6

Asian trade in Eastern seas, 1000–1500

The eclipse of the Tang and the decline of the Abbassid caliphate after about 1000 were important events but not signs of decay in the general prosperity or creativity of either Chinese or Muslim civilization. They were not equivalent to the fall of western Rome in the history of Europe. Indeed, for China the eleventh century was to be one of outstanding economic growth, even though Chinese military power under central control declined from the levels reached under the Tang.

The "economic miracle" of early Song China

Between the foundation of the Song dynasty in 960 and the conquest of northern China by the Jurchen nomads in 1127, China passed through a phase of economic growth that was unprecedented in earlier Chinese history, perhaps in world history up to this time. It depended on a combination of commercialization, urbanization, and industrialization that has led some authorities to compare this period in Chinese history with the development of early modern Europe six centuries later.[1] At least for this brief period, China became the leading society in the world in terms of productivity per capita, and behind the achievement was a combination of technical capabilities and political circumstances.

The most general stimulant behind this development was an era of peace and a large internal market, linking cities that could be supplied from a distance with agricultural and industrial products. The key was the transportation network, the core of which was the Huang Ho River

[1] The process is summarized in William H. McNeill, *The Pursuit of Power: Technology, Armed Force, and Society since A.D. 1000* (Chicago, 1982), and Mark Elvin, *The Pattern of the Chinese Past* (Stanford, Calif., 1973). For further detail see John W. Haeger (ed.), *Crisis and Prosperity in Sung China* (Tucson, 1975); Robert Hartwell, "A Cycle of Economic Change in Imperial China: Coal and Iron in Northeast China, 750–1350," *Journal of Economic and Social History of the Orient*, 10:103–59 (1967); Laurence J. C. Ma, *Commercial Development and Urban Change in Sung China (960–1279)* (Ann Arbor, Mich., 1971).

in the north and the Chang Jiang (Yangtze) River in central China, joined (as they had been for some time) by the Grand Canal, but now made far more effective by new techniques for water transport and by feeder roads and canals. Kaifeng, the capital of the northern Song, for example, was probably the largest city in the world at this time, with 750,000 to 1,000,000 inhabitants. It is estimated that 80 percent of its grain supply was rice, transported from the rice-growing regions of the south by way of the Grand Canal.[2]

It was partly because of this large internal market that the Chinese iron and steel industry was able to increase its scale of production. By the tenth century, Chinese iron and steel makers knew about the blast furnace for producing relatively cheap, if brittle, cast iron. They had also learned to make iron with coke, rather than charcoal. By the eleventh century the Chinese steel industry already had all the important technology the native Chinese iron and steel industry was to have up to the nineteenth century. The size of the market made possible by the transport network meant that capital investment and economies of scale were possible to an extent beyond any steel industry up to that time. One smelter alone produced 14,000 tons of pig iron a year. (By comparison, *total* English output of pig iron in the mid-seventeenth century is estimated in the range of 20,000 to 40,000 tons.)[3]

Nor were iron and steel alone. The eleventh-century prosperity brought with it increased craft production throughout China, and with it increased foreign trade. The overland route to the west was comparatively unimportant, but Chinese, as opposed to South Asian, shipping became important over the sea routes to Southeast Asia. China exported silk and other textiles, lacquerware, and some iron and steel in return for spices and other tropical products. By the early twelfth century, government income from taxes on foreign trade amounted to 20 percent of the total.[4]

Some of this achievement, however, was comparatively brief. The high-productivity iron and steel industry in northern China disappeared after the early twelfth century. The technical capabilities of the transport network remained, but they were realizable only in periods of comparative political stability. Chinese technology for ocean shipping, however, continued to be available and was important through the later Song and into the Yuan period after the mid-thirteenth century.

[2] Hartwell, "Coal and Iron," p. 129.
[3] Hartwell, "Coal and Iron," p. 121.
[4] Ma, *Commercial Development*, p. 38.

Ecumenical trade in the Muslim Mediterranean, 970–1250

The pattern of history in the Middle East was less of a success story. The Abbassid caliphate was in political disarray from about 900 onward. Beginning in the eleventh century, the Islamic world had to stand off foreign invasions on several fronts. Frankish Crusaders in the Levant were one of these; a series of nomadic invasions from the Sahara and from central Asia were another threat. But the Muslim Mediterranean nevertheless also enjoyed a period of pronounced prosperity from about 970 to 1250 A.D. The political base was Egypt under the Fatimid dynasty, which, most of this time, controlled the Levant as well. The Fatimids had begun as a Berber dynasty ruling over Tunisia and associated with the Shi'ite sect. In 969, they conquered Egypt and moved their capital to Cairo. This not only took a major province away from the Abbassids in Baghdad; it also established Egypt as the new passageway for intercontinental trade. What had once passed through Mesopotamia and the Persian Gulf now passed through Egypt and the Red Sea.

Up to 1250 or so, Egypt was preeminent in the Muslim world, but this was not a period of unrelieved peace and stability. In 1171, the Fatimids gave way to the Ayyubid dynasty, and, in 1250, the Ayyubids gave way in turn to rule by the slave-soldiers who had made up the major part of their army. These were the Mamluks, who ruled over declining Egypt until the Ottoman Turks conquered the country and annexed it to the Ottoman Empire in 1517. In the eleventh-century nomadic crisis, Hilalian Arab nomads pushed past Egypt and on across North Africa in a destructive migration. Seljuk Turks advancing from the east captured Baghdad in 1055 and Jerusalem in 1071, which fell in turn to Frankish Crusaders in 1099. By 1125, the whole of the Levant had fallen to the Christians, but Sālih al-Dīn, or Saladin, the new Ayyubid leader, recovered Jerusalem in 1187. From then on the Franks were generally in retreat, though they could threaten new attacks even after Egypt was reasonably secure.

In spite of these political and military disturbances, a new zone of ecumenical trade came into existence in the southern Mediterranean, beginning in the eighth and ninth centuries, with the Islamization of the southern shore. It was not the same as the Roman commercial system, and allowance has to be made for the intrusive presence of the Franks and other enemies of Islam.

In spite of some deficiencies in the evidence, it is clear, however, that an important trade network centered on Fatimid Cairo was already operating before the end of the tenth century and that it extended well beyond the range of Fatimid rule. It reached all of the Muslim Mediterranean, and it had ways of dealing with Frankish and Byzantine traders as well. Historians are also fortunate in having documentary records for Cairo's trade community that are richer than those for any other part of the Muslim world before modern times. These records were kept by the Cairene Jewish community because of a Jewish belief that no writing that might contain the name of God should be intentionally destroyed. Papers of this kind were put in a *geniza*, a room attached to a synagogue. There, they could decay naturally, like a human body. With time, most geniza papers did decay, but the dry Egyptian climate preserved those of the principal synagogue of old Cairo until this century. They are now scattered in many museums and libraries, but they are mainly open to scholars and their information is much broader than one might imagine. The Jewish community was not sharply separated from the Muslim community. Most of the writing is in Arabic, though written with Hebrew characters. These records are indeed the best sources we have for Muslim Egyptian society of this period, as well as for the Jewish community itself.[5]

In the relatively open trade of the Fatimid and Ayyubid periods, Jews and Muslims were part of a single trading community. Jews were prominent in trade, but they were not the only traders; and they were free to practice any other profession on an equal basis with Muslims or Copts. They were a part of the Muslim world, speaking and writing in Arabic, sometimes making the pilgrimage to Mecca, but keeping their own communities and their own law, even as the Muslims and Copts did – though an area for common law also existed for cross-communal relationships.[6]

Toward the end of the eleventh century, perhaps 8,000 traveling merchants moved back and forth over the trade routes to Tunis and Sicily by sea, farther west by sea, or by caravan paralleling the coast. The oasis-hopping, desert-edge route was also available still farther to the south, stretching all the way from Cairo to the distant desert port of Sijilmasa in southern Morocco. These merchants worked together through several forms of agency, and often across the lines separating religious communities. A traveling merchant could handle goods for another who stayed at home. Several kinds of partnerships were available, making it possible to assign portions of the risk and profits. Some of these agreements were written, but the common culture of the mercantile community made many contracts possible simply "on a handshake," or

[5] Professor Solomon Dob Goitein has recently published the results of his research in these records, stretching back over several decades, in *A Mediterranean Society*, 3 vols. (Berkeley, 1967–78) and *Studies in Islamic History and Institutions* (Leiden, 1976).

