid-1550s, long before Semiz Ali’s promotion to the grand vizierate.

34 “o qual basa de Baçora chegados novamente aquella cidade como era prudente e sagaz deitou olho à terra e ao comercio e trato que os nossos tinham antiguamente com aquella cidade e por todo aquelle estreito, o qual estava de todo perdido e esquecido por causa das gales dos turcos que continuaram naquelles estreitos, o qual comercio elle tratou renovar em seu tempo assi pello que lhe convinha ao serviço do Gran Turco como ao seu particular proveito; pello qual escreveu a Ali Baxa huu carta em que lhe mostrava o muito que se perdia em terren guerra naquele estreito com os Portugueses.” Década 8a, pp. 126-7.
35 Década 8a, p. 127.
36 Década 8a, p. 201; these terms are not specifically outlined in any of the three surviving copies from the Istanbul archives of letters sent to the Portuguese, but there is a gap in the Miühimme Defterleri records from 1561-1564.
Our first evidence of this involvement comes from a ferman preserved in the *Mühimme Defterleri* from 1554. It records the following transaction, which was arranged in that year by the outgoing governor of the Yemen, Özdemir Pasha:

[Before Özdemir Pasha left the Yemen] he sent forty-four bales of spices from the annual revenues of that province with [his assistant] Mustafa to Egypt. He sold the above mentioned spices there, and from [the profits from the sale of] the forty-four bales of spices he sent eight hundred gold pieces to the Imperial palace for [Sokollu] Mehmed Pasha, and granted the remainder [as the salary] for the office of Chief of the Musketeers in Yemen. 37

This brief passage documents the first known instance in which a ranking member of the Empire’s ‘askeri class became directly involved in the purchase and sale of spices as part of his official duties. By taking advantage of the differential in the market value of spices in Egypt and the Yemen, Özdemir Pasha effectively increased the tax yields of his province, by converting the taxes collected in kind from incoming spice cargoes into cash at the higher Egyptian market rates. Meanwhile, he also used spices to compensate one of his subordinates in the Yemen in lieu of a cash payment. Presumably, this official could expect to take these spices to Egypt himself at the completion of his tour of duty, and realize a profit in much the same way by selling these spices at the higher prices available there.

It is perhaps significant that all of this took place in 1554, during an unusual two-year period in which Rustem Pasha had been temporarily removed from office. Because of this, and because the wording of the document itself gives the impression of an isolated transaction rather than an established practice, it seems likely that 1554 marked the state’s earliest tentative efforts to use the market to profit directly from the spice trade. The specific reference to Sokollu Mehmed in the text is therefore a striking one, for in that year he had only just received a promotion to the rank of third vizier, and consequently had become an *ex officio* member of the Imperial Divan for the first time. 38 The document therefore provides a clear indication that Sokollu Mehmed was instrumental in encouraging this very early experiment in state market participation.

Frustratingly, further developments from the second half of the 1550s are hidden to us, since no *Mühimme Defterleri* are extant from 1555 to 1559. But by 1560, the year in which Sokollu Mehmed’s friend and ally Mahmud Pasha 37 ‘Müjarun-ileh mektûb gönderip bu bendeleri Yemen’de iken Vilâyet-i mezbûre mahlûlin- den Mustafa ile Mısır’a kırk dört kiselik bahar ırsâl olunup mezkûr zîkîr olunan bahari satıp kırk dört kiselik bahardan Mehmed Paşa için sekiz yüz altı ırân Asitâneye ırsâl idâb hâkîsî içeringinde iken Vilâyet-i Yemen’de tefsînciler ağaltık sadaka olunup.” MD 2 #1243, p. 124.
became governor of the Yemen, this experiment appears to have been expanded and institutionalized, to the extent that the entire annual surplus of the Yemen was now sent not as cash to the imperial treasury, but instead as annual shipments to Egypt of “Calicut pepper.”

In addition, all of the sancak begis of the province were by this time given smaller allotments of spices as part of their yearly salary, and were issued passes allowing them to ship these tax-free from Yemen to Suez and sell them at a profit. Such an arrangement permitted the state to increase the salaries of the Yemeni sancak begis at very low cost, and also had the advantage of reducing corruption, since the free passes issued to provincial officials only had value if the tax regime regulating trade in general was judiciously enforced. As a further benefit, the passes reduced the amount of revenue the treasury had to share with the Sherif of Mecca, since they included a tax exemption from customs in Jeddah, whose proceeds belonged partially to him. It comes as no surprise, therefore, that as a result of all these incentives the system was gradually expanded. By 1565, it had grown to include the entire salary of Ridvan Pasha, the new governor of the Yemen, who was allotted spices and a pass to trade in lieu of any direct cash payment from the provincial treasury.

THE SPICE ‘MONOPOLY’ AND STAPLE RIGHTS IN THE RED SEA

Semiz Ali Pasha died in office in 1565, after having failed to convince the Portuguese to accept his proposal for a free trade agreement in the Indian Ocean. He was immediately replaced as grand vizier by Sokollu Mehmed, and shortly thereafter Sokollu used his new influence at court to have his ally Mahmud Pasha, recently returned from the Yemen, appointed as governor of Egypt. With the two men in such an enhanced position of authority, the stage seemed set for a consolidation of the innovative strategy for exploiting spice revenues that they had pioneered. Over the next two years, as relations with the Portuguese progressively deteriorated, plans were even put in place to forge an anti-Portuguese

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39 According to an Ottoman provincial budget from the Yemen in 1561-61, the ırsaliye or provincial surplus of the Yemen in that year was 2,028,000 paras out of a total of 24,955,164, which was sent as fåṣl-i  kalikut [Calicut pepper]. Özbaran, Ottoman Response to European Expansion, p. 36; a fragmentary document from this same period in the Mühimme Defterleri confirms that the practice of sending the province’s surplus in spices was started by Mahmud Pasha at this time. See MD 5 #1702, p. 613; also Richard Blackburn, “The Collapse of Ottoman Authority in Yemen 968/1560-976/1568,” Die Welt des Islams, New Series 19/1-4 (1979): 132.

