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Sugar trade in the Eighteenth-Century Persian Gulf

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Sugar Trade in the Eighteenth-Century Persian Gulf

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Note on transliteration

The Arabic and Persian transliteration used in this thesis follows the system of the third edition of *Encyclopaedia of Islam*.

Maps



Map 1: Iran and the Persian Gulf



Map 2: Khuzistan



Map 3: Fars



Map 4: Kerman

Source: Th. Ricks, *Notables, Merchants, and Shaykhs of Southern Iran and Its Ports: Politics and Trade of the Persian Gulf Region, AD 1728–1789* (New Jersey: Gorgias Press, 2012), 295, 297, 298, 299.

Introduction

Concerning sugar, I think there was always some in *Indes*. I know people strongly contest this and most of the authors assert that sugar is a product of the New World and the people of the Old World used nothing but honey. However, I have a different opinion with the following reason. That is, sugar grows throughout *Indes* abundantly, easily and excellently, and it was not like products brought from remote countries, which never grow up so well since they were transplanted far from their own soil.

Jean Chardin (1811)

The present study discusses sugar trade in the Persian Gulf in the eighteenth century. To the existing historiography of the region, which still stresses eighteenth-century imperial and economic decline, the study argues a maintained vitality of the Gulf trade by illuminating remarkable changes in the relationship between trade and consumption in the context of the Persian Gulf and beyond, namely that of the Indian Ocean.

For Jean Chardin, a French Huguenot jeweller who made visits to Iran between 1655 and 1677 under the Safavid dynasty (1501–1722), the country was a place of wonders. While mesmerized by infinite peculiarities — climate, flora and fauna, minerals, ways of life, science, art and so forth — a certain sense of familiarity also came to his mind when he encountered the abundant use of cane sugar there. It was reminiscent of contemporary Europe, where sugar produced in the Caribbean increasingly entered the market. Yet the great excitement that Chardin got from his “discovery” of sugar seems to have overwhelmed his curiosity. He could have asked why Persia’s population consumed sugar so lavishly. Or he could have guessed why the market was expanding at that very moment. But instead he rekindled the issue of whether tobacco and sugar were originally from the New World.¹

The question of why sugar was so popular in Iran has since remained unanswered. What is puzzling is that in spite of its relatively thin population, Iran became a major sugar-importing region in the Indian Ocean in the late Safavid period. The country had so far imported sugar mainly from India by land, but now began to import substantial quantities from various Asian countries through the Persian Gulf. The total population of Iran during the prime years of the Safavid dynasty in the early to mid-seventeenth century was no more than seven or eight million, while India at the same period boasted between sixty and a hundred million inhabitants, and in the Ottoman realm at the turn of the seventeenth century there were thirty to thirty-five million. In fact, Safavid Iran presented itself as an impressive depository for most commercial items passing between South Asia and Southeast Asia and Western Europe. Nevertheless, hardly any sugar imported via the Persian Gulf seems to have been re-exported. It was destined for major cities, especially the Safavid capital of Isfahan.²

¹ J. Chardin. *Voyages du chevalier Chardin en Perse, et autres lieux de l’Orient*, edited by L. Langlès, vol. 3 (Paris: Le Normant, 1811), 303-4.

² R. Matthee, “The Safavid Economy as Part of the World Economy,” In *Iran and the World in the Safavid Age*, edited by W. Floor and E. Herzig (London: I.B. Tauris, 2012), 33, 34, 38-9.

To discuss the trade and consumption of commodities in the Indian Ocean, K.N. Chaudhuri, a renowned economic historian, proposes the theory of “state capitalism”. He argues that the crucial driving force behind the maritime economy in early modern times was the “Asian state”. Before the European technological revolution prevailed in the nineteenth century, he thinks that the “Asian state” was “the single largest financial enterprise with its income and expenditure forming a significant proportion of total production and consumption” in the Indian Ocean.³

This concept seems to apply to the sugar trade and consumption in Safavid Iran. Muhammad Muhsin, an eyewitness of the last days of the kingdom, blamed the indulgence of the last monarch Sultan Husayn (r. 1694–1722), with his consumption of dishes and medicines in the secluded harem, as a cause for the degeneration of the state which provoked the Afghan conquest.⁴ This claim has echoed in modern literature on the Safavids.⁵ To Marxist historians, the court’s penchant for spending appears to be a symptom of the undeveloped state of “modern capitalism” in the country.⁶ In recent decades, scholars have paid increasing attention to Iran’s material culture vis-à-vis religious and spiritual culture.⁷ Some have pointed out the significant development of social life in Safavid Iran, especially in the court circle, as being behind the high demand for sugar in the late Safavid period. R. Matthee argues that, on special occasions such as honourable receptions, preparing specific items, such as sweetmeats, coffee and the *qalyān* (water pipe), became more or less a social norm.⁸ A. Hosseini states that *sharba* (sherbet, or sugar and fruit water) had a prominent place in the capital’s social life.⁹

Apparently, the situation in the nineteenth century also supports Chaudhuri’s hypothesis about the all-conquering Western industrial capitalism. During that period American sugar, which was refined in industrialized European refineries, and Russian beet sugar poured into

³ K.N. Chaudhuri, *Asia before Europe: Economy and Civilisation of the Indian Ocean from the Rise of Islam to 1750* (Cambridge: Cambridge University Press, 1990), 384-7.

⁴ Anon. *Tadhkirat al-mulūk: A Manual of Ṣafavid Administration (circa 1137/1725)*, translated by V. Minorsky (Cambridge: Gibb Memorial Trust, 1943), 23-4; L. Lockhart, *The Fall of the Ṣafavī Dynasty and the Afghan Occupation of Persia* (Cambridge: Cambridge University Press, 1958), 16-34.

⁵ R. Savory, *Iran under the Safavids* (Cambridge: Cambridge University Press, 1980), 226-54. For a revisionist view, see A. Newman, *Safavid Iran: Rebirth of a Persian Empire* (London: I.B. Tauris, 2006), 104-16.

⁶ Among others, see Ahmad Ashraf, “Historical Obstacles to the Development of a Bourgeoisie in Iran,” *Iranian Studies* 2, no. 2 (1969): 54-79; A. Banani, “Reflections on the Social and Economic Structure of Safavid Persia at Its Zenith,” *Iranian Studies* 11, no. 1 (1978): 83-116; M. Keyvani, *Artisans and Guild Life in the Later Safavid Period: Contributions to the Social-economic History of Persia* (Berlin: Klaus Schwarz Verlag, 1982), 215-43. For a critical review of the debate on Safavid economic history, E. Herzig, “The Armenian Merchants of New Julfa, Isfahan: A Study in Pre-modern Asian Trade,” (PhD diss., University of Oxford, 1991), 11-26.

⁷ W. Floor, *Traditional Crafts in Qajar Iran (1800–1925)* (California: Mazda Publishers, 2003); R. Matthee, *The Pursuit of Pleasure: Drugs and Stimulants in Iranian History, 1500–1900* (Princeton: Princeton University Press, 2005).

⁸ R. Matthee, “A Sugar Banquet for the Shah: Anglo-Dutch Competition at the Iranian Court of Šāh Sulṭān Ḥusayn (r. 1694–1722),” *Eurasian Studies* 1-2 (2006): 195-217.

⁹ A. Hosseini, “Sharba wa sharba-khāna dar gudhar-i zamān [Iran’s Sherbet and Sherbet Houses in Passage of Time],” *Bāgh nāzar* 10, no. 25 (2013): 57-66. T. Morikawa also argues that sugar, traditionally featuring as “medicine”, began to be an indispensable “condiment” for royal cuisine while ruling out indigenous sweetener honey. T. Morikawa, “Persia-kyutei no wine to sherbet [Wine and Sherbet at the Persian court],” In *Shoku to bunka: Jiku wo koeta shokutaku kara [Food and Culture: Eating across Space and Time]*, edited by N. Hosoda (Hokkaido: Hokkaido-daigaku Shuppankai, 2015), 65-96.

the Iranian market. Particularly in the latter half of the century, imports of sugar increased and its availability substantially improved. Sugar was estimated to represent 24 per cent of the total imports in 1910. Coupled with tea drinking, which became highly popular among the wider society, sugar became an integral part of the nation's modern diet.¹⁰