[6] Goitein, *Mediterranean Society*, 1:59–74.

by the unwritten renewal of long-standing arrangements.[7] The complex and accepted nature of these practices suggests that they were already very old. Some, indeed, must represent survivals from the Roman period.

The Muslim Mediterranean had several important institutions that reduced the need for trade diasporas. One of these was the office of *wakil al-tujjar*, who served as a legal representative for foreign merchants in much the same way as an English commission agent was to do in the sixteenth century and later. In Cairo, if a foreign merchant needed to collect a debt, he could apply to a wakil to help him. Whereas a traveling merchant often had to store his goods in the caravanserai where he lodged – or to find a friend trusted enough to keep them – the wakil would store unaccompanied goods at his agency house. If the owner sent orders from a distance, the wakil could auction them off and forward the proceeds. Banking instruments were well developed so that money could easily be transferred without necessarily moving coins from one place to another, though the wakil would turn to professional bankers for these matters. Some wakil also owned and operated funduq or lodging houses for foreign merchants, recalling the combined functions of the landlord-brokers of West Africa.[8]

Even the way of becoming a professional wakil was similar to the Hausa way of becoming a professional maigida. The ideal man for the position was a merchant who had begun as a foreign trader, then, having done well in Cairo, had built up influence and reputation that he could use (for a price) in the service of others.[9] Though an earlier wakil may have served mainly traders of his own nationality, the Cairene wakil of this period was free to serve all comers. The wakil that emerges in the geniza papers may, however, represent a remnant of a trade diaspora that had worked its way out of business.

Trade diasporas still operated, especially in trade that reached beyond the zone of ecumenical trade centered on Fatimid Cairo. Most trade with the Franks, for example, came on Christian ships to Muslim ports, though Franks were not encouraged to remain as permanent residents. Nor were Orthodox Christians from the Byzantine north. The Byzantines had a trade colony in Alexandria, but not in Cairo, though Constantinople itself was host to many different merchant communities. For Constantinople in about 1060, the Spanish Jew, Benjamin of Tudela, listed merchant communities from Babylon, Sennar, Media, Persia, Egypt,

[7] Goitein, *Mediterranean Society*, 1:215–17; 1:183 ff.

[8] Goitein, *Mediterranean Society*, 1:186–92; M. D. Bratchel, "Italian Merchant Organization and Business Relationships in Early Tudor London," *Journal of European Economic History*, 7:5–32 (1978); Eliahu Ashtor, "Banking Instruments between the Muslim East and the Christian West," *Journal of European Economic History*, 1:553–73 (1972).

[9] Goitein, *Mediterranean Society*, 1:191–2.

Canaan, Russia, Hungary, and Spain – and a Jewish population of about 2,000. In Alexandria, Benjamin noted that people from Yemen, Iraq, Syria, and Constantinople, plus Turks and Franks, each had an assigned funduq. But these funduq were not so much autonomous communities like those of the ancient Greeks in Naucratis, nor were they the kind of lodging houses a wakil might operate for Fatimid subjects. Instead, they were caravanserais established by the Egyptian government for the better oversight of foreign merchants.[10]

Just as the ecumenical trade zone received traders from beyond its boundaries, it also sent out trade diasporas of its own. In Fatimid times and a little later, Jewish and Muslim Egyptians were especially active in the trade to India. Before the eleventh century, merchants from Iran, Iraq, and even central Asia had been habitual visitors to the Mediterranean. Now, with the new importance of the Red Sea route, Mediterranean traders traveled east.

The geniza records contain a wealth of information about this trade. Cairene merchants would go east with their goods for sale, often staying for two or three years. Goods in the eastward flow were textiles, clothing, glass, paper and books, ornaments and vessels made of brass, and other materials. But the most important exports were gold, silver, and copper for Indian industry. Westward, the main imports were spices, dyes, and drugs, as they had been since Roman times, with a minor current of Chinese porcelain and silk. The usual route outbound from Cairo was up the Nile to the vicinity of Aswan, then eastward by caravan to the Red Sea. Aden was a major entrepôt on the way to India. In India itself, however, a ship would call at only one of the several ports in western India to avoid multiple port dues. Shipping was relatively safe from pirates, though convoys sometimes formed, and two or more ships of the same owners often traveled together for safety – as, indeed, they did in the Mediterranean as well. Neither the Egyptian nor any other government furnished naval protection for merchant shipping in these seas. By the fourteenth century, however, merchant ships off western India normally carried soldiers for protection. Ibn Battuta traveled on one that carried fifty archers and fifty Ethiopian soldiers. (Ethiopians at this period made something of a speciality of seagoing warfare.)[11]

In foreign ports, merchants of the same origin often lived close together, though formal ghettoization was not the rule. Merchants of dif-

[10] Subhi Y. Labib, "Egyptian Commercial Policy in the Middle Ages," in M. A. Cook (ed.), *Studies in the Economic History of the Middle East* (London, 1970), pp. 65, 71; Benjamin of Tudela, "The Perigrination of Benjamin the sonne of Jonas...," in Samuel Purchas, *Hakluytus Posthumous or Purchase His Pilgrimes*, 20 vols. (Glasgow, 1905), 8:523–93.

[11] Goitein, *Studies*, pp. 339–45; Tapan Raychaudhuri and Irfan Habib, *The Cambridge Economic History of India*, 2 vols. (Cambridge, 1982), 1:152 ff.

ferent religious communities seemed to deal with one another on cordial terms, and partnerships often crossed the lines separating Hindu, Muslim, Jew, and Christian. The Egyptian community overseas fell under the leadership of a specialized, export version of the office of wakil al-tujjar. He was not only a prominent landlord-broker like the wakil in Cairo itself; the local government also recognized him as head of a foreign community – a post he might combine with other government functions, like superintendent of the port or head of the customs house. A Jewish wakil in Aden had all these posts, along with that of chief justice for Jewish law, an appointment from the Head of the Diaspora, the secular leader of the Jewish people, whose headquarters was still in Baghdad. In much the same way, a Muslim wakil sometimes held the additional post of *cadi* or judge.

Up to the late twelfth century, this trade to the east was an extension of the relatively free and open trade patterns of the Mediterranean itself. Then, a particular group of Muslim Egyptian merchants, called *Karimi*, gained control over eastern trade with government support. They drove out the Copts and Jews who had also been involved. The historical record is somewhat cloudy. We do not know exactly how the Karim merchants operated or their relations with one another and with various governments. They clearly had government favor in Egypt and Yemen, and they lent these two governments considerable sums of money. Even the origin of the term *Karim* is uncertain, though it may be connected with the southern Indian Tamil word *Karyam*, meaning business or affairs. It may therefore indicate a connection to the southern Indian merchants' guilds that were also prominent in the twelfth and thirteenth centuries. In any event, the Karimi kept a semiofficial connection with the Egyptian government until 1429, when the sultan set up a royal monopoly over the spice trade, effectively ending their period of influence.[12]

The ways of trade: the Christian Mediterranean, 1000–1500

The Christian, north shore of the Mediterranean had much in common with the south in commercial practice, whatever the differences in religion. This was to be expected; both religious zones had inherited from their common Hellenistic-Roman past. The check, for example, an order to a banker to pay money held on account to a third party, was used on both sides of the Mediterranean. The term itself comes from the

[12] Subhi Y. Labib, "Karimi," *Encyclopedia of Islam*, 4:640–3 (1979); Goitein, *Studies*, 351–60; Eliahu Ashtor, "The Karimi Merchants," *Journal of the Royal Asiatic Society*, 1956:45–56 (1956); Subhi Y. Labib, *Handelsgeschichte Ägyptens im Spätmittelalter (1171–1517)* (Wiesbaden, 1965), pp. 339–45.

Arabic *sakk*, but the practice came into the Islamic world from Byzantine precedent, and it can be traced back to Roman Palestine.