40 MD 3 #1499, p. 502.

41 MD 6 #707, p. 336; MD 6 #710, p. 337; and Blackburn, “Collapse of Ottoman Authority,” p. 133.
military alliance with the Sumatran spice-trading center of Aceh, and to build a canal between the Mediterranean and Suez to facilitate the transit of both merchant cargoes and military supplies to and from the Red Sea.

Unfortunately for Sokollu, these carefully laid plans were upended in 1567, when a sudden and surprisingly violent Zeydi uprising in the highlands of northern Yemen led to the almost total collapse of Ottoman authority in the province. Recriminations followed, prompting an investigation of Mahmud Pasha’s finances while governor of the province between 1560 and 1565. When this investigation revealed a pattern of corruption, extortion and indiscriminate violence on a massive scale during Mahmud Pasha’s tenure, an order came down from the Sultan calling for Mahmud’s immediate execution, and for a reevaluation of the policies that had given him such free reign to begin with. As a result, after Ottoman authority in the Yemen was fully restored in 1569, Sokollu began to pursue a much more strictly controlled spice policy, expressly designed to limit the independent participation of civil servants, and to concentrate authority in the hands of the central government. The system of free passes and tax exemptions seems to have been largely done away with, and provincial officials, who had previously been encouraged to trade in spices as a way to augment their income, were now expressly forbidden from engaging in such activity.

Instead, Sokollu organized an annual convoy of state galleys, which shipped from Yemen to Egypt cargoes of spices that were designated for the Imperial treasury, and were exempt from taxation at any point during the journey. Originally, these cargoes were sold in Egypt at a profit, and the proceeds from the sale were sent on to Istanbul. But the huge amount of money involved and the unpredictable fluctuations of the market exposed the system to corruption, both from tax farmers who tried to tax the state ships illegally, and from state officials eager to collect an illicit commission from the sale of the spices at below-market rates. Because of this, after the mid-1570s the entire cargo of state spices was ordered to be shipped all the way to Istanbul, where their safe

43 *MD* 7 #721, p. 258.
45 *MD* 27 #164, p. 263.
46 *MD* 33 #633, p. 306; *MD* 33 #437, p. 214.
47 *MD* 26 #780, p. 272; *MD* 27 #75, p. 26; *MD* 31 #131, p. 51; *MD* 33 #338, p. 169; *MD* 35 #750, p. 296; *MD* 39 #109, p. 47; *MD* 39 #109, p. 47; *MD* 39 #110, p. 47; *MD* 39 #506, p. 259.
arrival and sale could be monitored more directly. It should be stressed, however, that these spice cargoes were always kept separate from the shipments of foodstuffs sent annually from Egypt to the Imperial kitchens, even though these latter shipments also included spices. Unlike the spices destined for the Imperial kitchens, which were primarily intended for consumption by the Sultan’s household, it is clear that the mirî bahâr cargoes of the state spice galleys were intended for sale at a profit, not for the Sultan’s private use.

In fact, the operation of these spice galleys was so tightly controlled, and so obviously geared towards turning a profit, that to an outside observer such as the Veronese traveler Filippo Pigafetta their organization appeared to have all the characteristics of a bona fide “monopoly.” According to Pigafetta:

The arsenal [in Suez] is used to construct [not only war galleys but] also merchant vessels for the Sultan, who has a monopoly. In that sea, indeed, it is strictly forbidden for anyone to own their own ships, or to contract them out privately. All belong to the Sultan, or pay fees to the Sultan, such that the Red Sea is extremely lucrative for His Majesty because of the ships and customs revenues and these alone more than pay for the expenses of the Yemen.

Pigafetta’s claim of an outright commercial monopoly is certainly an exaggeration, for in reality the participation of private merchants in the spice trade was never discouraged. Still, if such merchants wished to engage in the transit trade from the Indian Ocean to Egypt, rather than the intraregional trade within the Red Sea itself, then their movement was limited to certain routes, and they were absolutely required to stop in Mocha, Jeddah and Suez along the way and pay substantial transit fees at each port. Originally, this strict regime applied only to trade in spices, but after 1573 it was extended to coffee as well, to pre-
vent merchants from shirking the rules (and avoiding the highest tax rates) by trading in this newly popular commodity instead of spices.\footnote{Shaw, \textit{Ottoman Administration of Egypt}, p. 104.} All told, these regulations amounted to an imposition of "staple rights" on trade through the Red Sea, a practice common to maritime powers of the Mediterranean since the Middle Ages (and famously used by Venice to control trade in the Adriatic), but rare elsewhere before the sixteenth century.\footnote{On Venetian staple rights in the Adriatic, see Frederic Lane, \textit{Venice: a maritime republic}, pp. 58-63.} The Portuguese are commonly credited with having introduced it to the Indian Ocean as a whole, but it would seem that in the Red Sea, it was the Ottomans who were first responsible.