However, there remains the critical question of the kind of relationship the sugar supply had with the consumption of sugar from the collapse of the Safavids until 1800. The Afghan conquest triggered serious political disarray, and that lasted until the establishment of the Qajar rule (1796–1925).¹¹ Although the occasional rise of powerful warlords, including Nadir Shah Afshar (r. 1736–47), Karim Khan Zand (r. 1751–79) and Ahmad Shah Durrani (r. 1747–72), allowed some respite to some parts of the country, repeated hostilities forced the inhabitants to endure continuous uncertainties.¹² So if the theory is true, there should be a serious decline, if not a rupture, in that relationship. Actually, the prevailing concern in recent literature on the eighteenth-century Gulf is to elucidate how the political turmoil severely hindered maritime trade. W. Floor, the most important contributor to this line of study, underscores the fact that the fortune of the Gulf economy was dependent on the strength of the political entities involved. He argues that the relatively stable rule of the Safavids facilitated the Gulf trade by providing security and infrastructures for the smooth flow of merchants and commodities. The sustained disappearance of efficient regional powers after the eclipse of the dynasty, therefore, dealt a crucial blow to the trade. Although traders to some extent adjusted to the changing trading situations, the instability occasioned an overall disturbance and decline of the Gulf trade.¹³ From the same standpoint, Matthee has emphasized the unmatched role of the Safavid dynasty in the history of Iran in its decrees over the country, which amounted to controls for a long span of time. He has claimed it gave it more of the status of an “empire” than a “kingdom”.¹⁴

Previous studies of the eighteenth-century Persian Gulf

A careful reading shows that many earlier studies present a rather contradictory picture. What seems to be a consensus among them is that during the eighteenth century, numerous ports and portions of the Gulf formed a strikingly resilient regional market for goods coming from

¹⁰ Floor, *Traditional Crafts in Qajar Iran*, 328-75; Matthee, *The Pursuit of Pleasure*, 254-6.

¹¹ Lockhart, *The Fall of the Safavī Dynasty*; W. Floor, *The Afghan Occupation of Safavid Persia 1721–1729* (Paris: Association pour l'Avancement des Études iraniennes, 1998).

¹² L. Lockhart, *Nadir Shah: A Critical Study Based Mainly upon Contemporary Sources* (London: Luzac, 1938); J. Perry, *Karim Khan Zand: A History of Iran, 1747–1779* (Chicago: University of Chicago Press, 1979); J. Gommans, *The Rise of the Indo-Afghan Empire c. 1710–1780* (Leiden: Brill, 1995).

¹³ B. Slot, *The Arabs of the Gulf 1602–1784: An Alternative Approach to the Early History of the Arab Gulf States and the Arab People of the Gulf, Mainly Based on Sources of the Dutch East India Company* (Leidschendam, 1993); Sultan bin Muhammad al-Qasimi, *Power Struggles and Trade in the Gulf 1620–1820* (Forest Row: University of Exeter Press, 1999); W. Floor, *The Persian Gulf: The Rise of the Gulf Arabs: The Politics of Trade on the Persian Littoral 1747–1792* (Washington, DC: Mage Publishers, 2007).

¹⁴ R. Matthee, *Persia in Crisis: Safavid Decline and the Fall of Isfahan* (London: I.B. Tauris, 2012); Idem, “Relations between the Center and the Periphery in Safavid Iran: The Western Borderlands v. the Eastern Frontier Zone,” *The Historian* 77, no. 3 (2015): 431-63.

and going to countries in the Indian Ocean rim. Since those works have so far received little attention, a proper review is due to justify the situation.

Traditionally the eighteenth century was regarded as a prelude to Britain's predominance in Gulf affairs. The assumption was that, after the decline of the Safavids, the increased insecurity permitted the East India Company (the EIC), who hung on thanks to the Royal Navy and the Bombay Marine, to elevate their presence in the Gulf market, thus paving the way for their firm control of the regional economy and politics from the nineteenth century onward.¹⁵ But A. Hakima's *History of Eastern Arabia* (1965) changed this picture. Casting a critical eye on the literature focused on activities of the European companies, he illuminates the rise of maritime Arabs, particularly the Utubis in Kuwait and Bahrain in the latter half of the eighteenth century. Together with the increase of the Utubis' involvement in commercial shipping and caravan traffic, he argues, Kuwait developed into a prominent outlet for Indian goods bound for Baghdad, the inner parts of the peninsula, Aleppo and Constantinople.¹⁶ About a decade later Th. Ricks followed up his arguments. In an analysis of the activities of local notables and traders in southern Iran in the eighteenth century, he revealed that anarchy and chaos were limited to competition within a group or class of the late-Safavid elites for socio-political domination. With the establishment of the Zand dynasty in Shiraz (1765–94), he argues, order was restored to Iran and the focus of the Gulf trade shifted from south to north. Consequently, Bandar Abbas, the largest emporium during the Safavid period, went into decline and instead Bushire, the outer harbour of Shiraz, developed into a principal centre of trade. He thinks it was not until the turn of the nineteenth century that the trade routes with Iran shifted away from the Gulf. Then the trade moved further north towards the Caspian regions, where the Qajars established their power base, and towards Khorasan.¹⁷

In the 1980s when the Indian Ocean had begun to draw scholarly attention as a new unit of historical survey, A. Das Gupta provided a useful overview of the Indian Ocean trade in the eighteenth century, including the contributions of Hakima and Ricks. He succinctly showed that, although the Gulf trade suffered intermittent commotion after the Safavids, it took shelter in the Upper Gulf. He also showed that the rise of the maritime Arabs of Kuwait and Bahrain to some extent retrieved the situation in the northwest of the Indian Ocean.¹⁸ Since then a

¹⁵ A. Wilson, *The Persian Gulf: An Historical Sketch from the Earliest Times to the Beginning of the Twentieth Century* (Connecticut: Hyperion Press, 1928), 171-91; J. Kelly, *Britain and the Persian Gulf 1795–1800* (Oxford: Clarendon Press, 1968), 1-61; C. Allen, "Sayyids, Shets and Sultāns: Politics and Trade in Masqat under the Āl Bū Sa'īd," (PhD diss., University of Washington, 1978), 33-67; R. Savory, "A.D. 600–1800," In *The Persian Gulf States: A General Survey*, edited by A. Cottrell (Baltimore: The Johns Hopkins University Press, 1980), 33-9. Cf. J. Lorimer, *Gazetteer of the Persian Gulf, 'Omān, and Central Arabia*, 2 vols. (Calcutta: Office of the Superintendent Government Printing, 1908–15).

¹⁶ A. Hakima, *History of Eastern Arabia, 1750–1800: The Rise and Development of Bahrain and Kuwait* (Beirut: Khayats, 1965).

¹⁷ Th. Ricks, "Towards a Social and Economic History of Eighteenth-Century Iran," *Iranian Studies* 6, no. 2 (1973): 110-26; Idem, "Politics and Trade in Southern Iran and the Gulf, 1745–1765," (PhD diss., Indiana University, 1975). Recently the author has published a revision of his dissertation. Idem, *Notables, Merchants, and Shaykhs of Southern Iran and Its Ports: Politics and Trade of the Persian Gulf Region, AD 1728–1789* (New Jersey: Gorgias Press, 2012).

¹⁸ A. Das Gupta, "Introduction II: The Story," In *India and Indian Ocean: 1500–1800*, edited by A. Das Gupta and M. Pearson, first published in 1987 (Oxford: Oxford University Press, 1999), 40-1; Idem, "India and the Indian Ocean in the Eighteenth Century," In *India and Indian Ocean*, 133, 137-40.

number of scholars dealing with different areas of the Gulf have corroborated his assumption, by revealing the remarkable flexibility of the commercial networks of local and regional rulers and merchants in generating alternative trading routes and secondary markets.

S. Grummon scrutinizes the rise of Bushire under the rule of the Arab family Madhkur in the second half of the eighteenth century. He points out that the Madhkurs succeeded in establishing an effective partnership with the Zands, a hinterland power, in which the Madhkurs used their naval power to support the Zands' maritime interests, and the Zands in turn protected the hinterland security for the Madhkurs. He claims that as a result Bushire became a significant "port-of-call", competing with Bandar Abbas, Basra and Masqat.¹⁹ Th. Abdullah reveals that the decline of Bandar Abbas also allowed Basra to become a leading commercial port in the Gulf. From the early 1720s to the mid-1770s, trade at Basra substantially developed to deal with a wide range of foreign countries such as India, the Red Sea, Southern Iran, Iraq and the Middle East, as well as within the Gulf. After the *mamlūks* founded their regime in Baghdad in the middle of the century, the *mamlūk* rulers encouraged the trade, especially towards Baghdad. Although the trade at Bandar Abbas remained considerable during the first half of the century, he notes that Bushire rose to become a competitor of Basra and took larger shares of the Indian trade.²⁰

Using the concept of "free ports", H. Fattah describes the emergence of Zubara, Kuwait and Bahrain under the control of the Utubi tribesmen from the mid-eighteenth century. Unlike the Ottoman port of Basra, she says, these ports permitted regional merchants the freedom to trade their goods without any payment of customs tariffs. Thus, they facilitated the transit trade passing from Arabia to India, as well as the regional trade connecting market towns in the Arabian Peninsula, Southern Iraq and Arabistan.²¹ P. Risso deals with the significant growth of Masqat's commerce under the Bu Said dynasty (1749– present) in the latter half of the eighteenth century. She ascribes the success of the port to three factors: the domination of transit trade in Mocha coffee to Basra, the increase of trade with the western coast of India (particularly with the Dutch settlement of Cochin in Javanese sugar), and the decline of Bandar Abbas and Basra.²²

Since the 1990s the Gulf trade has received renewed attention from scholars investigating Eurasia's overland commerce in early modern times.²³ According to them, the trans-continental routes and the sea-lanes of the Persian Gulf had a complex relationship. J. Gommans thinks that the reformation of Gulf trade in the eighteenth century accompanied

¹⁹ S. Grummon, "The Rise and Fall of the Arab Shaykhdom of Būshire: 1750–1850," (PhD diss., Johns Hopkins University, 1985).