In other matters the two zones diverged, and regional differences also existed within either. Annual international fairs, like those of Champagne for example, were important in the long-distance trade of northern Europe, but not in that of the Christian Mediterranean – less still in the Muslim world. Both the Christians and the Muslims used banking instruments similar to a modern bill of exchange for making payments at a distance. The forms and terms of payment were similar on either side of the Mediterranean, but they were different among Muslims in the Persian Gulf region, where they followed a pre-Islamic Persian model.[13]

But important differences in long-distance commerce *did* exist between the northern and southern shores of the Mediterranean. One of the most important was the way Christians dealt with relations between the commercial sphere and the political and military authorities – between those who sought profit through force and those who depended on peaceful exchange, more briefly, between plunder and trade. Venice, Genoa, and other Italian port cities organized trade diasporas that depended heavily on the use of force; commerce and coercion were closely linked, if not inseparable. Frederick Lane's important discussion of protection costs grew out of his observation of Venetian trade organization at this period.[14]

In the Muslim Mediterranean of Fatimid and Ayyubid times, on the other hand, traders and rulers were distinct groups of people with distinct interests in both theory and practice. Commerce was an honorable profession. Merchants had comparatively high status, in spite of the Koranic prohibition of usury and the suspicion of some moralists that merchants were too often tempted to cheat their fellow men. The state was supposed to protect traders, including foreign traders, but its control over economic life was limited in theory by such laws as the Koranic limitation on the kind and level of permissible taxation. Some Muslim governments, like the medieval Egyptian government, did at times engage in commerce on their own account; and they usually considered it their right to control commerce as the needs of the treasury dictated, but the political and economic spheres were supposed to be autonomous, as indeed they were in northern Europe.[15]

But Venice was different. It was a commercial republic that systematically used state power, not merely to increase state income, but also to increase the income of the Venetian merchants as a socioeconomic

[13] Ashtor, "Banking Instruments," p. 555, and passim.
[14] Frederick C. Lane, *Venice and History* (Baltimore, 1966), pp. 383–418.
[15] Ann K. S. Lambton, "The Merchant in Medieval Islam," in *A Locust's Leg: Studies in Honour of S. H. Taqizadeh* (London, 1962); Labib, "Egyptian Commercial Policy," pp. 74–6.

class. Venice began its maritime career as a Byzantine province, then as a Byzantine ally – protecting sea lanes or raiding other seafarers. Its first business was to collect "protection" payments as much as it was to carry goods. By the middle of the tenth century, it was already dominant in the northern Adriatic – after 1000 or so, along the Dalmatian coast of present-day Yugoslavia as well as into the central Adriatic. From 1082 to 1204, the Byzantine Empire recognized the value of Venetian naval services (and the threat of Venetian naval power, if unfriendly) by exempting Venetians from the duties normally payable in Byzantine territory. This fiscal recognition of Venetian coercive power brought Venetian shippers about 20 percent higher revenue than their principal competitors.[16]

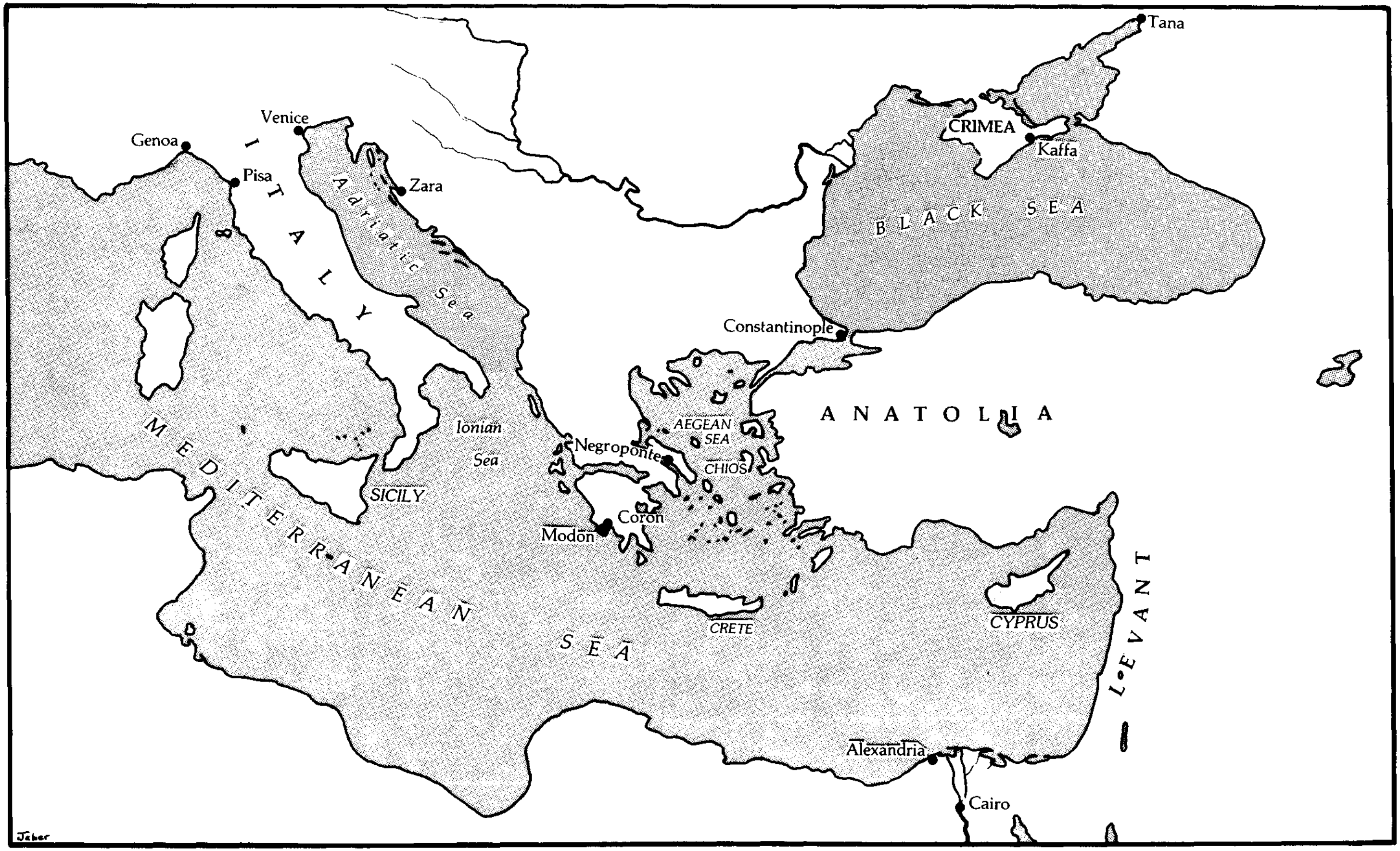
About 1100, Venetian shipping emerged from the relative quiet of the Adriatic and Ionian Seas onto the contested waters of the eastern Mediterranean. Venetians quickly became involved in the politics of the crusading armies from Europe, partly as carriers of troops and supplies and partly also by using the threat of sea power to extort commercial concessions from the new Christian authorities in the Levant.

In 1201, as part of the preparations for the Frankish expedition known in European history as the Fourth Crusade, Venice embarked on a new policy. It entered into a contract with the Western European organizers of the movement, initially promising to transport the crusading armies if they in turn would help Venice to attack the Christian Adriatic city of Zara. In the end, as may have been planned from the beginning, the whole expedition turned from an attack on the Muslims of the Levant into an attack on the Byzantine Empire. In 1204, Constantinople itself fell to the Crusaders. From then until 1261, the Greek Byzantine Empire disappeared and a Latin Empire of the East took its place. In fact, the central control of Constantinople virtually disappeared and the actual control passed into the hands of the crusading leaders, who assigned themselves parts of the empire as fiefs.[17]

At that point Venetians had an important choice to make. They could have abandoned the standards and behavior of a commercial oligarchy in favor of those of the European feudal nobility – their allies in the conquest of Constantinople. They could have chosen, for example, to exercise territorial rule over some significant part of the Byzantine Empire, much as the Franks had done earlier in setting up the kingdom of Jerusalem. Instead, Venice used the victory to turn an incipient maritime trade diaspora into a full-blown trading-post empire with military control

[16] Lane, *Venice and History*, pp. 386–8, 392; Frederick C. Lane, *Venice: A Maritime Republic* (Baltimore, 1973), for a general treatment of the Venetian economy.

[17] Lane, *Maritime Republic*, pp. 312–43.



