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978-0-521-13536-8 - Economic Life in Ottoman Europe: Taxation, Trade and the Struggle for Land, 1600-1800

Bruce McGowan

Excerpt

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# 1 ✦ Ottoman exports to pre-industrial Europe

The Levant trade,<sup>1</sup> though partly a trade in luxuries, functioned primarily to supply European traders with unprocessed commodities from the Ottoman territories. These commodities originated in regions where land was relatively abundant, and labor correspondingly cheap as well, and were destined for regions further west where land was less abundant and labor consequently somewhat more costly in absolute terms. Thus in Europe's pre-industrial centuries – the sixteenth, seventeenth and eighteenth – a pattern of trade developed which expressed an emerging regional specialization in production and trade which went beyond the limits of Europe itself and which permitted the European trading partners to share cheaper Ottoman factor supplies as embodied in the traded commodities.

Geographers who have studied the progress of trade during the pre-industrial and early industrial periods have pointed to the overarching influence upon land use everywhere of an emergent distribution of population densities, with centers of density in north-western Europe and, on a lesser scale, in northern Italy.<sup>2</sup> An interpretation of the Levant trade which takes into account these differences in population density gives us a view of this half-conscious, backdoor relationship between Europe and the Ottomans which places available information on the trade on a more rational plane. Seen in this way, the Levant trade exercised a continuous influence upon the history of European land use in the modern era, a role which Ottoman authorities had no way of understanding and to which they probably would not have consented if they had.

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1

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## 2 Ottoman exports to pre-industrial Europe

**The field effect of population concentration in Western Europe**

The brave new world of exploration and trade which opened up in the sixteenth century was a world with swiftly changing demographic proportions. In Western Europe the traumatic plague-related losses of the fourteenth century had long since been effaced, and population densities in most areas were edging upwards to unprecedented levels. An older tendency towards a concentration of population in the north-west reasserted itself; population density in the Low Countries became two to three times that of less populous parts of Europe. To the east, the Ottoman territories – like most of Eastern Europe – remained relatively far less populous in terms of density, even though evidence of flourishing Ottoman towns persuades us that the populations under Ottoman rule – in line with populations on the western rim of the Mediterranean and in Europe generally – were also growing dramatically throughout the sixteenth century.<sup>3</sup>

The emergent east–west density gradient persisted and became a long term influence in shaping modern European history. Whereas in the seventeenth century population levels on the shores of the Mediterranean faltered or foundered, human populations in the north-west continued to edge upwards.

One effect of this gradient was its influence upon long run patterns of trade both on the European maritime periphery and later, as the maritime world expanded, world wide. By altering the ratio between men and the land the population concentration in the west created new demand conditions, operating (to borrow Warntz's phrase) like a 'field quantity, analogous to gravitational potential – (with) similar characteristics such as mathematically derivable intensities, gradients, forces and energies.'<sup>4</sup>

Yet the field created by the economic needs of the population clusters in north-western Europe was not a simple and unobstructed field. It had two main parts, on conducive to trade, the other resistant to trade. Whereas the waterways surrounding Europe were exploited to carry trade as rapidly as maritime technology was developed for their mastery, land routes burdened with mud, dust and customs men resisted mastery until their gradual displacement by canals and railroads. Fox speaks of two Frances, one accessible to water, the other not. Peet speaks of rivers such as the Oder and Vistula as 'low cost intrusions' upon the northern plain of Europe.<sup>5</sup> In a similar vein, Karl Polanyi has emphasized the relative poverty of intraregional trade in the same

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Excerpt

[More information](#)*Population concentration in Western Europe*

3

centuries relative to interregional trade. It was by ships and by water that the demands born from the changing demographic constitution of Europe were transmitted. Therefore, concentrated population alone was not a precondition for an enlivened trade in primary goods, but it was rather population concentration at or near waterside – together with the income potential and buying power which such concentration implies. It was the waterside capitals of Europe – above all Amsterdam and London – which were the arbiters of the emerging trade empires.