²⁰ Th. Abdullah, *Merchants, Mamluks, and Murder: The Political Economy of Trade in Eighteenth-century Basra* (Albany: State University of New York Press, 2001).

²¹ H. Fattah, *The Politics of Regional Trade in Iraq, Arabia, and the Gulf 1745–1900* (Albany: State University of New York Press, 1997).

²² P. Risso, *Oman & Muscat: An Early Modern History* (New York: St. Martin's Press, 1986).

²³ S. Dale, *Indian Merchants and Eurasian Trade, 1600–1750* (Cambridge: Cambridge University, 1994); M. Alam, "Trade, State Policy and Regional Change: Aspects of Mughal-Uzbek Commercial Relations, c. 1550–1750," *Journal of the Economic and Social History of the Orient* 37, no. 3 (1994): 202-27; Gommans, *The Rise of the Indo-Afghan Empire*; S. Levi, *The Indian Diaspora in Central Asia and Its Trade, 1550–1900* (Leiden: Brill, 2002).

that of Eurasian overland trade. Analysing the overland trade through Afghanistan under the Durrani dynasty (1747–1793), he claims that, while the Gulf trade relocated from the Iranian littoral to the Arabian coast and Basra, the caravan trade invigorated economic centres of India, Iran and Central Asia. On the other hand, the Durrani incorporation of Baluchistan, Makran and Sind created a new link between the Iranian and Central Asian hinterland and the Persian Gulf; many outer harbours of these regions had good access to Masqat.²⁴ In his *Arabian Seas*, R. Barendse comes much into line with this view. He asserts that the Gulf as a market for Iran-bound goods declined, as the caravan traffic from India to Iran via Afghanistan replaced much of the old maritime trade. But still the Gulf continued to play a role as an impressive intersection that connected the economies of the Mediterranean and South Asia. Therefore, he says, what happened to the Gulf during the eighteenth century was not an overall decline but a shifting of the trade, and the Gulf was particularly prone to political crises because the financial rewards were so enormous.²⁵

Taking all these views together, it seems that the idea of an overall catastrophe in the eighteenth century carries no great conviction. Rather those views bear a noticeable resemblance to the reinterpretation of the relationship between merchant and state in eighteenth-century India in the past few decades. That is to say, the fragmentation of the Mughal Empire seldom precipitated capital into atrophy as formerly believed; on the contrary, the increased vigour of merchants, adjusting to political vicissitudes, stimulated further commercialization of the so-called successor states.²⁶ It appears that during the century, sugar trade in the Gulf indeed maintained a considerable level of intensity while shifting its course.

In the seventeenth century, Iran imported sugar from Taiwan, China, Oman and Java, as well as from Northwest India and Bengal. By 1700, its market became a mainstay for the nascent sugar production in Java under the management of the Dutch East India Company (*Verenigde Oost-Indische Compagnie*: the VOC). The VOC was presumably the single largest supplier of sugar in the late Safavid period. After the Afghan invasion, however, sales of Javanese sugar sharply dropped. Although the Company tried to keep up the business at the emerging markets of Basra, Bushire and Kharg Island, their trade did not reach its previous level, which resulted in their final withdrawal from the Gulf in 1766.²⁷

²⁴ Gommans, *The Rise of the Indo-Afghan Empire*, 35-8.

²⁵ R. Barendse, *The Western Indian Ocean in the Eighteenth Century*, vol. 1 of *Arabian Seas 1700–1763* (Leiden: Brill, 2009), 299, 301-2, 312-4. The modern Persian literature on the topography and history of the Gulf regions also deserves attention. Muhammad Ali Sadid al-Saltanah (ed.), *Bandar ‘Abbās wa Khalīj-i Fārs* (Teheran: Duniyā-yi kitāb, 1363/1984); Iraj Afshar Sistani, *Nigāhī bih Būshahr: majmū‘āi az awqā‘-i tārikhī, jughrāfiyāyī, ijtimā‘ī wa iqtisādī-yi ustān-i Būshahr*, 2 vols. (Teheran: Mu‘assa-yi intisharātī wa āmuzishī-yi nasl-i dānish, 1369/1990); Ali Riza Khalifazadah, *Haft shahr-i Līrāwī wa Bandar-i Daylam*, first published in 1382/2003 or 2004 (Bushire: Intishārāt-i shurū‘, 1393/2014).

²⁶ For a critical overview of this argument, see B. Bhattacharya, G. Dharampal-Frick and J. Gommans, “Spatial and Temporal Continuities of Merchant Networks in South Asia and the Indian Ocean,” *Journal of the Economic and Social History of the Orient* 50, no. 2-3 (2007): 99-103. The revisionist scholars, though, have taken little heed of their Iranian counterparts. L. Blussé and F. Gaastra (eds.), *On the Eighteenth Century as a Category of Asian History* (Aldershot: Ashgate, 1998).

²⁷ W. Floor, *The Economy of Safavid Persia* (Wiesbaden: Reichert Verlag, 2000), 126-33; G. Nadri, “The Dutch Intra-Asian Trade in Sugar in the Eighteenth Century,” *International Journal of Maritime History* 20, no. 1 (2008): 63-96.

While Floor thinks the downfall of the Company signified a substantial decrease in the population's purchasing power, it is important to note that sugar imports by other suppliers carried on.²⁸ After the Afghan conquest, the focus of the English private traders, the biggest competitors of the VOC, shifted from Bandar Abbas to Basra, and their Calcutta shipping brought commodities including sugar to Basra.²⁹ In the ensuing course of the century Omani merchants began to be very active in trading sugar. Omani vessels exported Gulf products such as dates, sulphur, etc., to Dutch Cochin, and in return they imported Javanese sugar, spices and Malabar pepper. At the turn of the nineteenth century, the "Arabs" turned their eyes to eastern Indian ports. They bought silk and sugar at Calcutta more cheaply. The Bu Said *sultān* annually sent ships even to Batavia in order to acquire Javanese sugar and spices at more competitive prices.³⁰ Floor himself admits this continuity, pointing out the fact that the VOC permitted Dutch private traders to send the Company's sugar to Masqat during the period from 1777 to 1793.³¹

Sugar for bullion

Then the question arises about what made people's demand for sugar persist during such a politically unstable time, when their social life must have been severely retrenched. In order to address this question we may want to recall the question that S. Mintz, an American anthropologist, posed in his pioneering study of modern history of sugar, *Sweetness and Power*, "What really is demand?". With regard to the phenomenal development of the sugar market in England from the middle of the seventeenth century, Mintz, like many other scholars of consumption history, gives consumer preference its due.³² But he also stresses the important contribution of mercantile and bureaucratic agencies — planters, bankers, slavers, shippers, refiners, grocers and bureaucrats. In order to gain more economic and fiscal rewards, he argues, these groups targeted the unexploited potential markets of the lower classes. Through lobbying, they successfully put in place many institutional settings expedient for increasing the availability of sugar, molasses and rum in the country, thus bringing the proletariat into the marketplace. Mintz says that the freedom to choose for consumers was

²⁸ Floor, *The Rise of the Gulf Arabs*, 200.

²⁹ O. Prakash, *European Commercial Enterprise in Pre-colonial India*, vol. II. 5 of *The New Cambridge History of India* (Cambridge: Cambridge University Press, 1998), 250.

³⁰ Nadri notes that the Arabs of Bahrain also engaged in the sugar trade in the Arabian Sea, Bay of Bengal and the Archipelago. Risso, *Oman and Mascot*, 80-1, 195-6, 198; Nadri, "The Dutch Intra-Asian Trade," 77.

³¹ W. Floor, *The Persian Gulf, Dutch-Omani Relations: A Commercial & Political History 1651-1806* (Washington, DC: Mage Publishers, 2014), 161-70.