Map 6.1. The eastern Mediterranean in the later Middle Ages

over chosen centers. From the peace settlement, Venice got a reaffirmation of its old commercial concessions, plus the dock and shipbuilding sections of Constantinople (leaving the city itself to others) and a number of strategic strong points to protect and further Venetian trade. The key was the island of Crete, covering the routes to the Aegean and Black Seas as well as those to the Levant and Egypt. The route north to the Aegean was supported by strong points at Negroponte and at Modon and Coron at the southern tip of the Peloponnesian peninsula. A Venetian enclave at Acre in Palestine was added later, along with still other trade enclaves on the shores of the Black Sea. There, the Venetian trade diaspora met the overland traders who went northeast around the Caspian Sea and on through central Asia to link up with the silk road.[18]

Although Venice was a leader in this pattern of maritime trading-post empire, other Italian cities soon followed, for example, Pisa and Genoa, which were also involved in the profitable business of supplying the crusading armies of the Levant. Though Pisa dropped from the first rank during the thirteenth century, Genoa rose, by the 1250s, to threaten Venice, militarily as well as commercially. Venice won the early battles but, in 1261, Genoa helped to put Michael Paleologue on the throne of a revived Byzantine Empire as Michael VIII. In return, Genoa gained the kind of trading-post advantages Venice had seized a half-century earlier, including the Aegean island of Chios, Kaffa in Crimea, and fortified control over Pera, across the Golden Horn from Constantinople itself. Genoa thus gained superiority in the trade of the Black Sea, though Venice continued strong in the carrying trade to Egypt and the eastern Mediterranean.

Much later, this pattern of maritime trading-post empire was to spread into the Atlantic using Venetian and Genoese precedents, sometimes with Venetian and Genoese personnel as well. For the time being, however, it was an exception to the main pattern of commercial institutions over the long sea routes between the Mediterranean and China.

Readjustments in Asian trade, 1250–1500

The most important change in Asian maritime trade over these centuries was a marked improvement in maritime technology. The earliest trade had passed by short stages with little cargo and high crew costs. Even at the time of the Abbassid-Tang prosperity about 800, long-distance cargoes were limited to goods of high value and small bulk. By the eleventh and twelfth centuries, however, aromatics and drugs began to give way to textiles and condiments like pepper, destined for mass

[18] Lane, *Maritime Republic*, pp. 87–117.

consumption. By the thirteenth century, bulk commodities began to enter maritime trade. The pepper and spices that reached through to Europe were only a small part of the total Indian Ocean carrying trade that now included more manufactured goods, raw materials like timber, and large quantities of food as various as rice, sugar, wheat, barley, and salt.

These changes from luxury to bulk cargoes implied enormous increases in the sheer quantity of goods traded, made possible by nearly independent improvements in maritime technology in each of the main seas. For the Mediterranean, these included the development of ships like the Venetian galleys, as well as round ships capable of carrying 100 to 250 tons of cargo. The dhows that sailed the Indian Ocean increased in size as well, so that they too carried 100 to 400 tons of cargo. A large one could carry up to seventy war horses and a hundred fighting men along with other crew and passengers. Many in the Arabian Sea were built from the teak forests of western India. The most impressive shipping of the time, however, was the development of Chinese junks fostered by the early Song governments in the twelfth century. These vessels were larger and more seaworthy than any before this time, and they began using new devices like the magnetic compass early in the same century. Some were later built from tropical forests in Southeast Asia, but the type dominated trade in the South China Sea.[19]

Against this background in maritime Asia, the cataclysmic rise of Mongol power in the northern steppes was almost out of range at first, but it deeply influenced events everywhere. The Mongol conquests begin with Genghis Khan's unification of the steppe nomads in the first quarter of the thirteenth century, followed, in the years 1217 to 1280, by the conquest of all northern and central Asia from China to eastern Europe. The wars were enormously destructive, but the new rulers united so much of Asia that travelers could move securely under a single authority from the shores of the Black Sea to China. This relatively open route lasted only about a century, from approximately 1250 to 1350.[20] After that, the Mongol Empire split into a number of quarreling khanates. The

[19] See Richard W. Unger, *The Ship in the Medieval Economy, 600–1600* (London, 1980), esp. pp. 161–95; G. F. Hourani, *Arab Seafaring in the Indian Ocean in Ancient and Early Medieval Times* (Princeton, N.J., 1951); Archibald Lewis, "Maritime Skills in the Indian Ocean, 1368–1500," *Journal of the Economic and Social History of the Orient*, 16:238–64 (1973); Joseph Needham, *Science and Civilization in China*. Vol. IV, Part III, *Civil Engineering and Nautics* (Cambridge, 1971), pp. 359–656. For a summary of the treatment of Asian trade over this period I am indebted to John F. Richards, "Precious Metals and the Pattern of Commerce in the Late Medieval World Economy" (mimeographed, unpublished paper); Lewis, "Maritime Skills," pp. 258–60; and Raychaudhuri and Habib, *Economic History*, 1:125–59.

[20] For the Mongol episode in general, see Luc Kwanten, *Imperial Nomads: A History of Central Asia, 500–1500 A.D.* (Philadelphia, 1978).

through route continued in local use and sometimes for long-distance trade as well, but recurrent anarchy and warfare made the sea route preferable. Before 1400, most long-distance trade moved by sea. These changes in the north thus conspired with local developments in maritime Asia to make the fifteenth century the apogee of maritime trade along the coasts of Afro-Eurasia.

Individual trading groups met, or failed to meet, these changes, each in its own way; but some broader generalizations are also possible. The last centuries before 1250 or so had been centuries of unusual technological advances for both China and western Europe. Both China and Europe experienced a crisis over the next century or so. For Europe, think simply of the Black Death and the Hundred Years' War; for China, of the Mongol invasions and its own epidemic of plague. But China and Europe were to recover in ways the old core area of Islam – the Abbassid caliphate – did not. After the Mongol capture of Baghdad in 1258, the old center of the caliphate in Iraq and Iran recovered very slowly. Egypt and Syria (under Egyptian control) held out against the Mongol advance, but they continued to fall behind western Europe in important techniques like textile production. With the Old World leader, the Muslim Middle East, no longer in the running, three new centers – Europe, India, and China – emerged as the most dynamic and economically productive of world regions during this quarter-millennium.[21]

This relative decline of the Middle East was partly a cause and partly a result of shifting trade routes. Neither the overland route through Iran and central Asia, nor the Persian Gulf route from the Mediterranean to the Indian Ocean, amounted to much. The Christians gained ground against Muslim shipping in the Mediterranean. The Red Sea route took as much as 80 percent of all trade passing to the east by sea – dominated by the Karimi merchants and the Egyptian government, just as Venice dominated the leg of the journey from Egypt to Europe.[22]

New commercial currents also appeared. After 1250 or so, the route southward down the African coast took on new importance. By the end of the fifteenth century, thirty to forty independent, stone-built towns, founded by Arabs and Persians, were scattered along the coast from Somalia to Sofala. Each was a separate city-state, controlled by the merchant community in an African setting without large political units in the immediate hinterland. These fortified urban centers invite comparison with a trading-post empire on the Venetian model, but the individual towns were not tied politically to a single center in Arabia *or* on the African coast. One or another would occasionally achieve a form of

[21] Ashtor, *A Social and Economic History of the Near East in the Middle Ages* (Berkeley, 1976), passim; Charles Issawi, "The Decline of Middle Eastern Trade, 1100-1850," in D. S. Richards (ed.), *Islam and the Trade of Asia: A Colloquium* (Philadelphia, 1970).

[22] Lewis, "Maritime Skills."