Over time, these reforms were destined to have a serious impact on the general patterns of trade in the region. At the start of the sixteenth century, Aden had been the most important transit point in the Yemen, and Massava the principle entrepôt on the Eritrean coast, while most ships destined for Egypt landed either at Tur or Quseir. But by century’s end, all of these ports languished in comparison to Mocha in the Yemen, Suakin in Eritrea, and Suez in Egypt, the centers favored by Ottoman regulations as nodes in the system of "staple rights." A local Yemeni source from the turn of the 17th century testifies to this, estimating Mocha’s tax revenues from trade to have increased nearly ten-fold since the establishment of Ottoman authority. Aden, on the other hand, was visited “only by a vessel or two... and the town is ruinous. When anger is felt against a certain person, they post him there.”\footnote{R.B. Serjeant, “The Yemeni Coast in 1005/1579: An Anonymous Note on the Flyleaf of Ibn al-Mujawir’s Tarikh al-Mustahsir,” \textit{Arabian Studies} (1985): 189-90; on the rise of Suakin at the expense of Massava, see J.F.E. Bloss, “The Story of Suakin,” \textit{Sudan Notes and Records}, 19/2 (1936): 78.}

\textbf{THE EMPIRE-WIDE RATIONALIZATION OF THE CUSTOMS REGIME}

To this point, our discussion of Sokollu Mehmed’s policies has been limited almost exclusively to Egypt and the Red Sea—but what of the equally important route connecting the Persian Gulf with the Levant through Basra and Baghdad? At first glance, the Grand Vizier’s strategy here would seem to bear little relation to his efforts in the Red Sea, for in the Persian Gulf there were no analogous attempts to organize shipments of spices for the state, to impose a system of staple rights, or to otherwise restrict trade in any way. No special controls were placed on foreign merchants regardless of their faith or national origin (unlike the Red Sea, where trade was generally limited to Muslims), and
even Portuguese traders seem to have been welcome to use the overland route from Basra to the Mediterranean.\textsuperscript{55} Indeed, as early as October of 1567 Sokollu reinstated the Portuguese Captain of Hormuz’s lapsed right to establish a factor in Basra and trade tax free, provided that he in turn allowed an Ottoman factor to trade in Hormuz with similar privileges.\textsuperscript{56} This concession appears quite remarkable when we consider that, at precisely the same time, Sokollu was in the midst of preparing a fleet in the arsenal at Suez intended for operations in Southeast Asia against the Portuguese in Malacca.\textsuperscript{57}

This strategy, schizophrenic though it may appear, had the unquestionably positive effect of allowing the Empire’s Levantine transit trade via Hormuz to flourish even as tensions elsewhere between the Ottomans and the Estado da India were noticeably on the rise. A contemporary Portuguese account describes The Hormuz-bound trade from Basra during these years as including hard currency, gold and sliver bullion, saffron, paper, Venetians glass, and finished wool products, while from Hormuz to Basra flowed cinnamon, cardamom, nutmeg, perfume, cotton cloths, porcelain, and many other goods, “all in great quantities, such that all things that are traded from anywhere in India go through Hormuz, even pepper, despite being strictly forbidden.”\textsuperscript{58} To accommodate this traffic, roads, port facilities, and caravanserais on the route between Basra and the Levant were expanded and security was improved,\textsuperscript{59} and this overland crossing soon became so fast, safe and reliable that even Portuguese officials in India began to prefer it for their most urgent correspondence with Lisbon. By the period’s end, in 1581, a Venetian trading firm called Altano established a regular courier service along the route, guaranteeing delivery of letters from Venice to Hormuz in three months or less, and from Aleppo to Hormuz in just forty days, while charging 260 ducats for the trip, with one ducat subtracted for every day late.\textsuperscript{60}

What could be the rationale for such a marked discrepancy in the Ottoman trade regulations governing the Red Sea and the Persian Gulf? An unsympathetic observer might conclude there was none, and that Sokollu must have

\textsuperscript{55} See for example Documenta Indica, vol. 11, p. 365.
\textsuperscript{56} MD7 #370, p. 144; this arrangement yielded more than 20,000 ducats a year for the captain of Homuz, Gavetas, XV, 2-5.
\textsuperscript{57} See below, note 75.
\textsuperscript{58} DUP, vol. ii, p. 92.
\textsuperscript{59} Cengiz Orhonlu, Osmanlı İmparatorluğu Şehircilik ve Ulaşım Üzerine Araştırmalar, pp. 121-3.
\textsuperscript{60} Anthony Disney, “The Gulf Route from India to Portugal in the Sixteenth and Seventeenth Centuries: Couriers, Traders and Image Makers,” in A Carreira da Índia e as Rotas dos Estreitos, ed. A.T. de Matos & L.F. Thomaz, pp. 535-537.
made decisions on a purely ad-hoc basis without reference to any overall macro-economic plan. But in fact, there were excellent reasons to act as he did, for the basic structures of trade in the Red Sea and Persian Gulf differed dramatically from one another, and required an administrative approach that reflected these differences.

In the case of the Red Sea, commerce was inextricably linked with the pilgrimage traffic of the hajj to and from Mecca and Medina. Because of the hajj, the Red Sea benefited from a vast, pre-existing transportation infrastructure connecting it to destinations throughout the Indian Ocean, as well as sub-Saharan Africa, the Maghrib and Central Asia. Furthermore, the fact that the hajj was a religious obligation guaranteed that large numbers of Muslim pilgrims would visit the Red Sea every year for reasons that were not specifically commercial—and would engage in trade not for its own sake but out of necessity, as a means to finance their passage. Because such travelers had no choice as to their final destination, and because the Ottomans controlled entry points into the Red Sea from all directions, they were beholden to Ottoman regulations to an extent merchants elsewhere were not. This was especially true since, under Sokollu Mehmed, the movement of pilgrims could be carefully monitored and controlled even within the borders of the Empire. Those arriving from the Persian Gulf, for example, were forbidden from taking the direct route to Mecca across the Arabian desert, being required instead to travel first to Damascus, and then to join the annual state-operated caravan which left for the holy cities from there.

