

# The Ottoman Empire and the Capitalist World-Economy: Some Questions for Research\*

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My problem is a simple one. At one point in time, the Ottoman Empire was outside the capitalist world-economy. At a later point in time, the Ottoman Empire was incorporated into the capitalist world-economy. How do we know what these points in time were? And by what process did the transition from  $T_1$  to  $T_2$  take place? I say immediately that I do not know the answers to these questions. I wish merely to suggest ways we might proceed in order to answer them.

All answers to historically-specific sets of questions presume a paradigm of social structure and social change. Allow me to make mine explicit, albeit very briefly.<sup>1</sup>

1. A world-empire and a world-economy are two very different kinds of social systems in terms of their economics, their

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<sup>1</sup>. I have elaborated my paradigm at great length elsewhere. See *The Modern World-System* (New York and London: Academic Press, 1974), and *The Capitalist World-Economy* (New York: Cambridge University Press, 1979).

politics, and their cultural expressions. A world-empire is defined as a single social economy (division of labor) with an overarching political structure. A world-economy is defined as a single social economy containing multiple state-structures. These two systems have different modes of production. A world-empire uses a redistributive/tributary mode, in which capital accumulation is *not* maximized, and in which the basic redistribution is a function of political decisions. A world-economy uses a capitalist mode, in which capital accumulation *per se* is the controlling consideration of social action, and this objective is pursued through the market, which is however at most only *partially* “free” from political and social constraint.

2. The dynamics of these two social systems are quite different. A world-empire expands to the socio-technical limits of effective political control of the redistributive process, and then either shrinks or disintegrates. Its history tends to be one long cycle of expansion and contraction. The capitalist world-economy operates via *repeated* cyclical rhythms of expansion and contraction, but it also has secular linear trends of “development”. Crucial for our discussion is one of these trends, that of the unlimited geographical expansion of the world-market. The differences here mentioned by no means exhaust the list.

3. World-systems have an *internal* economic and political life which determines the largest part of social reality. They also however come into contact with each other *externally*. World-empires meet each other as they expand and usually set limits thereby to their mutual expansion. When a world-empire and a world-economy “meet” however, one tends to absorb the other. Historically, it has almost always been the case that an expanding world-empire has absorbed a surrounding world-economy into its imperium. It is only with the advent of the European world-economy in the sixteenth century that we have a clear case of the opposite: the incorporation of surrounding world-empires into the ambit of the capitalist world-economy.

4. Trade *between* world-systems is fundamentally different from trade *within* world-systems: in the nature of the trade; in its impact on the political structures; in its long-term durability. Specifically, trade *between* systems tends to be trade in luxuries, that is, non-essentials. In value terms, it tends to be equal trade, remembering however that each side tends to have different cultural definitions of value (whereas trade within systems

tends to be unequal trade). The trade between systems tends to utilize ongoing productive systems rather than to transform them. If trade between two points seems to change in character, this is both caused by the consequence of an evolving shift in the systemic boundaries themselves, and correlatively of the mode of production.

How does all this apply to the Ottoman Empire and the European world-economy? In my terms, the Ottoman Empire, at least at the beginning, was a classic case of a world-empire. It "came into contact" with a capitalist world-economy, that of Europe. There was trade between the two systems. There was warfare. At some point in time, the European world-economy absorbed the Ottoman Empire into its ambit. At this latter point, the Ottoman Empire was no longer a world-empire but simply one more state located within the boundaries of the capitalist world-economy. At this latter point of time, the production within the Ottoman Empire was "peripheralized". That is, it came to play a particular role within a capitalist mode of production, and be governed by the pressures for capital accumulation *per se*, as mediated by the supply-demand curves of the world market, and by the capital-labor relations that were reflected in the political compromises of the Ottoman state. The economic links (including the trade) between local regions of the Ottoman Empire and various parts of Europe came to be fundamentally different at the later point in time from the links at the earlier point in time.

I know something of the history of the European world-economy. I know far less about Ottoman economic and social history. I can therefore outline the former history but only raise questions about the latter.

When the European world-economy developed its boundaries in the sixteenth century, its single capitalist division of labor extended over Europe east to Poland and Hungary, south to the Mediterranean, and west to Iberian America. Eastern Europe (to be precise, northeastern Europe), the Americas, and southern Italy were its primary peripheral areas, specializing in low-labor-cost bulk essentials produced for the world market and utilizing largely coerced forms of labor. At this time, the Russian and Ottoman Empires were economically external to this system, as was the Indian Ocean world-economy and the coastal zones of Africa. These latter areas were all in trade relations with the European world-economy, but it was es-

entially the so-called "rich trades". Each of these latter areas formed its own division of labor and had an important and complex economic life of its own.