³² S. Mintz, *Sweetness and Power: The Place of Sugar in Modern History* (London: Penguin Books, 1986), 151-8. Chaudhuri speaks about the nature of Indian Ocean economy in the same vein. Against David Ricardo's theory, he contends that pre-modern international trade was not necessarily a matter of comparative price differences, but there "consumer tastes" and "social conventions" played an important role in shaping the demand for luxury goods. K.N. Chaudhuri, *Trade and Civilisation in the Indian Ocean: An Economic History from the Rise of Islam to 1750* (Cambridge: Cambridge University Press, 1985), 16-7; Idem, *Asia before Europe*, 159, 180-1.

therefore “freedom only within a range of possibilities laid down by forces over which those who were, supposedly, freely choosing exercised no control at all.”³³

The picture that Mintz displays there — the evolution of a system of industrial capitalism over the Atlantic Ocean that would allegedly spread over the rest of the world — has received much criticism.³⁴ Some emphasize a substantial expansion of the sugar market in Europe before the “Industrial Revolution”.³⁵ Others call attention to parallel developments of sugar markets in Asia, especially in China and Japan, and make a case for Asia’s economic independence.³⁶ But the concept of an “invisible” agency that he has defined to track down the “demand” remains inspiring; it gives us an opportunity to think about the broader economic settings that truly activated the domain of the consumers.

In Iran, too, the use of sugar unmistakably thrived at a time when the increased consumption was assured by the merchant world and capital flows. After the Safavids established Bandar Abbas as their gateway to the Indian Ocean in the early 1620s, this particular economic arena rapidly developed into an active hub for a wide range of entrepreneurs — planters, suppliers, shippers, brokers, wholesalers, hawkers, bankers, transporters, retailers, refiners, drug dealers, confectioners, sherbet makers, etc. — thus forming the crucial instruments of the “demand”.

Yet, there remain two questions to be answered. First, how did the whole commercial agency function in the Safavid period? Second, how did this machinery change the economic environments in the following period? One crucial consideration is that in the seventeenth and eighteenth centuries, sugar, being lucrative ballast, not only facilitated flows of commodities in Asian waters but also functioned as an effective means to acquire precious metals. Since the early 1640s the VOC had tried to trade sugar for precious metals in Japan and Iran. Both Japan and Iran were initially suppliers of silver and gold, and later of copper. These items were indispensable for the Company to procure highly profitable cotton textiles mainly in Coromandel and Bengal.³⁷ In the course of the eighteenth century, the VOC also promoted

³³ S. Mintz, *Sweetness and Power*, 166-71.

³⁴ S. Mintz, “Introduction,” In *Sugarlandia Revisited: Sugar and Colonialism in Asia and the Americas, 1800 to 1940*, edited by U. Bosma, J. Giusti-Cordero and G.R. Knight (New York: Berghahn Books, 2007), 1-4.

³⁵ J. de Vries, “The Industrial Revolution and the Industrious Revolution,” *The Journal of Economic History* 54, no. 2 (1994): 249-70; E. Stols, “The Expansion of the Sugar Market in Western Europe,” In *Tropical Babylons: Sugar and the Making of the Atlantic World, 1450–1680*, edited by S. Schwartz (Chapel Hill: The University of North Carolina Press, 2004), 237-88.

³⁶ J. Grehan, *Everyday Life and Consumer Culture in 18th Damascus* (Seattle: University of Washington Press, 2007); K. Pomeranz, *The Great Divergence: China, Europe, and the Making of the Modern World Economy* (Oxford: Princeton University Press, 2009), 114-65; K. Yao, *Sato no totta michi: kashi kara mita sekai-shi [Sugar Road: World History seen through Sweets]* (Fukuoka: Gen Shobo, 2011); G. Souza, “Hinterlands, Commodity Chains, and Circuits in Early Modern Asian History,” In *Hinterlands and Commodities: Place, Space and the Political Economic Development of Asia over the Long Eighteenth Century*, edited by T. Mizushima, G. Souza and D. Flynn (Leiden: Brill, 2013), 15-47; T. Sato, *Sugar in the Social Life of Medieval Islam* (Leiden: Brill, 2015). Cf. U. Bosma, *The Sugar Plantation in India and Indonesia: Industrial Production, 1770–2010* (New York: Cambridge University Press, 2013), 164-210; G. Knight, *Commodities and Colonialism: The Story of Big Sugar in Indonesia, 1880–1942* (Leiden: Brill, 2013), 17-51 (Appendix 2).

³⁷ Floor, *The Economy of Safavid Persia*, 184, 187-93; E. Jacobs, *Merchant in Asia: The Trade of the Dutch East India Company during the Eighteenth Century* (Leiden: CNWS Publications, 2006), 98-9, 248; R. Matthee, W. Floor and P. Clawson, *The Monetary History of Iran from the Safavids and the Qajars* (New York: I.B. Tauris,

sugar sales at Surat and in return acquired silver specie to pay for spices in Ceylon and textiles in Bengal.³⁸ China's state and private traders similarly tried to exploit Chinese sugar as a ballast good for outward junk navigation to Japan, so that they could obtain Japanese copper needed for the Qing's monetary policies of manufacturing small denomination coins.³⁹ As far as Iran's place in the bullion flow is concerned, it was also important that gold and silver coins that passed through the country came all the way from America via Europe. Hence, sugar shipments to Iran helped stimulate monetary flows on a global scale.

However, few studies have been done on the exact process through which the sugar imported to the Persian Gulf was turned into exported bullion. We know this was not achieved through "bartering" in the late Safavid period. In order to gain specie for export, it was necessary for a maritime trader to sell his sugar at Bandar Abbas and then transfer the proceeds of the year's sales to the principal bullion market of Isfahan. For remittances, he had to arrange bills of exchange, which required high skills in monetary transactions and rich knowledge of the regional economy. Not surprisingly, such processing was a tall order for the VOC and other European traders. Moreover, on the side of the foreign traders there were always substantial difficulties in overcoming linguistic barriers and unfamiliar local conventions.⁴⁰ In order to handle all of these they needed to use many local merchants as their brokers and interpreters.

We have very limited knowledge about the critical relationship between the local merchants and the VOC, since many students of merchants in Safavid Iran tend to understand this relationship in terms of competition. About forty years ago the Danish historian N. Steensgaard argued that numerous itinerant traders, none of whom were powerful enough to control either individual markets or individual commodities, made up the "early Asian trade". There, the unpredictability of the market and the arbitrariness of protection costs prevailed, making rational calculations difficult for the "pedlars". But the VOC and the EIC as "companies" could stabilize price fluctuations through supply controls and internalized protection costs from their own resources. As a result, they successfully directed a significant proportion of the Asia-Europe trade to the Cape route, thus reducing the trans-continental caravan trade.⁴¹ Studies of Indian merchants and the Julfa Armenians in Safavid Iran have

2013), 139-76. For the importance of the Japanese copper trade in India, R. Shimada, *The Intra-Asian Trade in Japanese Copper by the Dutch East India Company during the Eighteenth Century* (Leiden: Brill, 2006).

³⁸ Jacobs, *Merchant in Asia*, 116-21; G. Nadri, *Eighteenth-Century Gujarat: The Dynamics of Its Political Economy, 1750-1800* (Leiden: Brill, 2009), 122.

³⁹ G. Souza, "Ballast Goods: Chinese Maritime Trade in Zinc and Sugar in the Seventeenth and Eighteenth Centuries," In *Emporia, Commodities and Entrepreneurs in Asian Maritime Trade, c. 1400-1750*, edited by R. Ptak and D. Rothermund (Stuttgart: Franz Steiner Verlag, 1991), 307-12; Idem, "Hinterlands," 39.

⁴⁰ K.N. Chaudhuri, *The Trading World of Asia and the English East India Company, 1660-1760* (Cambridge: Cambridge University Press, 1978), 70-1; G. Sood, "'Correspondence is Equal to Half a Meeting': The Composition and Comprehension of Letters in Eighteenth-century Islamic Eurasia," *Journal of the Economic and Social History of the Orient* 50, no. 2-3 (2007): 172-214.