As a result, the volume of pepper and other spices traveling along the hajj route was propelled by religious as much as by commercial demand, making the Red Sea a “captive market” which the state could subject with impunity to strict controls and heavy taxation. In this respect, the Red Sea differed dramatically

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61 On the complex relationship between the hajj and trade see Michael Pearson, *Pilgrimage to Mecca: The Indian Experience 1500-1800* and Suraiya Faroqhi, *Pilgrims and Sultans: The Hajj under the Ottomans 1517-1683*; as Pearson has shown, there is a certain temporal disjunction between the rhythms of maritime trade in the Indian Ocean, which were beholden to the annual monsoon, and the hajj, which was determined by the lunar calendar and thus changed season from year to year. Within the Empire, this meant that the timing of the annual state-organized overland hajj caravans from Yemen, Egypt and Syria did not necessarily coincide with the arrival of the Indian Ocean trading fleet in Jeddah. On the other hand, any pilgrims arriving from overseas were bound to sail with the annual monsoon regardless of whether or not it coincided with the hajj, and then simply wait for the pilgrimage proper to begin once they had reached Ottoman territory (either in the Yemen or in Jeddah), after unloading their spices at the last seaport they were scheduled to visit. In this sense, at least from the perspective of a maritime Muslim pilgrim from the Indian Ocean, there was no practical difference between the hajj and the monsoon sailing season.

62 *MD 27* #271, p. 115.
from the Persian Gulf, where pilgrims were few by comparison and where one end of the route was controlled by the Portuguese in Hormuz. Without exclusive access, and with no pilgrimage traffic to keep the supply of spices artificially high, the state’s ability to indiscriminately tax the Persian Gulf trade was greatly circumscribed. Under such conditions, the logical alternative was to adopt a more “market sensitive” approach, since only by creating conditions favorable to merchants (and providing incentives to the authorities in Hormuz) could trade through the Persian Gulf be maintained. Rather than restricting trade and increasing taxes as it had in the Red Sea, therefore, the state’s strategy in the Persian Gulf was to maximize revenues through an increase in the volume of traded goods.

This basic difference in the structure of trade probably accounts for the vastly divergent taxation rates that seem to have been employed along the two routes. In the Red Sea, precise figures are unavailable because of the lack of records, but we know that the 10% dime tax or 'ṣyr was collected in Jeddah (in addition to other fees), and that tariffs in Mocha and Suez were at least this high. After adding in various and sundry port taxes, weights taxes, stamp taxes, commissions, and a host of other fees collected during the transit through Egypt and in the customs houses of Cairo and Alexandria, the total Ottoman tax on spices between Mocha and Alexandria must have well exceeded 50%, and perhaps approached even 100%. In the Persian Gulf, on the other hand, levies on spices before 1575 were estimated by Portuguese observers at a total of just over 42% between Basra and Aleppo. After 1575, at the suggestion of the governor of Basra, tariffs on spices there were reduced by an additional 4.5% to encourage trade, bringing the total for the route down to around 38%.

Overall, this bifurcated strategy points to a comprehensive rationalization of the state’s policy towards the transit spice and luxury trade, based on a sophisticated understanding both of market conditions and of the Ottomans’ own strategic advantages. It ensured that the state was in an optimal position to profit indirectly from private trade in both the Red Sea and the Persian Gulf, by keeping the two routes separate from one another and tailoring the revenue collection system of each to local requirements. At the same time, it created the conditions necessary for the state to compete directly with the Portuguese crown

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63 Özbaran, *Ottoman Response to European Expansion*, p. 53.
64 On compound taxation of the trade routes in Egypt, see Shaw, *Ottoman Administration of Egypt*, p. 101.
as a merchant in its own right, by means of the Imperial spice galleys that traveled every year between Mocha and Suez.

Recent research into the effectiveness of Portugal’s rival trade around the Cape of Good Hope has shown that, during the second half of the sixteenth century, this trade remained more competitive than was previously believed. The precise reasons for this resilience, however, remain inadequately explained, and since contemporary Portuguese observers routinely complained that the Ottoman-controlled routes were both shorter and faster than their own route around Africa, it would appear that lower absolute Portuguese transportation costs can be safely excluded as a factor. Coercive Portuguese trading practices, by means of which they forced suppliers to sell at below-market prices, were perhaps somewhat more responsible, although such tactics proved costly and relatively unreliable in the long run. Overall, the single most important explanation for the continued success of the Portuguese Cape Route is therefore to be found in the tax rates across the Ottoman-controlled routes, which were kept high enough that the longer trip around Africa could still remain marginally competitive. But these taxes, it must be stressed, were levied only on spices carried by private merchants through the Red Sea and Persian Gulf. Unlike them, the state-owned cargoes of the Ottoman spice galleys were transported from Mocha to Alexandria entirely tax free. Thus, above and beyond its ability to tax private trade, the Ottoman state was also in an unrivalled position as a merchant, for among all of the various competitors for the transit spice trade (including the Portuguese crown), it alone had the ability both to make use of the shorter and cheaper route through the Red Sea, and at the same time to avoid paying taxes at any point along the way.