The European world-economy went through a long expansionist phase roughly from 1450 to 1650, followed by a long (overlapping) period of *relative* contraction or stagnation from 1600-1750. I suspect that the relationship of the European world-economy to the various systems external to it did not change fundamentally during this contracting phase, although there was continuous evolution of the socio-economic structures during this time.<sup>2</sup> Beginning about 1750, the European world-economy again expanded its economic activity and its outer boundaries. It is clear to me that in the period 1750-1873, the capitalist world-economy included in its ambit Russia, the Ottoman Empire, India, West Africa, and perhaps other areas as peripheral zones (or a semiperipheral zone in the case of Russia).

My own largest area of uncertainty in relation to the Ottoman Empire is whether its peripheralization should be dated from the nineteenth (or late eighteenth century) or from the early seventeenth century. The standard literature offers both kinds of periodization. On the one hand, Halil İnalcık argues that "the 1590's mark the main dividing line in Ottoman history."<sup>3</sup> On the other hand, M. A. Cook says: "There was no radical discontinuity in the history of the Ottoman state between the early fifteenth century . . . and the early nineteenth century. . . ."<sup>4</sup>

I believe that the choice has to be made primarily in terms of the real economics of the situation, and only secondarily in terms of the continuity of political forms or of ideological belief-systems. I would therefore put forward as the questions for research the following:

(1) If the Ottoman Empire can be demonstrated not to be a peripheral zone of the European world-economy in the six-

<sup>2</sup> There was however *expansion* of the European world-economy in the 1600-1750 period to include North America and the Caribbean.

<sup>3</sup> Halil İnalcık, *The Ottoman Empire: The Classical Age, 1300-1600* (New York: Praeger, 1973), 4.

<sup>4</sup> M. A. Cook, "Introduction" to M. A. Cook, ed., *A History of the Ottoman Empire to 1730* (Cambridge: Cambridge University Press, 1976), 9.

teenth century, why was it not incorporated into the emerging division of labor from the outset, like Poland or Sicily? This is not an implausible query, given the long previous economic links of the Ottoman Empire with Venice at least.

(2) When does the Ottoman Empire become incorporated into the world-economy? This question involves three sub-questions:

(a) What were the processes, both within the Ottoman Empire and within the European world-economy, that account for this incorporation?

(b) Is the "incorporation" a single event, or can different regions of the Empire — Rumelia, Anatolia, Syria, Egypt, etc. — be said to be incorporated at different moments in time?

(c) What were the political consequences of incorporation?

(3) Whenever the Ottoman Empire was thus incorporated, why was it not incorporated as a semiperipheral region rather than as a peripheral region? Once again, this is not an implausible query, as it might be argued that Russia (and perhaps also Japan), when they were incorporated, came in as *semiperipheral* regions.

The way I would go about answering these queries, had I sufficient knowledge, would be to look at actual production processes and then at trade patterns.

In the period up to the end of the sixteenth century, it seems clear that long-distance trade of the Ottoman Empire was trade in luxuries. One description of (fifteenth-century) trade from the east to Bursa will suffice: "The merchandise carried on this caravan route consisted usually of lightweight, expensive goods, such as spices, dyestuffs, drugs and textiles."<sup>5</sup> Compare this with this description of intra-systemic trade (for the sixteenth century):

Egypt and Syria were vital to the economy of Istanbul and the empire. Provisions for the sultan's Palace, such as rice, wheat, barley, spices or sugar, came by galleon from Egypt, and in the sixteenth century Syria annually sent 50,000 kg. of soap to the Palace. Sudanese gold came to Istanbul through Egypt. . . .

5. İnalcık, *op. cit.*, 125. See also p. 162: "Luxury goods, such as jewels, expensive textiles, spices, dyes and perfumes, made up most of the overseas trade."

Since the Ottomans controlled the Dardanelles they were easily able to exclude the Italians from the Black Sea trade [wheat, fish, oil, salt, ships' masts] and develop the region as an integral part of the empire's economy, like Egypt or Syria.<sup>6</sup>

Trade with Venice in the sixteenth century was more ambiguous in nature. To some extent, it seems to have been trade in which Ottoman primary goods went outward in return for Venetian manufactures. But how did this trade compare in value and importance to the trade deriving from the role of Istanbul as a food importer from the rest of the empire and a manufacturing and re-export center of manufactured goods from the rest of the empire?<sup>7</sup> Furthermore, as we know, Venice was a declining pole of Europe as the locus of activity was shifting to the Atlantic.