Ignoring for our purposes the far flung colonies of the trading powers, let us consider the flow of primary goods upon the seas bounding Europe north and south. These seas became in the sixteenth century, and remained, avenues for a continuous, predominantly east-to-west flow of primary goods. A traffic in staples was, of course, not a new thing – one need only think of the wheat of Sicily or the Crimea, or the wool of Spain or England, among other frequently traded commodities of the late medieval world. But increasingly from the sixteenth century onwards Western Europe became the destination for unprocessed commodities which answered its needs, usually food and fibers, sending back textiles, other processed commodities, or coin.<sup>6</sup> The needs of the east–west trading partners became asymmetrical. Thus from the Baltic shores a flow of grain (predominantly rye), which had appeared intermittently in earlier centuries, became a major feature of the sixteenth-century world and, although diminishing as a portion of a steadily expanding total world trade, remained important in the seventeenth and eighteenth centuries, with its all-time peak occurring in the first half of the seventeenth century.

As for the relatively more important Levant trade (see Fig. 1), it was far more heterogeneous. Founded on wheat and silk in the sixteenth century, it grew to include cattle, wool, mohair, hides and finally cotton and tobacco in copious quantities. The erstwhile entrepôt trade in luxury goods, in which the Italians and Egyptians had been the major actors, survived as but a tiny part of the Levant trade of the later Ottoman centuries. Though subject to fluctuation in volume and content, the Levantine exports reached new levels in the seventeenth and eighteenth centuries, steadily feeding Western markets with commodities which, generally speaking, required extensive use of the land, thereby freeing land in the vicinity of the ports of destination for more capital-intensive and labour-intensive uses. Thus as fallow became increasingly scarce in waterside Europe, and as land was turned over to raising fodder and other industrial and more intensive uses, the relatively more

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Bruce McGowan

Excerpt

[More information](#)

#### 4 Ottoman exports to pre-industrial Europe

abundant land of the eastern Mediterranean – in a development paralleled to that in the eastern Baltic – was drawn into the emergent Europe-centered international system of trade and production. Ottoman fallow products were drawn into the service of Europe.

The West European pattern of land use supported by the Baltic and Levant trades during the centuries following the sixteenth was already in formation during the demographic trough of the fourteenth and early fifteenth centuries. Vacancies created by plague and famine had slackened pressure upon the land and had released some land for purposes other than to raise grain for the everlasting porridge pots of medieval times. Renewed space for pasture, orchards, vines, and such industrial crops as flax, hemp, hops and woad had made possible shifts in consumption habits which were to survive the new general upward trend in population of the sixteenth century and *the renewed pressure upon the land* which accompanied that surge in population. As a matter of course, rents rose near population centers and near the waterways which communicated with them. Although a modern market for land, with market consensus on grades of value, would only emerge gradually, the enhanced value of land in waterside Europe in the sixteenth century would be reflected in the now more frequent short-term tenure arrangements, as well as more frequent sales of land and other land transfers. Rural wages, on the other hand, were held down as the man/land ratio tilted so as to increase the relative value of the land.

Since a more populous, increasingly urbanized north-western Europe, taken as a whole, could afford to sustain more varied (and thus more 'modern') consumption habits, land use closer to home reflected these various relatively recent changes in consumption patterns. Yet obviously as population levels again crept upwards in the sixteenth century (and in the Low Countries continued to move upwards in the seventeenth century) the higher levels of demand for such traditional staples as wheat and wool had also to be accommodated. Gradually part of the increased demand was met by improved agricultural technique (or as at least one authority emphasizes *rediscovered technique*) – crop rotation, marling, manuring, and increasing reclamation through swamp drainage and polder making.<sup>7</sup> But even before these rediscovered agricultural techniques had shown themselves in north-western Europe, a much simpler adjustment to the increased demand was made by reaching farther afield for waterborne commodities – to the Baltic tributaries for rye, and less obviously,<sup>8</sup> to the Ottoman territories for cattle, wheat, wool and hides.