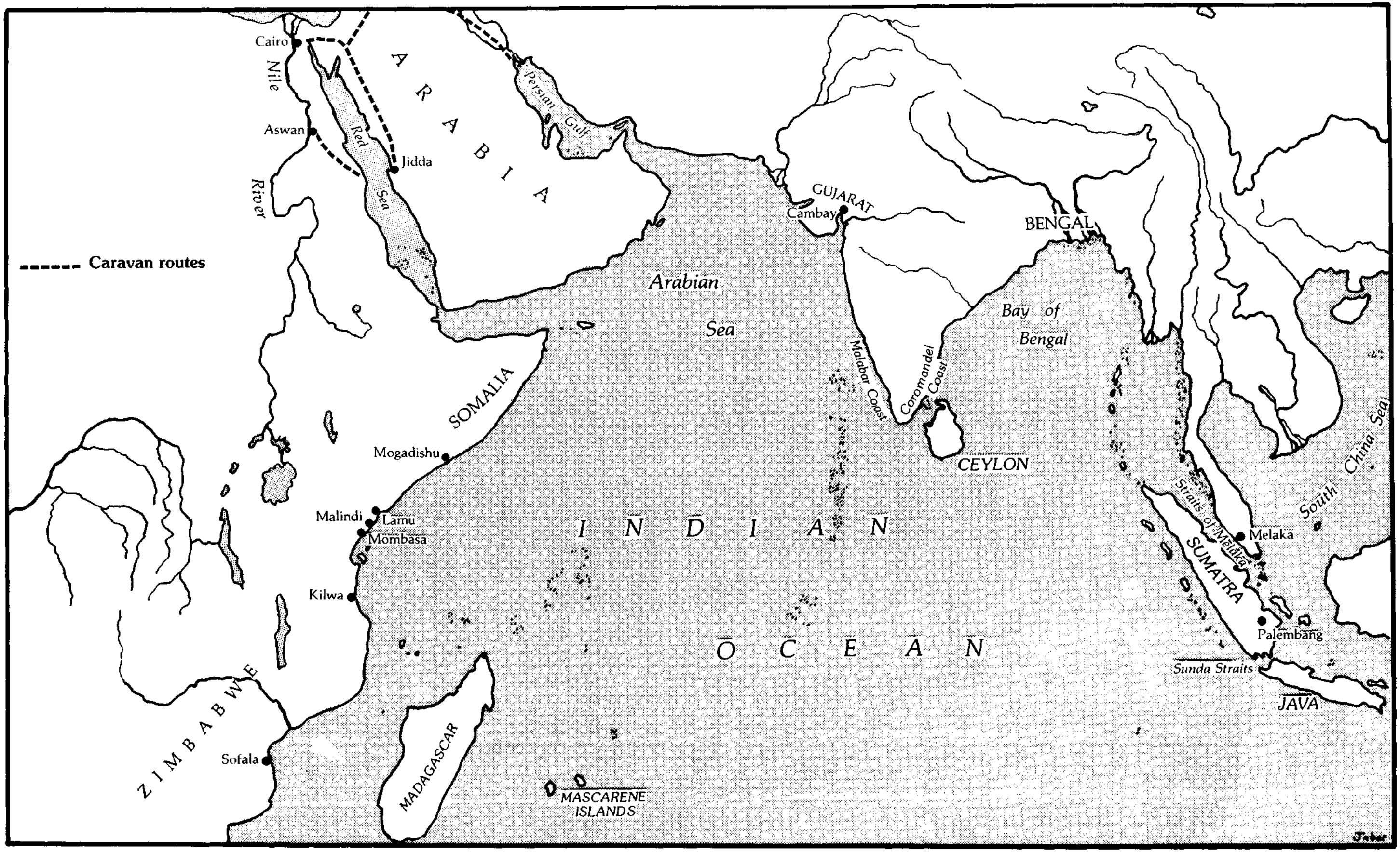
hegemony over its immediate neighbors, but the dominance was not lasting. A little before 1500, the annual northward flow of gold into the general commercial system of the Indian Ocean nevertheless reached at least a metric ton on the average. This linked Zimbabwe to the world economic system based on gold and silver, just as the western Sudan had already joined through the trans-Sahara trade.[23]

The trade pattern of the Arabian Sea also began to change with the economic shift from the Middle East to India. Toward the end of the thirteenth century, Arab and Persian seamen lost ground to Indians, as the northern Indian economy began to recover from the Muslim invasions and move on to new levels of productivity. The heartland of the Indus-Ganges plains could be tapped effectively from west coast ports in Gujarat, especially Cambay. Indian economic growth paved the way for the rise of Gujarati shippers throughout the Indian Ocean. Tome Pires, the early sixteenth-century Portuguese visitor, wrote that "Cambay chiefly stretches out two arms, with her right arm she reaches towards Aden and with the other towards Malacca, as the most important places to sail to."[24]

In the fifteenth century, Gujarat was the chief beneficiary of northern India's rise to prosperity, becoming the heartland of the most important single trade diaspora of the Indian Ocean, a position it held to the late seventeenth century, in spite of European competition. At this period, Gujarati were still mainly Hindu, with some Jains and growing numbers of Muslims among them. They had established trade communities in many ports, especially at Pudlicat in India and at Melaka in Malaya. As of 1500, about a thousand Gujarati merchants lived in Melaka, and four or five thousand Gujarati seamen visited there each year.[25]

In peninsular India, specialized merchant castes controlled most long-distance trade, especially the Kling, a Telagu-speaking group from the northern part of the Coromandel coast, and the Chettis, Tamil speakers from the southern Coromandel. Both took part in the dynamic expansion of south Indian commerce, as Indians replaced the Arabs and Persians who had formerly carried much of the trade across the Bay of Bengal. But south Indian port towns on both the Malabar and Coromandel coasts still held remnants of the earlier trade diasporas, including the Nestorian

[23] Neville Chittick, "East Africa and the Orient: Ports and Trade Before the Arrival of the Portuguese," in UNESCO, *Historical Relations Across the Indian Ocean* (Paris, 1980); Philip D. Curtin, "Africa in the Wider Monetary World, 1250–1850 A.D.," in John F. Richards (ed.), *Silver and Gold in the Medieval and Early Modern Worlds* (Chapel Hill, N.C., 1983).
[24] Tome Pires, *The Suma Oriental of Tome Pires*, 2 vols. (London, 1944), 1:42.
[25] Lewis, "Maritime Skills," pp. 243 ff; Raychaudhuri and Habib, *Economic History*, 1:127–8.



Map 6.2. The Indian Ocean

or Thomas Christians, some Jews, and large Muslim communities descended from visiting Arab or Persian merchants who had married local women.

For south India generally, this was a period when trade was less restricted than it had been. In earlier centuries, on the evidence of wall inscriptions from the eighth century onward, powerful merchants' guilds controlled much of the trade from the region and within it. The most powerful was the Ayyavole, with headquarters in the present-day Bijapur district. It had trade settlements throughout southern India and as far afield as Persia to the west and Indonesia to the east. Its elaborate military and social organization, along with more shadowy economic controls, suggests that it might have acted as a militarized trading-post empire, or perhaps more like the Karimi merchants of Egypt; but the evidence is too thin to be sure. Like the Karimi themselves, strong guildlike organizations were gone by the fifteenth century.[26]

In Southeast Asia as well, trade was freer than it had been. From the seventh century into the twelfth, the state of Srivijaya had tried with varying success to control the trade of the region from its capital at Palembang in eastern Sumatra. At its peak it had controlled both the Sunda Straits and the Straits of Melaka.[27] But it was now gone, and its successor as the most powerful state in island Southeast Asia, the Hindu state of Majapahit, was not principally a sea power. And it was in decline after 1400 in any case. Political power on Java passed to a series of small Muslim trading states. Fragmented power meant that traders could move freely, often with the encouragement of rulers who hoped to profit from their presence. This attracted Coromandel and Gujarati Indians from the west, Chinese and Ryukyu Islanders from the north, and a variety of Southeast Asians, including Burmese, Siamese, and Javanese, among others.

China, on the other hand, had been and continued to be somewhat exceptional in its trade policy and its attitude toward foreign merchants. An older view of Chinese economic policy laid stress on an anticommercial tradition associated with Confucian political thought. China did indeed have an antimerchant tradition, in common with most other societies, but the main line of classical Confucianism was at least ambivalent, though it also favored keeping commerce under appropriate

[26] Lewis, "Maritime Skills," pp. 245 ff.; K. R. Venkatarama Ayyar, "Medieval Trade, Craft, and Merchant Guilds in South India," *Journal of Indian History*, 25:269–80 (1947); A. Appadorai, *Economic Conditions in South India, 1000–1500 A.D.*, 2 vols. (Madras, 1936–51), 1:379, 391 ff.; Burton Stein, "Coromandel Trade in Medieval India," in John Parker (ed.), *Merchants and Scholars* (Minneapolis, 1965).