⁴¹ He revised J. van Leur's "peddling trade". J. van Leur, *Indonesian Trade and Society: Essays in Asian Social and Economic History* (The Hague: W. van Hoeve Publishers, 1967), 133; N. Steensgaard, *The Asian Trade Revolution of the Seventeenth Century: The East India Companies and the Decline of the Caravan Trade* (Chicago: The University of Chicago Press, 1974). As Steensgaard admits, the caravan traffic to the Levant remained considerable, particularly in Iranian raw silk. Cf. R. Matthee, *The Politics of Trade in Safavid Iran: Silk for Silver, 1600-1730* (Cambridge: Cambridge University Press, 1999).

since responded with sharp criticisms to the claimed structural superiority of the “companies”. They contend that those communities developed sophisticated information networks and legal and financial devices such as “*commenda*” based on family or extended family ties. In so doing, the “family firms” overcame the non-transparency of the market and diversified their trans-regional commerce vis-à-vis the “companies”.⁴² While admitting some collaboration between the Julfa Armenians and the EIC, E. Herzig states that it was not as successful as the one in India, and those parties were mostly in direct competition.⁴³ Floor emphasizes that even the VOC, probably the most powerful commercial organization in Safavid Iran, did not have much leeway in the regional market. Revisiting the “peddler market” model, he argues that there was “fierce competition between merchants from different nations and purchasing power, while no single competitor had the means to dictate the market price, which was determined by supply and demand.”⁴⁴

There is another reason for the lack of attention to the relationship between the VOC and local intermediaries. Since the 1970s, scholars of South Asian merchants have cast critical eyes on the colonial literature that dwelled on the susceptibility of the Indian commercial sector to the rapacious nature of political elites.⁴⁵ Culling evidence from merchants in various South Asian regions, they have revealed a spectrum of relations between the merchant and the state, ranging from fundamental separation to structural interdependency.⁴⁶ Since the 1990s, historiographical works about Safavid Iran has been cropping up. Scholars such as R. Klein, Matthee and Floor have unfolded complex relations between merchants and the military and bureaucratic elites.⁴⁷ In an analysis of the Safavids’ involvement with the trade in Iranian raw silk, Matthee argues that, in the active economy, the political-military elite coexisted and interacted with local and foreign merchants, particularly the Julfa Armenians. But he also thinks that there was a social distinction between rulers and merchants. This was unlike the notion of an “early modern” (South) Indian mercantile sphere, where so-called “portfolio

⁴² Dale, *Indian Merchants and Eurasian Trade*, 112-27; Levi, *The Indian Diaspora in Central Asia*, 180-222; Herzig, “The Armenian Merchants of New Julfa,” 153-272; I. McCabe, *The Shah’s Silk for Europe’s Silver: The Eurasian Trade of the Julfa Armenians in Safavid Iran and India (1530–1750)* (Atlanta: Scholars Press, 1999), 199-239; S. Aslanian, *From the Indian Ocean to the Mediterranean: The Global Trade Networks of Armenian Merchants from New Julfa* (Berkeley: University of California Press, 2011), 86-201.

⁴³ Herzig, “The Armenian Merchants of New Julfa,” 198-9, 210-2. For the relationship between the Julfa Armenians and the EIC during the Safavid period, R. Ferrier, “The Armenians and the East India Company in Persia in the Seventeenth and Early Eighteenth Centuries,” *The Economic History Review* 26, no. 1 (1973): 38-62.

⁴⁴ Floor, *The Economy of Safavid Persia*, 123.

⁴⁵ Among many early works, see W. Moreland, *From Akbar to Aurangzeb: A Study in Indian Economic History* (London: MacMillan, 1923).

⁴⁶ M. Pearson, “India and the Indian Ocean in the Sixteenth Century,” In *India and the Indian Ocean*, 71-93; A. Das Gupta, *Indian Merchants and the Decline of Surat c. 1700–1750* (Wiesbaden: Franz Steiner Verlag, 1979); K. Leonard, “The ‘Great Firm’ Theory of the Decline of the Mughal Empire,” *Comparative Studies in Society and History* 21, no. 2 (1979): 151-67; S. Subrahmanyam and C. Bayly, “Portfolio Capitalists and the Political Economy of Early Modern India,” *The Indian Economic and Social History Review* 25, no. 4 (1988): 401-24.

⁴⁷ R. Matthee, “Politics and Trade in Late Safavid Iran: Commercial Crisis and Government Reaction under Shah Solayman (1666–1694),” (PhD diss., University of California Los Angeles, 1991); Idem, *The Politics of Trade in Safavid Iran*; Idem, “Merchants in Safavid Iran: Participants and Perceptions,” *Journal of Early Modern History* 4, no. 3 (2000): 254-63; R. Klein, “Trade in the Safavid Port City Bandar Abbas and the Persian Gulf (ca. 1600–1680): A Study of Selected Aspects,” (PhD diss., University of London, 1993–94), 67-115; Floor, *The Economy of Safavid Persia*, 27-64; Idem, *A Political and Economic History of Five Port Cities 1500–1730* (Washington, DC: Mage Publishers, 2006), 237-322, 429-77.

capitalists” actively diversified into a wide range of domains, including trade, politics, agriculture and military. Thus, the categories of politics and economy “overlapped” and “negotiated”.⁴⁸ From a close examination of the Safavid administration of Bandar Abbas, Floor holds that there was an essential difference of interest between the authorities and “foreign merchants”; the Safavid elite sought “political rather than economic efficiency” while the “European and Asian merchants” were concerned with “economic efficiency”.⁴⁹ These works suggest a relatively high degree of unity among the merchants as they faced the port authorities. On the other hand, such a delineation rather pulls a trick to divert our attention from the diversity of commercial interests and directions *among* individual merchants. We know little about the way different economic considerations among them were compared with and tuned to one another. Moreover, how, if at all, did the state affect the process?

In fact, we do not even know who actually acted as business intermediaries at Bandar Abbas in those days. As for the brokers, Matthee indicates that most of the brokers of the European companies in Safavid Iran were *Banians*, or Gujarati Hindus, and tended to exercise their profession on a familial basis. Generally, he says, *Banians* acted as moneychangers (*ṣarrāfs*) and brokers (*dallāls*), and began to dominate as moneylenders after the mid-seventeenth century, having replaced the Jews.⁵⁰ Concerning the origin of the brokers, A. Qaisar also points out that most of the brokers who worked at Bandar Abbas, Basra and Bandar Rig in the first half of the seventeenth century were Hindu *Banians*. He thinks that those *Banians* could be connected to well-established families who served the EIC as brokers in Agra, Gujarat, Sind, etc.⁵¹ Conversely S. Dale argues that most merchants from Mughal India who conducted business in Iran, Turan or Russia came from Multan. Among those who carried the *nisba* (a name often indicative of the person’s place of origin) “Multani” in those countries, nearly all the Hindus were Punjabi of the *Khatri* caste and most Muslims were Afghans or Pashtuns. Moreover, he assumes that “*Banias*” or “*Banians*” recorded by contemporary Europeans could also be Multani merchants.⁵² Mainly following his lines, Floor notes that most “Indians” active in Safavid Iran were indeed of Multani origin and that besides their own business, they also acted as brokers and moneylenders for foreign merchants including the VOC and the EIC.⁵³ As for interpreters, M. Haneda illustrates that some Armenian merchants who served the VOC and the EIC as interpreters at Bandar Abbas in the Afghan interregnum (1722–30) were significant as mediators between the port government and the Companies.⁵⁴ These studies imply that “*Banians*” and Armenians held important places in the process in question. However, they hardly tell us about the individuals involved.

⁴⁸ Matthee, *The Politics of Trade in Safavid Iran*, 7-9, 63, 73-4, 89.

⁴⁹ Floor, *A Political and Economic History*, 312.

⁵⁰ Matthee, “Merchants in Safavid Iran,” 246-8.

⁵¹ A. Qaisar, “The Role of Brokers in Medieval India,” *The Indian Historical Review* 1, no. 2 (1974): 224-5.

⁵² Dale, *Indian Merchants and Eurasian Trade*, 55-64.

⁵³ Floor, *The Economy of Safavid Persia*, 21, 24.

⁵⁴ M. Haneda, “Les compagnies des Indes Orientales et les interprètes de Bandar ‘Abbās,” *Eurasian Studies* 1-2 (2006): 175-93.

For the period following the Afghan conquest available information is even more limited. In the first place, the VOC, a major sugar supplier, was in severe decline. Historians attribute the Company's commercial mishap to the deterioration of trading conditions due to political turmoil in Iran and the lack of innovative management.⁵⁵ But if that is true, why did the other suppliers survive? Who in the country could afford to purchase the imported sugar in the troubled time? More importantly, how were merchants' interests co-ordinated so that particular commodities like sugar and bullion could steadily go into circulation?

Organization of this study

The organization of this study is as follows. In Chapter 1, I attempt to depict the “demand” — i.e., the relationship between sugar imports in the Persian Gulf and its consumption in the seventeenth and eighteenth centuries — in terms of the places where sugar was consumed. While touching on considerations of various socioeconomic arenas into which sugar entered, such as in medicine, nutrition, festivities, gifts and treats, and as an economic resource. I argue that there was remarkable flexibility and continuity in the sugar consumer market during the eighteenth century, as opposed to the altered commercial settings which will be discussed in subsequent chapters.

After the Afghan conquest, it is said that the VOC sales of Javanese sugar in the Gulf substantially decreased, causing their final retreat in 1766. This traditional description is, I think, inadequate. The identified total decline is allowed to overshadow another important fact, that they had sold sugar in new marketplaces like Basra, Bushire, Bandar Rig, Kharg, Masqat and Sind. In Chapter 2, therefore, I conduct a quantitative analysis of the sales in those places to examine the extent to which the Company had been successful in adjusting to the transformation of the Gulf market.