Regrettably, we still do not know exactly what percentage of the total volume of spices was carried by the Sultan’s galleys, so the precise extent of their impact on international trade patterns remains difficult to assess. As far as the Portuguese of the day were concerned, however, there was general agreement that the Ottomans enjoyed a built-in structural advantage over the Estado da India wherever they were allowed to compete freely—an awareness which surely accounts for the Portuguese rejection of Semiz Ali Pasha’s free trade


68 Ottoman administrative documents such as the Mühimme Defterleri rarely provide specifics about the total volume of spices these galleys carried, or the practical business of how their cargoes were sold after arriving at their final destination. With any luck, future research making use of other sources, such as the Egyptian court records or contemporary Italian commercial documents, will shed more light on this important question.
proposals in the 1560s despite the constantly deteriorating effectiveness of their anti-Ottoman trade embargo. The rational for rebuffing such proposals is expressed quite unequivocally in the following words of an anonymous *fidalgo*, preserved for us in the chronicle of Diogo do Couto:

> With regard to this [agreement], I say that if the Turks were allowed to travel freely to India, and establish factors, and trade in merchandise wherever they wished, not only would Your Majesty’s own profits suffer greatly, but the rest of us would be left completely empty handed, because all of the business [handled by the Portuguese] would immediately fall to the Turks and by means of the Red Sea and Persian Gulf they would bring to India all of the principal products which we bring from this Kingdom [of Portugal], since in the Levant and other parts [of their empire] they can be acquired much more cheaply than in Portugal. In addition, the duration of their voyages, their transportation costs, the risks they would face and the damage they would sustain to their ships and their merchandise would be less than half of that suffered by our own ships... As for [the state monopoly in] pepper and other controlled spices, this also would be threatened by allowing the Turks to establish factors in India. Even now, when they have not been able to openly compete against the Portuguese, it is known that they conduct a trade in secret, carrying spices to Hormuz, to Basra, and to Bengal, Pegu, China and other lands, and especially to their own markets, despite the great risks involved. Thus, [if allowed to operate freely, their ties with] local Muslims would leave them even better informed and better organized, such that by means of the [Red Sea and Persian Gulf] they could send as much [pepper] as they wanted, and become masters of the lion’s share of the trade in spices.\(^69\)

**BEYOND THE SPICE GALLEYS: EVIDENCE FOR THE USE OF OTTOMAN FACTORS ABROAD**

As the above passage illustrates, the unease the Portuguese felt about competition from the Ottoman Empire stemmed not only from the Ottomans’ access to shorter trade routes, but also from a perception that, as Muslims, they were

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\(^69\) “Preposto isto digo que se os Turcos podesssem ir livremente à India, e ter feitorias e tratar em mercadorias ditas por onde quisessem, que além de V.A. perder os grandes proveitos que recebe delas na India ficaríamos nós não tendo laa que fazer porque todas as fazendas que disse avião logo os Turcos de negociar por suas mãos, e por via dos Estreitos de Meca e Persia levarião à India todas as principais mercadorias que os nossos levão nas naos deste Reyno, as quais em Levante e em outras partes onde as comprassem são muito mais baratas que em Portugal, e além disso o tempo das viagens, fretes, riscos, danificações delas e das naos em que as levassem serião mais da metade dos Mouros do que custão aos nossos... e quanto à pimenta e outras drogas defesas também pera isto seria mor dano e perjuizo terem os Turcos na India feitorias porque se aos mesmos Portugueses se não pode de todo toher o trato delhas pois se sabe que escondidamente e a risco de lhe tomarem as fazendas as levão a Ormuz, a Baçora, e a Bengala, Pegu, China e outras partes quanto mais aos Turcos, que por isso, com os mouros da terra, teriam mores inteligências e melhor aparelho pera por via de ambos os Estreitos ficariam assi senhores de milhor e mayor parte das especiarias.” *Década 8a*, pp. 205-207.
simply better at negotiating trade deals abroad because of their links with local merchants. Strangely though, considering the frequency with which contemporary Portuguese observers expressed such concerns, modern scholars have been reluctant to take them particularly seriously. Instead, they have tended to assume that the Portuguese must have somehow misinterpreted Ottoman ambitions, since sophisticated, state-organized mercantile practices such as the establishment of imperial factors in markets overseas seemed fundamentally inconsistent with the “Ottoman” way of doing things.70

The fact remains, however, that there is simply too much direct evidence for the existence of Ottoman commercial factors abroad to dismiss them as mere figments of the Portuguese imagination. As we have seen, as early as 1540 the Ottomans had demanded the right to purchase pepper directly from the markets of Calicut rather than rely on deliveries from Portuguese vessels, and the bilateral tax exemptions subsequently agreed to between the governor of Basra and the Captain of Hormuz quite explicitly included a tit-for-tat exchange of trade representatives. As a slightly later Ottoman document described this agreement, “a man called a “factor” [feytâr] was sent from Hormuz to reside in Basra for a certain period, and at the same time a man was selected from among the merchants of Basra and was sent as an ‘ambassador’ [elçi] to reside in Hormuz.”71

A similar arrangement would appear to have been the basis for Semiz Ali Pasha’s proposal in the early 1560s calling for the establishment of Ottoman commercial factors “in Sind, Cambay, Dabul, Calicut, and any other ports they desired,” in exchange for Portuguese rights in Basra, Cairo and Alexandria.72