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Bruce McGowan

Excerpt

[More information](#)*Population concentration in Western Europe*

5

With the exceptions of cotton and tobacco, which became important Ottoman exports in the eighteenth century (and in the north the forest by-products which came to supplement rye) the staple goods sent to Europe from the Mediterranean and Baltic shores were goods which could also have been produced near the ports of destination – indeed they could have been raised more efficiently closer to home than in the distant zones which actually supplied them had land been freed from other uses. But under the new conditions fostered by the growth of population in the sixteenth century, there was not enough land to sustain the more modern consumption patterns with the agricultural techniques then prevailing. Thus some commodities were produced closer to home while other products were imported from the distant periphery. Naturally as north European agricultural technique was improved in the direction of intensivity, the need for certain imports slackened, so that England, for instance, could become intermittently a grain exporter in the eighteenth century. Spain, on the other hand, did not make comparable improvements in technique, and thus at the beginning of the seventeenth century was obliged to drop its hitherto exorbitant policy of supplying its overseas colonists with oil, wine and biscuit.<sup>9</sup>

It was not chance which determined which commodities the European markets would bring from abroad and which from their immediate hinterland. Those crops (or combinations of land uses, since crop rotation was evolving) which could afford to pay the highest rents (after the subtraction of capital inputs and transportation costs) were the crops raised closest to the waterside population concentrations where rents were highest.<sup>10</sup> Thus an emerging hierarchy of rents (which systematic data gathering would surely show to have described an isobaric configuration centered upon north-western Europe) had as its concomitant a hierarchy of land uses (or combinations of land uses) whereby those crops least able to pay high rents were pushed outward, away from the center of the demographic field. Conversely, crops which could pay higher location rent would dominate in regions closer to the center; examples would be the olive and wine specialties so well developed in Spain and Portugal that grain, a partly displaced commodity, was continuously imported; this paradoxical effect was noticed by Braudel, who found it puzzling.<sup>11</sup>

The fact that the greater part of Europe was still a landlocked enclave in relation to the waterside population concentrations has obscured this pattern; otherwise it would have long since been as

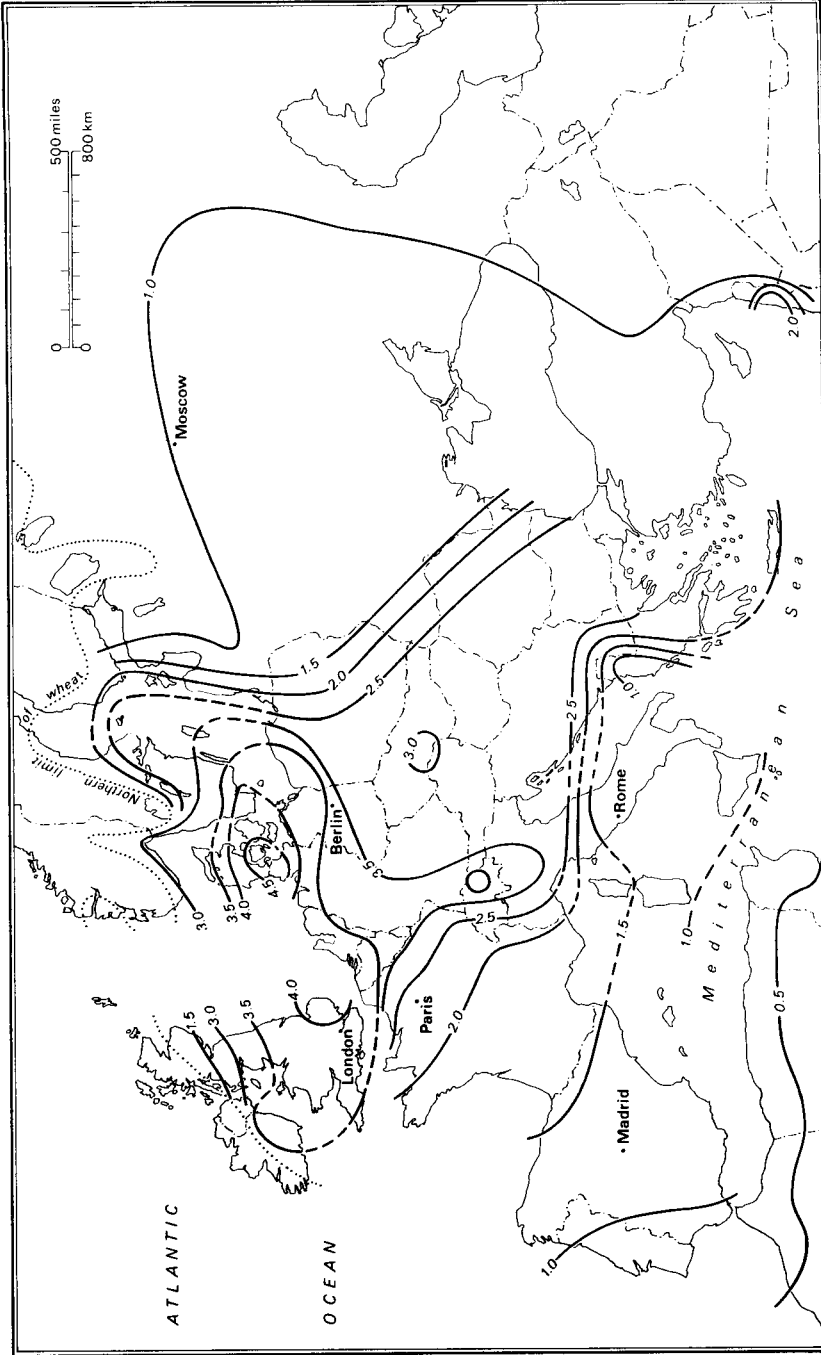
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[More information](#)