[27] O. W. Wolters, *Early Indonesian Commerce: A Study of the Origins of Srivijaya* (Ithaca, N.Y., 1967).

government control.[28] Under the Song, Yuan, and early Ming (from about 960 to 1430), China entered a period when its maritime trade flourished as never before. Some aspects of the old tribute-trade system survived, but it was comparatively unimportant. Most foreign trade was private, though under government control – and government encouragement. Foreign trade continued to be restricted to a few ports, often to only one, as it had earlier been restricted to Canton. Even though more ports were now open (as many as seven to nine under the Song), the port that Arabs and Franks called Zaitun (more properly Ch'uan-chou or Quanzhou on the mainland opposite Taiwan) replaced Canton as China's most important port. Of his visit there in the late thirteenth century, Marco Polo reported:

Here is a harbor whither all ships of India come, with much costly merchandise, quantities of precious stones of great value, and many fine large pearls. It is also the port whither go the merchants of Manji [now Fukien], which is the region stretching all around. In a word, in this port there is such traffic of merchandise, precious stones and pearls, that it is a truly wonderful sight. From the harbor of this city all this is distributed over the whole province of Manji. And I assure you that for one shipload of pepper that goes to Alexandria or elsewhere to be taken to Christian lands, there are a hundred to this port of Zaitun.[29]

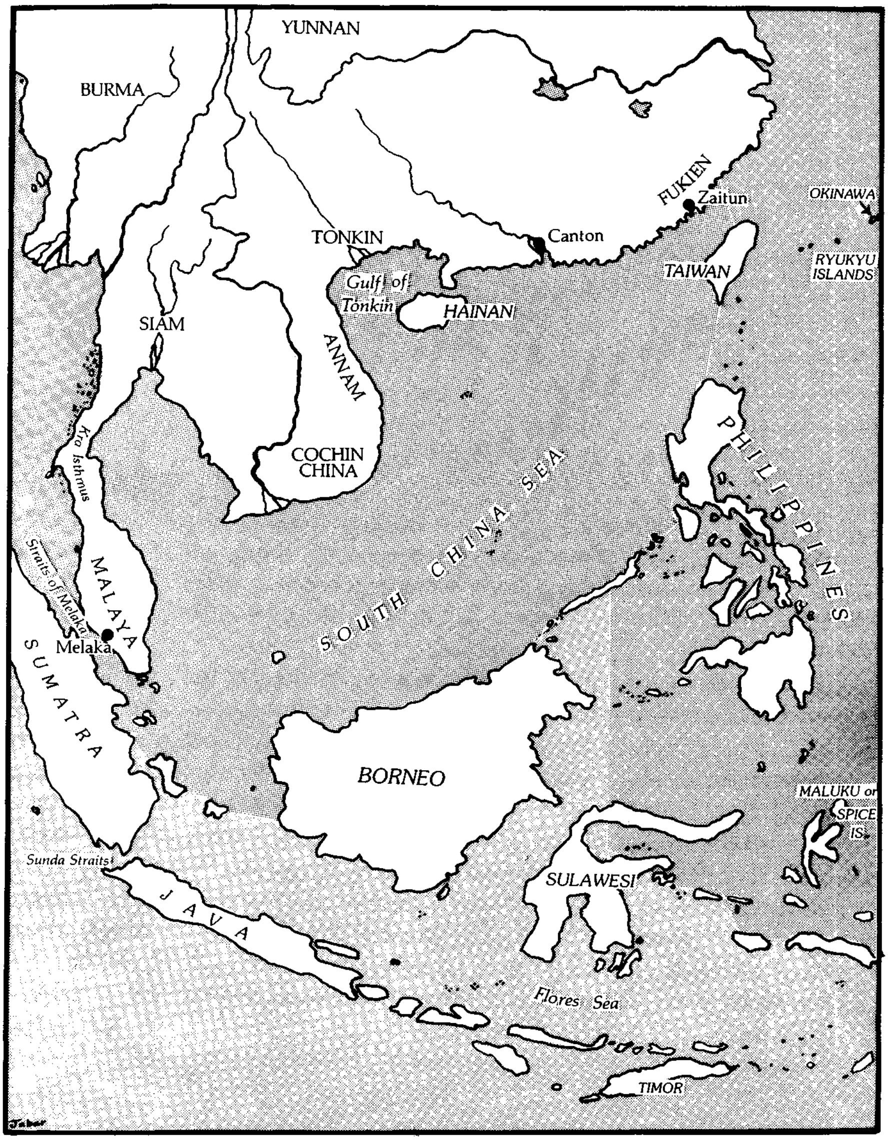
The growth of Chinese maritime trade also led to the first Chinese commercial settlements in Southeast Asia, especially in the seaports along the north coast of Java. Chinese founded other settlements along the whole arc of islands from Malaya and Sumatra in the west to Timor in the southeast and north to the Philippines.[30] Chinese ships also began to sail into the Indian Ocean as early as Srivijaya's decline in the twelfth century, but commercial voyages rarely went beyond India.

From 1405 to 1433, however, the Chinese court sent a series of seven major naval expeditions into the Indian Ocean. Several times, they reached as far as Aden and occasionally passed on to the East African coast. These were not small commercial ventures, though they brought

[28] Thomas A. Metzger, "The State and Commerce in Imperial China," *Asian and African Studies*, 6:23–46 (1970).

[29] Marco Polo quoted from Benedetto translation (London, 1931) by D. Howard Smith, "Zaitun's Five Centuries of Sino-Foreign Trade," *Journal of the Royal Asiatic Society*, 1958:165–77 (1958), p. 168. See also Jung-pang Lo, "Maritime Commerce and its Relation to the Sung Navy," *Journal of the Economic and Social History of the Orient*, 12:57–101 (1969); Edwin O. Reischauer and John K. Fairbank, *East Asia: The Great Tradition* (Boston, 1960), pp. 211–24.

[30] M. A. P. Meilink-Roelofsz, *Asian Trade and European Influence in the Indonesian Archipelago between 1500 and about 1630* (The Hague, 1962), pp. 25–6; Milagros C. Guerrero, "The Chinese in the Philippines, 1570–1770," in Alonso Felix, Jr. (ed.), *The Chinese in the Philippines*, 2 vols. (Manila, 1966); F. Hirth and W. W. Rockhill, "Introduction," in *Ju-kua Chau: His Work on the Chinese and Arab Trade in the 12th and 13th Centuries, Entitled Chuy-fan-chi*. First published 1911. (Taipei, 1970).



Map 6.3. The South China Sea

back gifts, tribute, and curiosities that might interest the court. Several consisted of more than sixty vessels and 25,000 men. Though they sometimes came into military conflict with local forces, their main purpose was not military and they made no effort to establish a permanent Chinese naval power in the Indian Ocean. If they expressed any interest beyond the personal curiosity of the court eunuchs who supported and led them, it was to extend the scope of the Chinese tribute system. (It is worth noting, however, that the opening up of the Indian Ocean commercial world had already influenced China, even Chinese court circles. The admiral who commanded most of these fleets was a court eunuch, but he was also a Muslim from the province of Yunnan; and his father had made the pilgrimage to Mecca.)

In 1433, the expeditions stopped as suddenly as they had begun. Ming officials went further still and tried to stop all Chinese participation in trade overseas. This anticommercialism had roots in neo-Confucian thought, in spite of its relaxation during the Song and Yuan periods. In the late Ming, it reemerged as part of an antiforeign reaction as well, and the combined antimerchant-antiforeign attitude remained a dominant theme in Chinese policy into the nineteenth century.[31] But imperial orders and commercial practice in Chinese ports were rarely identical. The government might try to keep its merchants at home, but the trade of the South China Sea was already part of a new region of relatively open commerce.

Outsiders soon appeared, willing and ready to take over China's maritime role, though some Chinese continued to sail as far as India, however illegally. Overseas Chinese, already domiciled in Southeast Asia, entered the China trade, along with other Southeast Asians. Off the Chinese coast in the late fifteenth century, the small kingdoms on Okinawa in the Ryukyu Islands stepped into the picture and began to play a commanding role in trade between China and Japan and Melaka, incidentally providing the economic base for a kind of Okinawan golden age.[32]

The way of trade in Eastern seas

By the fifteenth century, the Indian Ocean and the South China Sea formed a new zone of ecumenical trade, as had happened before in Hellenistic times and again under Fatimid aegis in the southern Mediterranean. But this time it was different. Hellenistic or Roman trade fell within a single zone of intercommunication, even as internal Chinese trade had done since the Han. It also fell under the protecting umbrella of a powerful state. Fatimid power reached less far than Rome's had done, but the new trade zone in the Indian Ocean world was one of

[31] Needham, "Abstract," p. 147; Reischauer and Fairbank, *East Asia*, pp. 321–5; Tatsuro Yamamoto, "Chinese Activities in the Indian Ocean Before the Coming of the Portuguese," *Diogenes*, III:19–34 (1981).