The decline of the VOC also reflected increasing threats from other suppliers of sugar. This development might have begun in the late Safavid period despite the successful sales the Company recorded during that time. In Chapter 3 I attempt to treat the shipping by other suppliers to Bandar Abbas and their flexibility in utilizing secondary markets in the Gulf from the end of the seventeenth century until the fall of the Safavids. Thereafter I look at the sugar trade of the VOC competitors at Bandar Abbas after the Safavids. My aim is twofold. First, to show how these traders adjusted so quickly to the changing economic settings, such as changes of regime, emergent alternative channels of trade and increased cash scarcity, so that they grabbed market share from the Company. And second, to show that sugar traffic maintained a considerable level of vigour in the south of the Gulf.

In Chapter 4, I focus on the competition the VOC encountered at Basra, Bushire, and Kharg. I believe that the breakdown of the Dutch trade was not so much a failure of the relationship between trade and consumption as a sign of an unsettled time, one out of which, as Das Gupta suggests, “the more peaceable formations of the next century emerged.”⁵⁶ I

⁵⁵ Floor, *The Rise of the Gulf Arabs*, 204-6; Nadri, “The Dutch Intra-Asian Trade in Sugar,” 85.

⁵⁶ Das Gupta, “India and the Indian Ocean,” 139.

hope to show, as part of such formations, the influx of export bullion into the Upper Gulf regions, the increased demand for copper, the active itinerant wholesale merchants, and the brisk local shipping and caravan traffic. This leads to a discussion of the important link between sugar and precious metals.

To reflect this point, in Chapter 5, I deal with the partnership between the VOC and local merchants who engaged in this particular economy as the Company's brokers. I try to illuminate various aspects of the business intermediaries — family ties, ethnic backgrounds, places of origin, types of merchant and relations with the Company as well as the state — and the way the partnership functioned not only as the main entrance to Iran for Javanese sugar, but also as conduits through which bullion found its way to overseas markets.

Finally, in Chapter 6, I argue that the local agency was transformed after the Safavids.

Chapter 1: The Sugar Consumer Market

During the Safavid period, as historians point out, sugar became an indispensable consumable in the court circle and major cities in Iran, accompanied by a development of sugar supplies from the Persian Gulf. But little is known about the sugar consumer market after the fall of the Safavids. Was there any change in its nature from the previous phase? What was the relationship between the sugar market and its supply during the eighteenth century? To answer these questions, the most important source is to be found in accounts left by Europeans who visited Iran and bordering countries during that time. The accounts include many references to the consumers of sugar those travellers encountered there. As is often the case, the writers were not familiar with the local society, and their interests were highly diverse for they had ulterior motives. Nevertheless, by collecting their fragmentary anecdotes it becomes possible to show a general picture of the sugar consumer market over time.

1. Safavid period

Localities of consumers

What is important about the place of sugar in Safavid Iran is that sugar supplies through the Gulf by no means diminished local sweeteners such as honey, dates, grapes, manna, etc. Almost all travellers who visited Iran in the Safavid period commented not only on the abundance of fruits in the country, but also on how important they were for the population's daily diet. John Fryer, an Englishman who stayed in Iran from 1676–77, related that the primary diet of the Iranians was fruit, and that no country was more taken with sweetmeats, not even the Lusitanians.¹

One could assume that the secret of the popularity of sugar lies in the fact that sugar combined itself with some other traditional sweetener, particularly fruit. In Safavid Iran, sherbets were known to be made from various sorts of fruit juice, such as pomegranate or citron. When sugar was added to them greater variation was achieved.² Matthee points out the development of the tradition of entertaining honoured guests with decorative sweetmeats called a “sugar banquet”, alongside coffee and a water pipe. This was in the late seventeenth century; earlier, according to European eyewitnesses, “conserves” had a prominent place in customary feasting.³ Jan Smidt, visiting Iran as an ambassador of the States-General and the VOC in the last part of the reign of Abbas I (r. 1588–1629), explained the manner of “Persian banquets” that he had encountered:

¹ J. Fryer, *A New Account of East-India and Persia, in VIII Letters: Being Nine Years Travels, Begun 1672 and Finished 1681* (London: R.R. for Ri. Chiswell, 1698), 293, 405.

² J. Chardin, *Voyages du chevalier Chardin en Perse, et autres lieux de l'Orient*, edited by L. Langlès, vol. 4 (Paris: Le Normant, 1811), 44-5.

³ R. Matthee, “A Sugar Banquet for the Shah: Anglo-Dutch Competition at the Iranian Court of Šāh Sulṭān Ḥusayn (r. 1694–1722),” *Eurasian Studies*, 1-2 (2006): 195-217.

The time of their [Persian] gathering is around 10 o'clock in the morning. The sitting places are all down on the ground which is covered with carpets and excellent tapestries. They sit in the manner of tailors in our country because people have no idea about table here. This manner is quite difficult for those who are not accustomed to it.

Firstly, when people enter the square room, in the place where the guests will sit, fruits and (after the harvest season) some bottles of wine are placed. From the beginning to the end [wine] is usually passed around, since the serving of wine to each is unusual, and even if it happens, wine is passed around. Sometime after having sat in the manner, around noon a “breakfast” (*ontbijt*) chiefly consisting of conserves (*confituren*) and sugar (*zoetigheid*) is dished out. After half an hour it is taken away and people again sit for a while. Around 2 to 3 o'clock the meal (*maaltijd*) is laid on. The banquets are indeed very luxurious but not beautiful with few variations of food, for they cook all their food with rice. [...]. The plates in which food was served are generally so big as the bottom of a tap. At the table where the ambassador [Smidt] sat were placed 40 gold dishes of this size in which food was served for more than 200 people, so their luxuriousness mainly comes from the quantity of food. The food is later served to each servant of the guests according to his status, because the Persians are very liberal in treating the servants of their guests.

After having sat for about one to one and a half hours as before, the tables are removed and the guests are given warm hand-water to wash their hands well, because everything is very messy over the meal, for people were tearing food by hand, and not using spoons or knives much. After the food has been cleared away, the Persians may stay for another two to three hours, when some dancers are called into the middle of the room. The Persians enjoyed their dance and singing very much while continuously drinking.⁴

Probably not all “conserves” were prepared with cane sugar, considering that the population not only knew how to make them without using sugar but were also skilled in processing “sugar” from other substances, such as grapes and dates.⁵ However, it seems reasonable to envisage “conserves” as having a social life influenced by the geographical spatial scope in which cane sugar came to play a part over time. While Smidt experienced it during his travel from Bandar Abbas through Shiraz to the capital city of Isfahan, Pietro Della Valle, an Italian noble who came from Baghdad to Isfahan in 1617, witnessed a similar order of ceremonial diet. When he arrived at Hamadan, a western access to Safavid Iran, he described the service of fruits, wine (coffee was served for Della Valle because he could not drink wine), conserves (if one was a guest of the kings and rulers), pilaf, etc., at a Persian

⁴ Nationaal Archief (NA) Verenigde Oostindische Compagnie (VOC)1100, diary, J. Smidt, fols. 301r-v.

⁵ Shiraz, for instance, produced preserves with grapes and vinegar. J. Thévenot, *Suite du Voyage de Levant*, vol. 2 (Paris: Charles Angot, 1674), 243-4. For the ways of extracting sugar from grapes and dates, G.A. Olivier, *Voyage dans l'Empire Othoman, l'Égypte et la Perse*, vol. 5 (Paris: H. Agasse, 1801-7), 283; J. Taylor, *Travels from England to India, in the Year 1789 by Way of the Tyrol, Venice, Scandaroon, Aleppo, and over the Great Desert to Bussora*, vol. 2 (London: S. Low, 1799), 211, 220.

banquet that was fit for all the great and the good and even for the king.⁶ Adam Olearius, a German secretary to the Holstein mission coming to Safavid Iran through the northern frontier zone of the Caspian coastlands during the late 1630s, also commented that the ruler of Shamakhi invited the mission to his banquet where he offered them all kinds of preserves (*allerhand Konfect*).⁷

As many scholars point out, the Safavid court represented a large portion of the sugar consumption in the country. VOC officials noted in 1660 that the king spent almost a year in his retreat at Ashraf in Mazandaran “with an unbelievably large following, including most of the grandees, who all are wont to indulge in a rather dissolute life, and who account for the largest part of sugar consumption.” During this period, market prices in Isfahan dropped, as traders did not dare to go there. Once the court returned to the city, the price of sugar promptly rose.⁸ In 1703, a Dutch painter Cornelis de Bruyn noted that, in return for royal silk, the VOC sent the court 1.8 million Dutch pounds of sugar every year, which was all consumed in Isfahan.⁹ The travelling “tent” was akin to a mobile centre for consumption. Fryer revealed that when any “magistrate” returned from hunting or entered or left a major town or city people of all classes marked the occasion with a liberal consumption of tobacco, tea, coffee, rosewater, and sugar candy.¹⁰

While sugar was in demand in cities along the major supply line of maritime sugar, stretching from Bandar Abbas to Isfahan, it is likely that those cities, especially Isfahan, also functioned as distribution centres for sugar in Iran and beyond. The scarcity of available information renders it difficult to identify precisely how much sugar was redistributed from the capital to a particular destination. However, it seems true that some portions of imported sugar were meant for northern and eastern cities in the late Safavid period. Traders from Qazvin and Tabriz usually bought maritime sugar at the Isfahan market.¹¹ In Shamakhi in the early 1680s a German naturalist, Engelbert Kaempfer, was served with preserves (*Konfect*), fruits, sweetmeats (*eine Schüssel mit Zuckermanteln, worunter sich roter und weißer Zucker befand*), and tea.¹² De Bruyn saw sugar sellers (*suikerverkopers*) active in the bazaar of Kashan.¹³ In the eastern part of Safavid Iran Mashhad imported sugar and coffee from Isfahan during the last part of the seventeenth century.¹⁴ Though not well-documented it is probable that Iraq, another sugar-consuming region, imported sugar from Isfahan (if not from Basra).