Map 1 European yields of wheat in metric tons per hectare based on twentieth-century data (demonstrating the field effect of demographic concentration)

Source: after J. Kolars and J. Nystuen, *Geography: The Study of Location, Culture and Environment* (New York, 1974)

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Bruce McGowan

Excerpt

[More information](#)*Population concentration in Western Europe*

7

apparent to historians as increasingly it has become to geographers. A pattern which would eventually be meaningful for the European whole in all its parts was at first manifest largely on the watery periphery: thus whereas Amsterdam drew regularly on the Baltic for its rye staple, Paris was supplied from the Ile de France. Only by standing back to gain the geographers' perspective upon Europe as a whole can we begin to appreciate the effects of the emergent European demographic field upon both near and distant land use.

A striking demonstration of the demographic field effect can be obtained from maps encompassing the whole of Europe which show concentric zones of agricultural intensity (i.e. intensity of inputs) based on early twentieth-century data.<sup>12</sup> By the twentieth century, the penetration of Europe by railroads was sufficiently complete to obliterate the earlier dependence upon water transport, so that the hierarchy of agricultural intensity in this latter period no longer features a great landlocked enclave of the sort just referred to in connection with the sixteenth century land-use hierarchy. Nor is the latter-day example based on intensity of inputs simply illustrative, for it demonstrates a fundamental corollary effect of the megascale hierarchy of location rent which had begun to develop with the population surge of the sixteenth century. Thus not only were certain crops and products designated by an economic logic as Baltic or Ottoman export specialties, but even the intensity of cultivation which could be justified in these outlying regions was also influenced by the demographic field effect. Since commodities produced far from the market had to pay relatively higher transport costs, more intensive inputs of labor or capital could not be justified economically if they were to be competitively priced in the faraway markets.