[32] Richards, "Precious Metals"; Shunzō Sakamaki, "Ryukyu and Southeast Asia," *Journal of Asian Studies*, 23:383–90 (1964).

dispersed military and political power. It was also a zone with many and important continuing cultural differences – a culture far less homogeneous than that of either the Hellenistic or the Fatimid Mediterranean. In place of overwhelming cultural similarities, this zone of ecumenical trade was a network of port towns related to inland caravan centers, five or six major ports, with forty or fifty minor ones associated. In some ways this network was not so much a zone of common culture – though it had a common culture of trade – as it was an elaborate, multifaceted trade diaspora with free entry for all who would carry on business according to the unwritten rules of the club.

In these ports, traders were likely to find security for their goods, banking facilities, marketing information, and a tolerable level of protection payments. Entry into the system was reasonably free, but not without some reference to cultural origins. One leftover from the era of past trade diasporas was the fact that most merchants in most of these ports could find people of their own home culture to supply lodging and cross-cultural brokerage. Among the most important of these entrepôts were Alexandria, Aden, Cambay, Melaka, and Zaitun. The others were interspersed or else scattered toward the fringes as far as Japan to the northeast and Sofala to the southwest.

Since the twelfth-century decline of Srivijaya, no state had made a serious effort to dominate any part of this system. Only China after the mid-fifteenth century tried to regulate or limit the trade of its own people. Pirates were a background problem in some regions, and in these circumstances ships traveled with soldiers as well as sailors. Trade was free, however, of the kind of religious conflict that had split the Mediterranean after the rise of Islam. Remnant trade diasporas continued to function, but militarized trading-post empires on the Venetian and Genoese model were emphatically missing or else so small as to be unimportant.

The key articulating units in this system as a whole were cities – sometimes, like Canton or Zaitun, set in the political framework of a major empire, otherwise part of regionally strong states, like Cambay, or else mere city-states like Melaka or Aden. These port cities and entrepôts served to integrate many smaller regions of supply and consumption. The remarkable traveler, Tome Pires, who visited in the early sixteenth century when the system was largely intact, systematically described the working of this international trade economy as the interaction of more than thirty-five subregions.[33] These can be set in a kind of hierarchy that resembles the geographers' central-place hierarchy of

[33] The account here follows Pires, *Suma Oriental,* as extrapolated from and further organized by John F. Richards, "Precious Metals."

multifunctionality, but this one uses other factors as well to discriminate between levels. Europe, China, and the Indian subcontinent would figure as core regions, marked by powerful and reasonably stable state systems. These three, and these three alone, also manufactured and exported industrial goods such as textiles, weapons, porcelain, glass, and metal utensils. In some respects, the Muslim Middle East might be included as a weak fourth on the list.

At a second level of economic multifunctionality came regions that did not manufacture or export industrial products. Southeast Asia would belong in this category, in spite of its great diversity – it contained no less than fifteen of Pires's subregions – and in spite of the fact that its scale of economic importance was otherwise nearly on the same level as India's.

Some of the subregions in Southeast Asia, however, belonged to a third category that was economically still less diverse, and often politically more divided. Borneo would be one such region that supplied the larger market with products like wax, honey, sago, rice, camphor, and gold in return for manufactured goods.

Finally, at the fourth and lowest level were the extremely specialized territories of the pastoral nomads, who had little to sell but animal products or "protection" services to those who wanted to avoid trouble. Interior Arabia, Baluchistan (between the Indus valley and the Iranian Plateau) would fit into this category, perhaps along with some seaborne pirate communities in Southeast Asia. Whatever the nature of their commodity exchanges, all of these regions and subregions were part of an international monetary system based on gold and silver, with copper and cowrie shells sometimes playing a subsidiary role.

Melaka is a convenient example of a commercial entrepôt city in Southeast Asia to illustrate the way cross-cultural relations between merchant communities could be handled in the second half of the fifteenth century.[34] It had grown over the past century from a tiny center of fishing and piracy on the west coast of the Malay Peninsula into the most important trading city in its region. At first, its expansion was military. The Melakan rulers seized small enclaves elsewhere in Malaya and across the strait on Sumatra. Trade control may have been one motive, but in the longer run Melaka took another course. Instead of trying to profit from its coercive power, as Srivijaya had done, Melaka sought to attract any and all trade by offering neutrality and low duties. The neutral stance helped it to balance the potential threats of China and Siam against one another. The Melakan rulers, formerly Hindu, became Muslim early

[34] The crucial source is again Tome Pires, *Suma Oriental*. The best later use of his data is that of Meilink-Roelofsz, *Asian Trade*, on which this account is based.

in the fourteenth century. That too helped to attract Muslim traders from the west, and thus to balance Islam against the Chinese traders from the north. It also made possible alliances with other, similar Muslim trading states elsewhere in the archipelago. As a center of Islam at a major crossroads, Melaka played an important role in the further Islamization of the region.

Tome Pires's list of visitors and resident foreigners in the early sixteenth century is indicative:

Moors from Cairo, Mecca, Aden, Abyssinians, men of Kilwa, Malindi, Ormuz, Parsees, *Rumes*, Turks, Turkomans, Christian Armenians, Gujaratees, men of Chaul, Dabhol, Goa, of the kingdom of Deccan, Malabars and Klings, merchants from Orissa, Ceylon, Bengal, Arakan, Pegu, Siamese, men of Kedah, Malays, men of Pahang, Patani, Cambodia, *Champa*, Cochin China, Chinese, *Legueos*, men of Brunai, *Lucoes*, men of *Tamjompura*, *Laue*, Banka, Linga (they have a thousand other islands), Moluccas, Banda, Bima, Timor, Madura, Java, Sunda, Pamembang, Jambi, Tongkal, Indragiri, Jappatta, Menangkabau, Siak, *Argua*, Aru, *Bata*, country of the *Tomjano*, Pase, Pedir, Maldives.[35]

All of these communities were assigned their own residential areas within the city, either individually or with related groups. The sultan's government chose four officials with the title *Shabandar* from among the merchant community to represent them in dealings with the government and with other merchants.[36] One shabandar took care of the Gujarati alone, the most numerous single community. Another represented other western merchants, mainly from India and Burma. A third was concerned with those from Southeast Asia up to and including the Philippines. The last served the East Asians as a group, including Chinese, Japanese, and Okinawans.

Through the shabandars, the sultan's government offered a variety of services, including warehouse space and elephants to carry cargo back and forth to ships. The government also tried to keep duties low. Where merchants had to pay 20 to 30 percent on the value of the cargo in Canton, the Melaka government kept "gifts" and formal charges to about 3 to 6 percent. To assure fair assessment, the value of each cargo was set by a committee consisting of five Klings and five members of any other community.

Although the Malay nobility came from a military tradition, with con-

[35] Pires, *Suma Oriental*, 1:268. Words in italics are those left by the translator in the original spellings.

[36] The term *shabandar* was originally Persian, with the literal meaning "ruler of the harbor." It spread throughout the Indian Ocean, with many later variant meanings. In the first shift, it came to denote a representative of Muslim merchants in a foreign port. Other variants made it equivalent to a minister of state, or even the head of a government in some places. W. H. Moreland, "The Shabandar in the Eastern Seas," *Journal of the Royal Asiatic Society*, 28:517–33 (1920).

tempt for commerce, the sultans of Melaka and some of the high officials traded on a large scale. The sultan owned some ships, chartered others, and sent out some part-cargoes with his agents. Some of these nobles were reputed to be immensely rich, one having a supposed fortune worth 140 Portuguese quintals' weight in gold – equivalent to 8.2 metric tons or 217,617 troy ounces. Other, private merchants had large capitals and also stayed put while their agents traveled and traded on their account. Klings and Javanese were the wealthiest communities. About a third of the ships that used the port were Melaka owned.[37]

Tome Pires makes it possible to reconstruct something about the kind and quantity of goods passing Melaka annually before the Portuguese arrived. As would be expected by this time, most of the goods had low ratios of value to weight. Melaka itself imported much of its food and almost all of the textiles in ordinary use. Most cargoes also originated comparatively near at hand. Leaving aside small-craft traffic in the Straits of Melaka itself, about half came from Burma or Siam on either coast of mainland Southeast Asia. Only about 10 percent came from China or Japan, the same from the Coromandel coast and Bengal in eastern India, and only 4 percent from western India or beyond. Island Southeast Asia other than Sumatra seems to have supplied about 12 percent. The remainder was presumably local traffic with Sumatra and Malaya.[38]