The clearest evidence for the existence of Ottoman factors abroad, meanwhile, involves the Empire’s commercial links with the western Indonesian Sultanate of Aceh. This relationship seems to have begun in 1562, when an embassy from Aceh arrived in Istanbul hoping to purchase artillery and other war supplies, and to hire a number of expert Ottoman gunners and cannon founders as mercenaries. In exchange, the Acehnese ambassador promised special trade concessions to the Ottomans, or in the words of one Portuguese chronicler, “he offered the Sultan the commerce and trade in all the drugs and spices of the Moluccas, Banda, Java and all the other islands of that archipelago, assuring him that he would gain innumerable riches from it.”73 According to a detailed letter from

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71 “bundan a∆dem Hürmüz c®nibinden feyfl'r n®mında bir ®dem gelüp niçe gün Ba◊raæda s®kin olup bu cânibden dahi ilçi nâmına Ba◊ra tâcirlerinden bir kimesne gönderilüp Hürmüz'de sâkin olup . . .” MD 7 #370, p. 144.
72 Década 8a, p. 201.
73 “lhe ofereceo o comercio e trato de todas as drogas e especiarias de Maluco, Banda,
the Topkapi Palace archives, this prompted the Porte to send a trade representa-
tive of its own back to Sumatra, who subsequently negotiated a formal tribu-
tary relationship between the local ruler and the Ottoman Sultan. Then, before
heading back to Istanbul, this representative, referred to in the document as “His
Majesty’s Servant Lutfi,” loaded “sixteen kantars of pepper, silk, cinnamon,
cloves, camphor, hisalbend, and other products from the ‘Lands Below the
Winds’ onto a large and famous ship known as the Samadi.”74 The cargo was
later intercepted by the Portuguese and never reached its destination, but Lutfi
managed to return safely to Istanbul in 1565, and was able to present a letter
to the Sultan informing him that in the lands of Southeast Asia:

There is a wealth of jewels, gold and silver which is beyond reckoning, but which for
a long time has fallen to the lot of the wretched infidels. If the Almighty so wills it,
one day a rightful share [of these riches] will belong to the warriors of your Imperial
Majesty’s army of the faithful.75

After this date, which corresponds almost exactly with Sokollu Mehmed
Pasha’s promotion to grand vizier, economic and political relations between Istanbul
and Aceh were inextricably linked. Two years later, in 1567, Sokollu had a fleet
prepared in the arsenal of Suez intended to be sent to Aceh, which included a
pair of large sailing ships for transport in addition to 15 war galleys. According
to orders issued to the fleet’s commander, these sailing ships were designed not
only to carry troops and supplies on the outgoing journey, but also to return
from Aceh with a cargo of spices, presumably in payment for services ren-
dered.76 Subsequently, the main military expedition to Sumatra was cancelled as
a result of an uprising in the Yemen, but it appears that these trading ships
made the voyage to Aceh on their own, exchanging a shipment of artillery,
munitions, gunners and men-at-arms for a cargo of pepper and other spices.77

Thereafter, an imperial agent engaged in buying and selling goods for the
Ottoman treasury seems to have become a permanent fixture in Aceh for the

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74 “...Şamadi demekle mu'rif ve meşhur 'azim ve büyük gemi bu diyärden on altı kantar
fülfül ve ibrşim ve dârcin ve karanfil ve kâfür ve hisâlbend ve sayıır Tahte'r-rîh metâ'larından
yükleüp...,” Razaulhak Şah, “Açi Padişahı Sultan Alâeddin’in Kanuni Sultan Süleyman’a
75 “'mu'rif olanur ki nice cevâhir ve alun ve giyim me'adenleri bi hesâb bulunur bu nice
76 “ve barçalar, ol cevânipde bahâr vardur. Anı tahmil idüp getüreler.” MD 7 #234, p. 87.
77 See the letter of Cristovão da Costa from Malacca, Dec. 6, 1568, in Documenta Indica,
vol. vii, p. 530.
rest of the century. Dutch reports from the 1590s mention the existence of such an agent, as do French visitors from as late as 1602, and an Ottoman provincial budget from the Yemen in 1599 includes under an entry for “buying and selling” [al-müb®yaÆ®t] a figure of 23,880 pares for “miscellaneous expenses of the sea captain who travels in the direction of India and back to the port of Mocha, exerting himself greatly for the sake of the Emperor’s property.” This captain is almost certainly the same “Nachoda [sea captain] from Mecca” who, according to the Dutch visitor Frederick de Houtman, “as part of the preliminaries of trade offers the Sultan of Aceh military assistance from his country.”

A text from the mid-1580s composed by the Bishop of Malacca gives us further insight into the particulars of this trade. According to his account, Aceh was visited every year by four or five ships from “Mecca” that brought cargos of gold and silver currency, slaves, rose water, glassware, silk brocades and woolen cloth, but most importantly large quantities of valuable military supplies:

The above mentioned ruler [of Aceh] has more than one hundred pieces of large bronze artillery and many more of iron, and has over two hundred medium-sized guns, more than four hundred small caliber pieces, and a great quantity of arquebuses, for every year these arrive in the ships from Mecca, as I have already described above, and he also has abundant supplies of very good quality gunpowder and cannonballs of all different varieties.

With its emphasis on firearms, this passage highlights another important and too often overlooked aspect of trade between Aceh and the Ottoman market, which is that the cargoes of spices and other Southeast Asian products loaded by Ottoman merchants were paid for in large part with guns and ammunition.

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78 According to these reports: “the Ottoman Sultan had his headquarters on the island of Aceh with a capital of one million in gold coins to buy valuable spices,” Halil İnalcık, Economic and Social History of the Ottoman Empire, vol. 1, p. 347.