Ottoman agriculture, in other words, was destined to be more 'extensive' (i.e. less labor and capital intensive) than agriculture in the West to the extent that it supplied European markets with its products at prices which could bear the transport costs involved: this is a corollary effect of the evolving European demographic field.<sup>13</sup>

To say that the Ottoman territories were located on the periphery of the European demographic field is not to say that their exports were 'marginal,' 'peripheral' or inessential. Ottoman exports, though they amounted only to a small fraction of total world trade in the seventeenth and eighteenth centuries, made an important contribution to European economic evolution and to the evolution of land-use patterns in Europe. The nature of these exports was determined not only by the

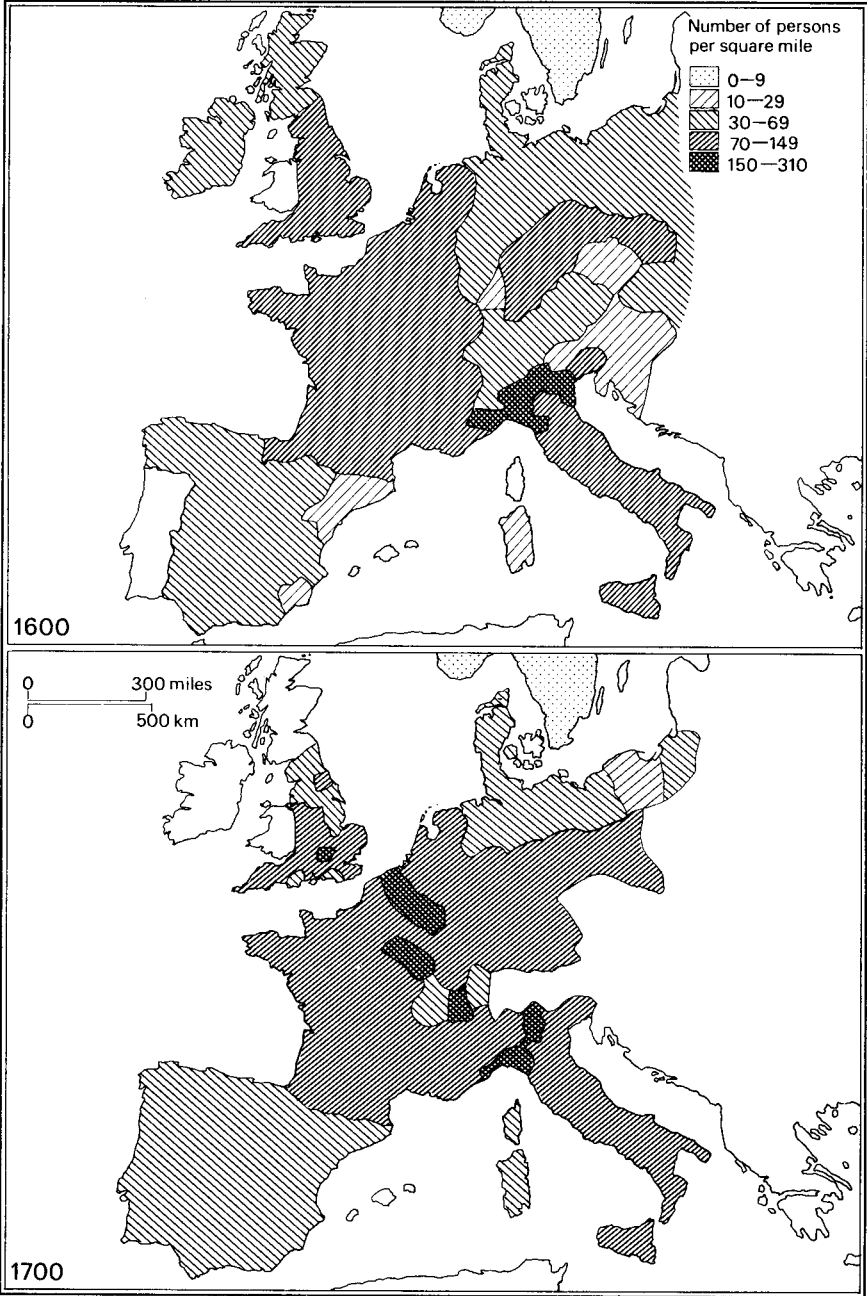
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[More information](#)



Map 2 Population densities in Europe, 1600 and 1700

Source: after A. P. Usher, 'The history of population and settlement in Eurasia,' *Geographical Review*, 20 (1930), 120



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Bruce McGowan

Excerpt

[More information](#)*Population concentration in Western Europe*

9

demand for them in Europe but by economic characteristics inherent in them.