Why was the Ottoman empire not incorporated (fully) in the sixteenth century into the emerging capitalist world-economy? Would not the simplest explanation be the combination of Europe's needs, distance, and Ottoman resistance? Could western Europe have absorbed potential Ottoman production of peripheral products in addition to those of eastern Europe and the Americas? Was the Ottoman Empire not further away from the emerging industrial zones of northwest Europe? Was not the Ottoman state strong enough to prevent a process of peripheralization? After all, the sixteenth century is generally considered

6. *Ibid.*, 128-29.

7. See *ibid.*, 145:

The need to provide food for İstanbul linked the empire's various areas of production to a single centre and was a major factor in creating an integrated economy. The fact that in the mid-seventeenth century the city's ovens consumed 250 tons of wheat daily in an indication of the city's needs. Bulky foodstuffs, such as grain, oil, salt or sheep, could easily come to İstanbul by sea, and by the second half of the seventeenth century the number of food-carrying ships arriving each year in the docks of İstanbul had reached two thousand. Wheat, rice, sugar and spices from Egypt; livestock, cereals, edible fats, honey, fish and hides from Thessaly and Macedonia; and wine and other Mediterranean products from the Morea and the Aegean islands, continually poured into İstanbul. Districts close to the capital were also dependent on the İstanbul market. From Tekirdağ came the wheat of Thrace, from Constanta and Mangalia the wheat of the Dobrudja. Timber was imported from İzmit. The Dobrudja, a no-man's land in the Middle Ages, became the granary of İstanbul, with the establishment there of hundreds of villages and the con-

the high point of Ottoman political cohesiveness; the empire was certainly most extensive then.<sup>8</sup>

What then happened after the sixteenth century? For one thing, the expansion of the Ottoman Empire was halted. Bernard Lewis talks of the "closing of the frontier" and "its shattering impact."<sup>9</sup> Cyclical decline had set in, and as traditionally happens: "The shrinking economy of the Empire . . . had to support an increasingly costly and cumbersome superstructure."<sup>10</sup> This led to an acute increase in the rate of surplus extraction from the direct producers:

[W]hat could no longer be picked up along the frontiers of the empire could, in part at least, be made good by extracting more from subject populations at home. Landholders could and did demand extra payments from the peasants on their estates. Officials of the sultan's slave household could and did demand extra payments, either for the performance of the duties of the office, or for non-performance of such duties, i.e., for granting exceptions to the rule. Such devices allowed the Turkish cavalymen and the officials of the sultan's slave family to live more luxuriously than their

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struction of state grain-storehouses at the ports. Rice from the Maritsa valley and western Thrace was an essential commodity for the Palace army; from the plains of Bulgaria, Macedonia and eastern Thrace, dealers regularly sent sheep and cattle to the slaughterhouses of İstanbul.

As a transit and re-export centre, and as an exporter of manufactured goods, İstanbul provided an economic link between regions. The export of cottons from Merzifon, Tosya, Tire, Bergama, Denizli, Larende, Bor and Niğde in Anatolia, in return for foodstuffs for İstanbul from Rumelia and the north, appears to have stimulated the manufacture of cotton textiles in these places. At the same time, clothing, woolen and silk industries developed in İstanbul. In the trade triangle between the northern Black Sea region, İstanbul and Anatolia, a great deal of money came into and again left the capital. The state spent much of its revenue on the Palace and army in İstanbul, a large part of this money going to Anatolia and the Balkans.

8. Donald Edgar Pitcher's calculations show a high point of area directly under the central government of 974,500 square miles in 1595. In addition there were tributary states, yielding approximate figures of 350,000 sq. miles in 1566 and 220,000 in 1606. See *An Historical Geography of the Ottoman Empire* (Leiden: E. J. Brill, 1972), 134-35. See also Map XXIV.

9. Bernard Lewis, *The Emergence of Modern Turkey* (London: Oxford University Press, 2nd ed., 1968), 26.

10. *Ibid.*, 31.

predecessors had done in the days of rapid territorial expansion and abundant booty income.<sup>11</sup>

If we look at what happened internally as a consequence, Stanford Shaw argues that the price rises of Europe — he is speaking of a period dated 1566-1683 — led to a demand for wheat, wool, copper, and precious metals such that they “were sucked out of the Ottoman Empire, where the prices had remained relatively low.”<sup>12</sup> Eventually the consequent imports would “destroy the traditional Ottoman craft industry”<sup>13</sup> but Shaw dates this as of the late eighteenth and early nineteenth centuries.