⁶ P. Della Valle, *Der voortreffelyke reizen van de deurluchtige reiziger, Pietro Della Valle, edelman van Romem*, translated by J. Glazemaker, vol. 2 (Amsterdam: A. Wolfgang and J. Rieuwertsz., 1664), 81-4.

⁷ A. Olearius, *Vermehrte neue Beschreibung der Muscovitischen und Persischen Reise* (Tübingen: Max Niemeyer Verlag, 1971), 423-6.

⁸ R. Klein, “Trade in the Safavid Port City Bandar Abbas and the Persian Gulf (ca. 1600–1680): A Study of Selected Aspects,” (PhD diss., University of London, 1993–94), 393.

⁹ C. de Bruyn, *Reizen over Moskovië door Persië en Indië* (Amsterdam: Rudolph en Gerard Wetstein, Joannes Oosterwyk, Hendrik van de Gaete, 1714), 176.

¹⁰ Fryer, *A New Account of East-India*, 398.

¹¹ Klein, “Trade in the Safavid Port City,” 404.

¹² E. Kaempfer, *Die Reisetagebücher Engelbert Kaempfers*, edited by K. Meier-Lemgo (Wiesbaden: Franz Steiner Verlag, 1968), 45.

¹³ De Bruyn, *Reizen over Moskovië*, 131.

¹⁴ R. Matthee, “Politics and Trade in Late Safavid Iran: Commercial Crisis and Government Reaction under Shah Solayman (1666–1694),” (PhD diss., University of California Los Angeles, 1991), 394-5.

Some of this might have been re-exported to Ottoman markets in the Middle East and Anatolia, since the VOC reported in the early seventeenth century that the Turks were also seeking sugar, while the Arabs consumed little.¹⁵

Apart from the king and the *grandees*, women at home had a significant place in Iran's sugar consumption. A VOC resident, Reynier Casembroot, reported in 1682 that "the principal treat Persians use to offer at all respectable meals and invitations, both before and after midday, consists of sugar confectionary and costly candied sweets; besides, many sweets are consumed in private homes, especially by women."¹⁶ Hosts of domestic servants in houses of the great also accounted for a substantial part of the country's "luxury".¹⁷ Later, a Muscovy Company merchant, Jonas Hanway, lamented that his guests took little of the sweetmeats that he had served, but gave the remainder to their servants. They were often so numerous that a treat of this kind would cost 10 or 12 crowns, and this custom, being absurd and expensive to him, had "something of the air of hospitality in the person entertaining."¹⁸

There appears to have been no official ethnic barrier to sugar consumption in Safavid Iran, as there was with liquor and wine. The "Iranian" customary treat of sweetmeats was also common among "foreign" residents including the Julfa Armenians, the *Banians*, etc.¹⁹ As in many other sugar-consuming countries, "morality" mattered little. That *qalandars* (ascetics) reprimanded the pomp of cooks, bakers, *qannādīs* (jam makers), etc. in the mid-seventeenth century actually proves the intensity of consumption in the cities of those days.²⁰ For the population in rural areas, however, sugar was a quite unfamiliar item until the mid-nineteenth century. By then increasing supplies, from Java, France, and later Russia, gradually put it within reach of lower segments of society.²¹ However, some particular uses of sugar might have been "trickling down" somewhat earlier. The wide popularity of sherbet in Safavid Iran provides a good example. In the *Tadhkira al-mulūk*, the early eighteenth-century manual of Safavid administrative practices, the sherbet house (*sharba-khāna*) is shown as one of the royal workshops, and the chief officer *ṣāhib* is described as the person who took care of the belongings of the department: vessels of gold, silver, china, glass and copper; as well as crystal sugar (*shikar*), candy sugar (*qand*), medicinal herbs, coffee, tobacco, as well as lemon

¹⁵ Klein, "Trade in the Safavid Port City," 393; W.Ph. Coolhaas (ed.), *Generale missiven van Gouverneurs-Generaal en Raden aan Heeren XVII der Verenigde Oostindische Compagnie (1639–55)*, vol. 2 (The Hague: Martinus Nijhoff, 1964), 39.

¹⁶ Klein, "Trade in the Safavid Port City," 392.

¹⁷ Chardin, *Voyages du chevalier Chardin*, vol. 4, 22.

¹⁸ J. Hanway, *An Historical Account of the British Trade over the Caspian Sea with a Journal of Travels from London through Russia into Persia, and back again through Russia, Germany, and Holland*, vol.1 (Dublin: William Smith and Richard James, 1754), 144-5.

¹⁹ The powerful Armenian family Sarhad entertained Chardin in Julfa on his departure for Bandar Abbas. Chardin, *Voyages du chevalier Chardin*, vol. 8, 178-90. For the treat of "sugar banquet" (*suikerbanket*) by the VOC's *Banian* brokers at Bandar Abbas, De Bruyn, *Reizen over Moskovië*, 405.

²⁰ R. Du Mans, *Estat de la Perse en 1660* (Paris: Ernest Leroux, 1890), 216.

²¹ R. Mathee, *The Pursuit of Pleasure: Drugs and Stimulants in Iranian History, 1500–1900* (Princeton: Princeton University Press, 2005), 256. A. Lambton notes that tea and sugar were the only luxuries to the peasant but does not indicate the source. A. Lambton, *Landlord and Peasant in Persia: A Study of Land Tenure and Land Revenue Administration* (London: Oxford University Press, 1953), 389.

juice, rosewater, spirits, etc.²² But Kaempfer, the German naturalist referred to earlier, noted that sherbet was equally popular both “in huts and palaces” (*in aulis et caulis*).²³ Besides, the proximity to major trading routes probably to some extent compensated for sugar’s relatively high price. The VOC noted that one poor toll collector (*rāhdār*) in charge of an almost neglected village relied on the tribute of spices, pepper, and candy sugar from caravans passing through his village.²⁴

Different sugar varieties

During the Safavid period, various sugar-producing countries, including Northwest India, South China, Taiwan, Bengal, Oman and Java, catered for Iran’s consumers. After the establishment of Safavid rule in the Iranian littoral of the Persian Gulf in the 1620s, those countries sent considerable volumes of sugar to the Gulf, especially to the Safavid royal port of Bandar Abbas. Usually they exported different types of sugar including castor or powdered sugar, loaf sugar, and candy sugar to Iran. Due to the scarcity of available information it is hardly possible to comprehend the relations between different varieties of sugar in the consumer market, yet it is a worthwhile task to challenge.

In an analysis of wholesale prices of powdered sugars and candy sugars, from Hindustan, Bengal and China (including Taiwan), at Bandar Abbas in the seventeenth century, Klein suggests that the eventual sale price was determined by the total supply, and that all varieties competed with one another for market share.²⁵ He admits, however, that the character and quality of sugar varied considerably depending on the producing country. Such differences combined with the people’s taste preferences created an intriguing situation in which some varieties were employed for particular purposes for which others were not used regularly. In other words, all varieties were not always in outright competition. After the establishment of their trading station in Bandar Abbas in 1623, the VOC increased sales of Taiwanese sugar, the import of which they had controlled until they delivered up Taiwan to Cheng forces in 1662.²⁶ Other suppliers also became active in trading Bengali sugar towards the mid-century. Muslim and Hindu merchants and officials of the Golconda dynasty (1512–1687) exported considerable amounts of the variety to Iran.²⁷ According to the Dutch, however, the increased trade in Bengali sugar was not necessarily harmful to their trade in Taiwanese sugar. They wrote in 1650 that Taiwanese sugar could be used for all the purposes for which Bengali sugar was not suitable.²⁸

²² Anon. *Tadhkirat al-mulūk: A Manual of Safavid Administration (circa 1137/1725)*, translated by V. Minorsky (Cambridge: Gibb Memorial Trust, 1943), 68-9 (English translation), 52 (manuscript).