The cattle of the Hungarian, Wallachian and Moldavian plains embodied extremely low factor costs – both land and labor – and had the additional advantage of transporting themselves to market, driven in herds via Vienna as far west as Frankfurt. The wool, hides, and mohair exported by the Balkan and Anatolian zones respectively also embodied low factor costs and were compact enough so as to bear the cost of transport over combined land and water routes which reached deep into the hinterland behind the ports of embarkation.

Silk and cotton were somewhat different cases. Both of these fibers, whether raw or in semi-processed form, are labor intensive. But since they embodied the relatively low cost of Ottoman labor, and were compact, they could easily bear the additional cost of overland transport. Cotton, as time would prove, could also be grown economically at other southerly locations where land was good and abundant and labor cheap. Both silk and cotton were vulnerable to displacement as Ottoman specialties when other zones came into play which offered labor which was as cheap or cheaper: varying grades of finished silk made from native raw silk were established as Italian and Far Eastern specialties (being very easy to transport), while cotton was displaced to Egypt and to the American South in the nineteenth century.

Wheat, which also embodied low factor costs, but which could not bear the cost of transport so well as fibers, was traditionally a waterside export, especially from Thessaly and, by smuggling, via the Archipelago. In this case also a displacement took place in the nineteenth century as even cheaper land became accessible in the Ukraine and in North America, and as transport costs fell relatively as the result of the introduction of steam powered ships and railroads. By the late 1920s Turkey, which had formerly supplied wheat to other countries, itself became the occasional buyer of wheat from Australia, where the land was incomparably cheap. In this way the scope of the demographic field centered upon north-western Europe (and in the nineteenth century also upon the eastern seaboard of the United States) widened with successive improvements in transport and agricultural technique to permit the rise of a true world system in which the Ottoman territories lay nearer the center than to the periphery.

There is a difference of opinion among students of the developing world system of trade and production regarding the dating of its origins. Certainly the concentricity of the system and its far reaching

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[More information](#)

## 10 Ottoman exports to pre-industrial Europe

field effect, are most clear and dramatic in the later nineteenth and early twentieth centuries when the buying power of the North Atlantic community was unrivalled in international commodity markets, as compared to the weaker concentration of earlier centuries or the greater dispersion of power in today's world. Certainly it can be argued that the demographic field effect which is already perceptible in the sixteenth century is nonetheless quite incomplete, limited as it was to waterside and largely dependent upon water transport. The intervening centuries – the seventeenth and the eighteenth – witnessed the institutionalization of international commodity markets, centered first in Amsterdam, then in London. As these markets stabilized their influence penetrated the European continent as well as the seas beyond, so that the prices of various commodities in various distant localities converged under the influence of internationally determined prices. (For a map series which illustrates the concentrating influence of the great commodity markets upon grain prices at various European localities, the reader is referred to the fourth volume of the new edition of the *Cambridge Economic History of Europe*.) Seen in retrospect, long after the 'perfection' of the world commodity markets via the price mechanism, the sixteenth-century developments may seem blind, embryonic and relatively unimportant. But because the Levant trade in primary commodities and the counterpart Baltic trade to the north were among the first responses to a new European demographic constitution, we permit ourselves a special interest in the genesis period of the world system of trade and production.

### **The Ottoman staple reserve**

The fact that the main exports from Ottoman territories were raw, mostly unprocessed commodities – similar in that respect to the trans-Atlantic commodities – will probably always tempt some to call the Levant trade a 'colonial' trade. But at least until the nineteenth century the political subordination implied by that term was almost wholly missing. To the contrary, on the Ottoman side the Levant trade was first institutionalized (i.e. included in treaties) in the period of greatest Ottoman power, before the close of the sixteenth century. Thus clauses on trade agreed to by the Ottoman authorities expressed at first Ottoman convenience, then later a *quid pro quo* bargaining for mutual advantage and only finally, in the nineteenth and twentieth centuries, a tutelary relationship with a succession of Great Powers.