This distribution between long-distance and local traffic seems roughly what it would have been at any other point along the long route from China to the Mediterranean. Only comparatively small quantities of goods with high ratios of value to weight would make the whole trip economically. The trade from the Spice Islands of eastern Indonesia, which passed through Venice to the rest of Europe at the other end of the line, was therefore only a small part of the total quantity of goods passing Melaka, though its value was significant. Nor was the Mediterranean share of total spice production very great. Asian consumption was also important. The Chinese, Indian, and Middle Eastern markets all drew their cloves and nutmeg from this source, though pepper came from India as well as Sumatra. Pires estimated annual production at 100 metric tons of mace and 1200 of nutmeg from the Banda Islands, the principal source of those two spices. Cloves came from the Maluku Islands, with a total production of about 1200 tons there as well. These fifteenth-century production levels were apparently greater than they had been in the recent past – and about what they would be in the next century or so, when Europeans came to deal directly with the islands. If Pires's estimates are correct, Sumatra at this period already exported

[37] Meilink-Roelofsz, *Asian Trade*, pp. 27–59.
[38] Meilink-Roelofsz, *Asian Trade*, pp. 60–88.

as much pepper as it was to do at its eighteenth-century peak under European control.[39]

Many commercial practices in Melaka were common to other ports as well. One of the most universal was the recognition of resident aliens as communities entitled to autonomy from the direct control of local authorities. This was the case from Canton and the Philippines to Aden and Alexandria. Local practice differed, and so did the local forms of justification. In Canton, for example, the ancient distrust of barbarians combined with the Ming distrust of merchants to create a standoffish attitude. Foreigners were not normally allowed into Canton itself, but each nationality was assigned its own anchorage in Pearl River estuary downstream from the city itself.[40] Elsewhere, as in Calicut in western India, foreigners were encouraged with land grants and other privileges. There, the foreigners' own official had what amounted to criminal jurisdiction over his own group, but this practice was general for that part of India, associated with caste and guild autonomies in general. The local perception of foreigners also varied from place to place. Melaka had its four regional groupings. In western India, Arabs were often distinguished from Indian Muslims, just as Persians were distinguished from Parsees, the religious sect of more distant Persian origin. Throughout the Indian Ocean, Arabic and Gujarati were the international trade languages, supplemented by Tamil and Bengali on the Bay of Bengal.

At the other end of the line, in Alexandria, the lingua franca was literally that – the language of the Franks – in this case an Italian base with many Arabic and Greek loanwords. Egyptian authorities were also like the Chinese in their suspicion of foreigners. The Venetians, who carried the bulk of the spices and other Asian goods, had two large warehouses. Each competing European nationality (Genoese, French, and Catalan) had its own establishment, though on a smaller scale. The Europeans were allowed effective self-government over their own communities, but they were locked into their enclaves at night and on Muslim holy days. In other ways as well, the Egyptian authorities regarded the Frankish Christians (as opposed to the local Copts) as a potentially dangerous source of cultural and religious contagion, a sentiment the Franks fully reciprocated.[41]

Another widespread institution in the Asian commercial world was a form of collective price bargaining. It was similar to, but separate from, the collective evaluation for customs purposes of an incoming cargo by

[39] Meilink-Roelofsz, *Asian Trade*, pp. 70–93.

[40] Pires, *Suma Oriental*, 1:123–4; V. D. Divekar, "Maritime Trading Settlements in the Arabian Sea Region up to 1500 A.D." (Mimeographed, unpublished conference paper, Perth, 1979.)

[41] Lane, *Venice and History*, p. 287.

a committee of local merchants – the practice in Melaka, Canton, and many other ports. Collective price bargaining usually involved the ship's captain acting for all the merchants traveling with him and owning cargoes on his ship, while another individual or group acted for the local merchant community. Pires described it as it still operated in Melaka early in the sixteenth century:

It is an old custom in Malacca that as soon as the merchants arrive they unload their cargo and pay their dues or presents, as will be said. Ten or twenty merchants gathered together with the owner of the said merchandise and bid for it, and by the said merchants the price was fixed and divided amongst them all in proportion. And because time was short and the merchandise considerable, the merchants were cleared, and then those of Malacca took the merchandise to their ships and sold them at their pleasure; from which the traders received their settlement and gains, and the local merchants made their profits. And through this custom the land lived in an orderly way, and they carried on their business. And that was done thus orderly, so that they did not favor the merchant from the ship, nor did he go away displeased; for the law and the prices in Malacca were well known.[42]

This was clearly something less than perfect competition involving many buyers and many sellers in a free market. Nor could it be called an "administered" price assigned for social rather than economic reasons. Melaka was, after all, in competition with other possible entrepôts. By giving visiting merchants an assurance of prices that were known and competitive, and had some promise of being so from season to season, Melaka's rulers and traders could attract trade that might have gone elsewhere.

In other places, monopoly elements were stronger. Venetian shippers, for example, formed cartels to try to extract, at least temporarily, a monopoly profit over a particular route. The sultans of Egypt tried from time to time – and sometimes with temporary success – to monopolize the spice trade coming up the Red Sea, or to tax the trade as it passed through Egypt, making sure meanwhile that it could go no other way. But price fixing ad lib was simply not possible in the long run. Venetian shipping competed with other Europeans. Egypt usually had to deal with the possibility of overland trade from the Persian Gulf. Even when it controlled the Levant, other routes passed eastward from the Black Sea through Iran.[43]

Many Indian port authorities insisted on collective bargaining to redress the unfavorable position of many local buyers' having to deal with a single visiting ship's captain. Ma Huan, the scholar who went with several Chinese fleets into the Indian Ocean, reported that in the 1430s,

[42] *Suma Oriental*, 1:173–4.
[43] Lane, *Venice and History*, pp. 144–6, 186–8.

the zamorin, or ruler, of Calicut sent an official and a Chetti trader to go over the Chinese account books as well as examine the cargo that was to be placed on sale. Once a price was set for a particular item, it was unchanged as long as the ship remained in port, and each new export commodity offered for sale to the Chinese had to be evaluated in the same way.[44]

That, at least, is what happened in theory. As with any cartel, the temptation was considerable to agree to price or quantity restraints, but later to break them in private. This is one reason why the tight trade restrictions in Canton so seldom worked in practice. The sixteenth-century experience of the Spanish in the Philippines illustrates the problem. In Manila in the 1590s, shortly after the Spanish took over the city, they accepted the time-honored form of collective bargaining, which came to be called *pancada* in Philippine Spanish. The master of an incoming junk from China was obliged to bargain with a committee of merchants acting under the authority of the municipality of Manila, ultimately that of the governor himself. Merchants who wanted to participate committed themselves in advance to invest a stated sum. The purchases were then shared in proportion to investment.

The intent was to improve the bargaining position of the Manila merchants, but it never worked as intended. The longer the Chinese ship stayed in port, the easier it became for a Manila merchant and a Chinese merchant to make their own deals on the side.[45] Given the fact that most of Asia's seaborne trade at this period was a peddler's trade, where merchants rented space on a ship and went along with their goods, there were, in fact, many potential buyers and sellers on both sides. From what we know of Asian merchants' competitiveness, through Pires and others, it is hard to avoid the conclusion that side deals in such situations were probably the rule rather than the exception.[46]

On the eve of the European incursions, a zone of ecumenical trade had come into existence, larger than any that had been created before. The

[44] Ma Huan, *The Overall Survey of the Ocean's Shores* (London, 1970), pp. 140-1. Translated and edited by J. V. G. Mills.

[45] Guerrero, "Chinese in the Philippines," in Felix, Jr. (ed.), 1:24.

[46] Some authorities once held that most Indian Ocean seaports from the beginning of the Christian era down to the sixteenth century were "ports of trade" in the special substantivist definition of that term. That is, goods exchanged were elite goods only, not objects of common consumption; price-fixing markets were absent in long-distance trade; prices were established by government agencies according to political, not economic, goals. See, for example, A. Leeds, "The Port of Trade as an Ecological and Evolutionary Type," in *Proceedings of the 1961 Annual Meeting of the American Ethnological Society. Symposium: Patterns of Land Utilization and Other Papers* (Seattle, 1961). As should be clear by now, this view will not stand up to a careful reading of Tome Pires, much less to the more recent and careful research by scholars like Goitein, Meilink-Roelofsz, or Labib.

Europeans were to change all that. Their arrival in the Indian Ocean world was not such a generally revolutionary event as some historians used to believe, but it forced important changes in the ground rules by which Asian trade was conducted. It put off the further development of an ecumenical trade zone for at least two centuries. By then, the common culture of trade that did develop was very different from that of the late fifteenth century.