80 “ bah®-i Ωil®flh® ber®y-i naΩ’da ki Æan c®nib-i Hind ®medend ve il® bender-i MuΩa e®n sebeb ki ‘an m®l-i p®di¤h®h¬ saæy-i bel¬∫ kerdend.” Halil Sahillioªlu, “Yemen’in 1599-1600 Yıı Bütçesi,” in Yusuf Hikmet Bayur’a Armaªan, p. 318.


82 “E terá o dito rei mais de cem peças grossas de artelharia de metal e assi tem mais algumas grossas de ferro, e de artelharia melã terã duzentas pessoas, e de meuda terã perto de quatrocentas, e tem grande numero de espingardas, porque todos os anos lhe vem de Mequa como acima fica dito e tem muita pólvora feita, e boa, e grande soma de pelouros de toda a sorte.” João Ribeiro Gaio, Roteiro das cousas do Achem: um olhar português sobre o norte de Sumatra em finais do século XVI, ed. Jorge Manuel dos Santos Alves, p. 97.
Thus, in effect, the Ottomans were exporters of technology, an imminently more favorable medium of exchange than hard currency. In the sixteenth century, artillery was the technologically advanced and labor-intensive product *par excellence*, with an almost unlimited demand overseas and an “added value” many times greater than the raw materials out of which it was produced. Its export allowed the Ottomans to check the outflow of precious metals from their home market towards the Indian Ocean, and also provided desirable political consequences, by helping to strengthen militarily one of the Ottomans’ closest trading partners.

**TRANSFORMATION AFTER SOKOLLU MEHMED**

Sokollu Mehmed Pasha died in 1579, and his passing ushered in a period of extended Empire-wide instability to which the Red Sea and the Persian Gulf were no exception. In the same year as his death, Ottoman forces in the horn of Africa were handed a crushing defeat by the Emperor of Abyssinia and temporarily lost control of the Eritrean coast. Across the water in Yemen, a Zeydi strongman managed to take control of the harbor of Mocha, including its customs house.83 For a few years, this allowed much of the Red Sea trade to pass between Mocha and the Eritrean port of Beylul, thereby completely avoiding Ottoman taxation and seriously undermining the Empire’s system of staple rights in the region.84 Meanwhile, in the Persian Gulf, renewed harassment from the Portuguese at sea and Arab tribes along the Tigris and Euphrates threatened Basra’s links with the rest of the Empire, and even forced most of the city’s residents to relocate within the walls of its newly expanded citadel.85

None of this proved fatal to regional trading interests, but it did force a series of permanent changes in the fiscal administration of these border provinces. In 1580, authorities in the Yemen were given permission to begin selling some state spices locally in order to subsidize Ottoman operations in Eritrea, a practice strictly forbidden under Sokollu Mehmed.86 Two years later, in 1582, central control was further relaxed when the governor of Egypt was instructed to authorize the sale of state spices arriving from the Yemen directly to European merchants in Alexandria, and to forward on to Istanbul only the cash proceeds from their sale.87 Around the same time, merchants in the Red Sea began

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83 Cengiz Orhonlu, *Habes Eyaleti*, pp. 56-60.
84 MD 48 #6, p. 3.
85 MD 49 #149, p. 42.
86 MD 43 #328, p. 180.
87 MD 48 #617, p. 220; This followed bitter complaints from Istanbul in 1581 that the governor of Egypt had not sent any of the 1,100 bales of spices expected that year. See MD 46 #187, p. 99.
bypassing Jeddah and sailing directly from Mocha to Suez, apparently with the collusion of Hasan Pasha, the governor of Yemen. In response, the Sherif of Mecca demanded that ships from India be allowed to bypass the Yemen and sail directly to Jeddah.

All of these developments point to a wavering of the central government’s ability to maintain control of trade as it had in the past, and perhaps also to a waning of its inclination to do so. It is certainly no coincidence, therefore, that these same years also witnessed, particularly in Egypt, the emergence of prominent private trading families such as the Abu Taqiyya and the Ibn Yagmur, which have been documented so carefully by Nelly Hanna. As she has shown, these families, as they dealt in ever greater quantities of spices and other goods, began to take over from the state the leading role in maintaining the infrastructure of trade in Egypt and the Red Sea, by endowing caravanserais, warehouses and the like for public use. And at the same time, high-ranking Ottoman provincial officials began to deepen their involvement as private investors, becoming in the process noticeably unscrupulous about keeping these activities separate from their role as civil servants.

One such example of this new breed of government official is Koja Sinan Pasha, who served as governor of Egypt for several years under Sokollu Mehmed Pasha and again following Sokollu’s death in the early 1580s, in addition to a brief stint as grand vizier from 1580 to 1581. Evidence suggests that Sinan invested large sums of his considerable fortune in spices and other luxury goods while in Egypt, and even owned and operated his own ships in the Red Sea. With the proceeds from this trade, he endowed warehouses and other merchant facilities all along the commercial and pilgrimage routes from Egypt and Syria to the Hijaz, and was also able to use his wealth to support the advancement of his public career. Thanks in part to his enormous personal fortune, Koja Sinan survived the turbulent political crises of the late sixteenth century better than almost any of his contemporaries, regaining the office of grand vizier repeatedly during the following decades.