This sounds like incorporation, and certainly it has been interpreted as such. İlkay Sunar describes the seventeenth and eighteenth centuries thus:

[T]he Ottoman economy underwent simultaneously incorporation into the world market system and the commercialization of its agriculture. . . . Ottoman trade with the outside . . . ceased to be transit trade and became increasingly less administered and increasingly more an economic process of exchange of Ottoman primary goods for manufactured European products.<sup>14</sup>

Sunar talks of the “transition from household production to coerced cash production, as the estates encroached upon the domestic economy;”<sup>15</sup> he includes in these large estates the *iltizam* (tax-farms), the *malikâne* (life-farms), and *çiftlik*, and even the *waqf* lands, and argues that “the organization of economic life became increasingly subject to the dynamics of the world market. . . .”<sup>16</sup> Finally, for Sunar, the

11. William H. McNeill, *Europe's Steppe Frontier, 1500-1800* (Chicago: University of Chicago Press, 1964), 60.

12. Stanford Shaw, *History of the Ottoman Empire and Modern Turkey*, (Cambridge: Cambridge University Press, 1976), I, 172.

13. *Ibid.*, I, 173.

14. İlkay Sunar, “The Political Rationality of Ottoman Economics: Formation and Transformation,” in Ş. Mardin and W. I. Zartman, eds., *Polity, Economy and Society in Ottoman Turkey and North Africa* (Princeton: Princeton University Press, forthcoming), p. 14 of mimeographed version.

15. *Ibid.*, 16.

16. *Ibid.*, 19.



emerging network of market-based relations, and the relative autonomy which it engendered for the estate holders, . . . culminated . . . in the rise of the *ayan* in contravention of state power at the beginning of the 19th century.<sup>17</sup>

İslamoğlu and Keyder describe the process in a similar way:

Commercialization of production and, more importantly, change in the status of the peasantry, both of which the *çiftlik* entailed, are necessary components in a process of peripheralization.<sup>18</sup>

But they see the late sixteenth and seventeenth centuries “as a transitional stage in the articulation of the Ottoman system with the world-economy.”<sup>19</sup> After that, they see a staggered integration:

The Balkans became integrated into the European economy beginning in the eighteenth century. For Egypt and the Levant, the process gained momentum during the first quarter of the nineteenth century. In Anatolia, the volume of trade increased significantly beginning in the 1830's.<sup>20</sup>

In the end, it is perhaps a quantitative question. How much quantitative change in the production systems of the Ottoman Empire adds up to a definitive qualitative shift? Need the political and ideological transformations, lagging behind, have occurred in order for us to state that incorporation had occurred? Seen from the other side of the process, that of the existent European world-economy, was there enough impetus during this long period of relative stagnation — impetus in terms of what actually maximized capital accumulation — truly to “incorporate” an outlying region like the Ottoman Empire, before the expansive upswing in the latter half of the eighteenth century?

In any case, there are few who disagree that in the nineteenth century the Ottoman Empire was in no way a self-contained

17. *Ibid.*, 20.

18. Huri İslamoğlu and Çağlar Keyder, “Agenda for Ottoman History,” *Review*, I, 1, Summer 1977, 53.

19. *Ibid.*, 43.

20. *Ibid.*, 53.

social economy. It had clearly become a peripheral area. Why could it not however have at least had semiperipheral status, as did nineteenth-century Russia?

The answer may reside largely in a politico-military comparison of the Russian and Ottoman empires in the seventeenth and eighteenth centuries. Russia was still expanding. Its army was far stronger than that of the Ottoman Empire. Its own outlying areas were more difficult for western European capitalists to penetrate directly, for both geographical and politico-social reasons. There was no phenomenon in Russia comparable to the janissaries. Thus, the Ottoman Empire was relegated to the common fate of the politically weak areas — of China and of southeast Asia, and indeed of Africa. Is this not precisely what was caught up in the epithet: “sick man of Europe?”

We have wide knowledge today of what it means to be a peripheral zone in the capitalist world-economy. Where we are weak is in understanding the actual process of peripheralization, the actual displacement of a redistributive-tributary mode of production by absorption into a capitalist mode. To study this process, the economic and social history of the Ottoman Empire from say 1550-1850 offers prospects for considerable progress in understanding the modalities of transformation.