An even clearer example of this trend is to be found in the career of Hasan Pasha, a close ally of Koja Sinan’s who served as governor-general of the Yemen for an unprecedented twenty-five years beginning in the early 1580s. During this

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88 MD 53 #127, p. 65.
89 MD 53 #177, p. 66; #178, 66; #470, p. 160.
90 Hanna, Making Big Money in 1600.
91 MD 27 #164, p. 263.
92 Hanna, Making Big Money in 1600, p. 107.
lengthy tenure, Hasan developed an extensive network of private trade relations with a whole range of influential business partners, including foreign representatives such as the French consul in Cairo. His success inspired counterparts in neighboring provinces to follow his example, such that it became routine for high-ranking state representatives to use their privileged positions to raise capital, take out loans, and buy spices on credit from private merchants, all at very favorable terms. By the 1610s, this had become so deeply entrenched in the structures of regional trade that, according to Dutch visitors to the Yemen, even pashas who first arrived from Istanbul to the remote province as paupers always returned home again as rich men.

This rapid “indigenization” of Ottoman provincial administration, and the rising clout of local trading interests that it entailed, meant that the Empire’s economic relationship with the Indian Ocean deepened and expanded even as the central government’s direct influence gradually receded. The volume of long distance merchant and pilgrim traffic continued to grow, and extended into new and distant areas like Pegu and Masulipatnam where, beginning in the 1580s, regular maritime links with Ottoman ports were established for the very first time. Contacts with Mughal India also improved, and in 1602 a delegation of Ottoman merchants opened negotiations with Emperor Akbar for a series of trade concessions in Mughal ports. By the early decades of the seventeenth century, with the number and size of merchant vessels continuing to rise, ships capable of carrying over a thousand passengers became commonplace, and at least six such ships traveled regularly between India and the Red Sea on an annual basis.

Such diversification, combined with the emergence of new commodities like Yemeni coffee, meant that the relative importance of spices declined as a proportion of the total volume of trade. As a result, by the turn of the seventeenth

94 Hanna, Making Big Money in 1600, p. 108.
95 According to Hanna’s research on Egyptian court records, Ibrahim Pasha of Egypt, Bayram Pasha and Fazlu Pasha of the Yemen, and Ahmet Pasha of Habesh were among the Ottoman officials especially active in this type of activity. Hanna, Making Big Money in 1600, pp. 107-109.
99 Pearson, Pilgrimage to Mecca, p. 56.
century the “spice galleys” that traveled between Mocha and Suez seem to have assumed a rather different purpose. A surviving Ottoman budget from the Yemen in 1599 records that in Mocha a ship known as the “Mansuri” was constructed with state funds at a cost of 183,364 pares. It subsequently yielded revenues of 308,484 pares in freight charges, such that it paid for its own construction nearly twice over in its first year of operation. But the entry makes no specific mention of spices, suggesting that by this date state galleys were used to carry merchanize of any sort. Since these ships were tax-exempt and had a special right to sail directly to Suez without stopping in Jeddah, it seems likely that they had begun to load private cargoes and to generate revenue by charging correspondingly high rates for freight, in a manner roughly analogous to the celebrated state-operated galley convoys of the Venetian republic.

As for the continuing importance of trade for state finances generally, the same budget indicates that in 1599-1600 the total customs revenues for all the ports of the Yemen amounted to nearly five million pares (of which more than three million from Mocha alone), and that they accounted for just under thirty percent of all provincial revenues from that year. This compares favorably with figures from 1576 (when Sokollu Mehmed was still in power), showing customs and port fees which accounted for only slightly more than ten percent of Yemen’s revenues. Admittedly, these earlier figures do not include profits from the 500 bales of state spices shipped from Mocha in that year. But even so, it would appear that, at least in the Yemen, trade-related income increased as a proportion of total state revenues after the central government had begun to withdraw from direct participation in the spice trade.

All of this confirms Hanna’s basic thesis, discussed above, that free-market conditions in Egypt and the Red Sea led to a commercial expansion propelled by private capital and the independent initiative of merchants. This was true, however, only of the last few decades of the century, following the death of Sokollu Mehmed in 1579. Before then, the state had routinely intervened in the market both as a regulator and as a merchant in its own right. And importantly, it was during this earlier period, not the later decades studied by Hanna, in which the volume of spices through the Red Sea and Persian Gulf witnessed its most impressive growth.

100 “Mansûrî adında bir geminin Mocha ile Sûveys arasında yük taşımlanı̇ndan hasil olan 308,484 pâredir” Sahillioğlu, “Yemen Bütçesi,” p. 295.
101 The budget shows port revenues, or harâc-i iskelehâ, of 4,845,941 pare out of a total 16,425,056 pare. Sahillioğlu, “Yemen Bütçesi,” p. 301.
102 The exact figures are 1,903,354 pare out of a total of 17,896.315. Özbaran, Ottoman Response to European Expansion, p. 52.
103 Özbaran, Ottoman Response to European Expansion, p. 53.
Furthermore, the state’s subsequent withdrawal from the economic realm was not without its own special costs, for although trade may have continued to expand in the short term, the process of decentralization (and the erosion of governmental authority which this entailed), would eventually have serious consequences both political and economic. In the Yemen, instability was the inevitable result, culminating in an armed Zeydi insurrection in 1626 and the permanent loss of the province by the mid-1630s. Even before this, in 1623, the Ottomans surrendered Baghdad to Shah Abbas, and with it lost their only direct route to Basra and the Persian Gulf. Although Baghdad would be recaptured in 1638, and the Ottomans would return to the Yemen in the late nineteenth century, the close commercial relationship that the Empire had formerly enjoyed with the Indian Ocean would never be the same.