²³ E. Kaempfer, *Am Hofe des persischen Grosskönigs (1684–5): Das erste Buch der Amoenitates exoticae*, translated by W. Hintz (Leipzig: K.F. Koehler Verlag, 1940), 118; Idem, *Amoenitatum exoticarum politico-physico-mediciarum fasciculi V: quibus continentur variae relationes, observationes et descriptiones rerum Persicarum et ulterioris Asiae* (Lemgoviae: Typis & impensis Henrici Wilhelmi Meyeri, 1712), 121-2.

²⁴ NA VOC2448, diary, J. Brand, Bandar Abbas to Isfahan, pp. 1559-60.

²⁵ Klein, “Trade in the Safavid Port City,” 377.

²⁶ W. Floor, *The Economy of Safavid Persia* (Wiesbaden: Reichert Verlag, 2000), 127-8, 131.

²⁷ Klein, “Trade in the Safavid Port City,” 376-82.

²⁸ Floor, *The Economy of Safavid Persia*, 131.

It seems likely that Taiwanese sugar was used in the preparation of sherbet and vied with Omani loaf sugar for domination in this particular process. Soon after the Dutch were expelled from Taiwan, the Omani variety significantly enhanced its status in the Iranian market. In Oman, sugar cane was cultivated in the oases surrounding the interior settlements of Bahla, Manah, Nizwa, etc. By the mid-1670s the production of sugar as an export commodity came under the strict control of the Yarubi imamate (1624/25– c. 1720). Large portions of the output were destined for Iran via Masqat or other harbours of Oman.²⁹ The Dutch factors wrote that Omani loaf sugar was used for making refreshing drinks, such as sherbet, while Bengali sugars (except the Sirpur variety) were employed for candied sweets.³⁰ Under these circumstances, the VOC turned to Bengali sugar.

In the 1680s the VOC gradually shifted the pivot of their sugar trade towards Javanese sugar produced in the environs (*ommelanden*) of Batavia. Although Floor contests that Javanese sugar came to dominate the Iranian sugar market by 1680 and that this continued till the end of the eighteenth century, its relations with other varieties of sugar were very complex.³¹ The Dutch usually imported two types of Javanese sugar to Iran: what they called *poedersuiker* (castor sugar), and *kandijsuiker* (candy sugar). Dutch candy sugar was in direct competition with Masqati loaf sugar (*Masquetse broodsuiker*). Masqati sugar, which was melted and refined into loaf and candy sugar (*brood- en kandijsuiker*) in Isfahan and used for the preparation of sherbets and other refreshing and invigorating drinks, was more suitable for these processes than the Javanese variety, because it did not lose much weight after the refinement, as if it “has some sugar in itself” (*in zichzelf enige zoetheid*).³² Moreover, the Iranians had begun to “imitate” (*namaken*) Javanese candy sugar since the turn of the eighteenth century.³³

However, it seems that Dutch castor sugar succeeded in developing its “own” market. In 1695, when the VOC decided to give up the still lucrative trade in Bengali sugar in Iran in order to enhance sales of Javanese sugar, the Company’s brokers in Bandar Abbas advised them to continue to import Bengali (castor) sugar. The import of Javanese sugar would not hinder the trade in Bengali sugar, they claimed, because in the Safavid realm Bengali sugar was consumed in a different manner from Batavia castor sugar (*tot een ander gebruik dan de Batavia poedersuiker verorbert en geconsummeert werd*). In fact, although the VOC had not imported Bengali sugar for the few years previously while they were importing large amounts of Javanese castor sugar, the Bengali shipping of sugar remained active and the English, the Armenian, the Muslim and other local merchants sold the Bengali variety even more and for good prices.³⁴ One year later, VOC officials reported that Bengali and Javanese sugars were used for different processes in the preparation of sugar banquets (*ieder tot een bijzonder gebruik bij de suikerbanquet verarbeid worden*). Quoting a Dutch proverb, “The abundance of rye makes the price of wheat drop” (*de overvloed van rogge de prijs der tarwe doet dalen*),

²⁹ Klein, “Trade in the Safavid Port City,” 406.

³⁰ *Idem*, 408-9.

³¹ W. Floor, “Sugar,” *Encyclopædia Iranica*, updated 20 July 2009.

³² Klein, “Trade in the Safavid Port City,” 408-9; NA VOC1559, letter from Bandar Abbas to Batavia, 2 August 1693, fols. 715v-6r.

³³ NA VOC1603, letter from Bandar Abbas to Batavia, 1 July 1699, fol. 1863r.

³⁴ NA VOC1571, letter from Bandar Abbas to Batavia, 24 June 1695, pp. 105-7.

they said that the large imports of Bengali sugar could reduce the price of Javanese castor sugar but could not decrease its sales.³⁵

However, the suggested comparison between “wheat” and “rye” would seem to prove that Javanese castor sugar and Bengali castor sugar were to some extent “interchangeable”, whereas the former developed its own appeal in Iran. There consumers could decide which to choose according to the price. These varieties actually influenced each another in terms of wholesale prices. Javanese castor sugar generally fetched higher prices than Bengali sugar, which was probably the motive behind the VOC decision to switch to the Javanese variety. The Company sent small quantities of Bengali sugar as ballast goods in the financial years 1706–07 and 1707–08.³⁶ According to the Dutch annual sales statements (*rendementen*) for these years, Bandar Abbas sold the Bengali castor sugar at 2 ¼ *maḥmūdīs* per *man*, while they sold Javanese castor sugar at 2 ¾ *maḥmūdīs* per *man*. For 1707–08 Bengali castor sugar yielded only 42 per cent net profit, while for Javanese castor sugar they gained 103 per cent profit.³⁷ Keeping this in mind, it would not be surprising that sales of Bengali sugar at Bandar Abbas had a tendency to pull the wholesale price of the VOC castor sugar down, making projected sales targets of Javanese sugar more difficult for the Company to meet.³⁸

What is intriguing is that sales of “fancy” Dutch castor sugar also had an adverse effect on the price of its Bengali counterpart. The trade at Bandar Abbas in the financial year 1705–06 provides an illuminating account of this. In July 1706, the Dutch factors wrote that for the last two years they had not sold many goods, because the English had cornered the market for all kinds of goods. They said it was in order to stop other traders from continuing to prevail in this year that they made the decision to sell their principal weighed goods (*pondgoederen*) such as castor sugar, candy sugar, pepper, tin, etc., immediately after these goods were unloaded from the ships that had reached Iran in October and December 1705. In response to this sudden move the English also had to sell their very well-refined and white Chinese sugar quickly, and that variety managed to fetch a price of 2 ¾ *maḥmūdīs* per *man*. Four English ships that arrived from Bengal and China some time later were obliged to sell imported Bengali and Chinese sugars mixed together (*die zoetigheid door den anderen ongesorteerd*) at a lower price of 2 *maḥmūdīs* per *man*. Furthermore, a Danish ship which docked with both their own goods and freight goods from Bengal in May 1706 also had to dispose of Bengali sugar at 2 *maḥmūdīs* per *man*. The English could not sell all their sugar and other goods at Bandar Abbas and they began to send some to Isfahan by caravan. This reduced the prices of all the competitors’ sugars. As a result, as the Dutch officers noted, the price of the Chinese sugar mentioned earlier was ¼ *maḥmūdī* cheaper than the VOC price, and the price for which

³⁵ NA VOC1564, letter from Bandar Abbas to Batavia, 15 May 1696, fols. 1772r-v.

³⁶ The VOC’s financial year begins on 1 September and ends on 31 August in the following year.

³⁷ NA VOC1763, annual sales statement, Bandar Abbas, 1706–07, pp. 336–41; VOC1753, annual sales statement, 1707–08, Bandar Abbas, fols. 280v–3r. For the wholesale prices of those varieties during the period 1646–88, see Klein, “Trade in the Safavid Port City,” 396–400.

³⁸ NA VOC1564, letter from Bandar Abbas to The Netherlands, 14 June 1696, fol. 1755v.

the English and the Danish sold their sugars was 1 *maḥmūdī* cheaper (i.e. the VOC sold their castor sugar at 3 *maḥmūdīs* per *man*).³⁹

Whether true or not, Javanese castor sugar was in high demand in Iran as it was well-refined, and the Company tried to maintain a steady supply of quality castor sugar for the Iranian market so that its particular appeal would not waver. In 1694 it was recorded that in Bandar Abbas the quality of sugar sent from Batavia had become worse year after year since 1688, when the Dutch ship *de Grote Visserij* had imported excellently refined and very white castor sugar. If they had received such a quality product, they claimed, they would have been sure to sell five to six thousand chests of it every year. But if the quality continued to deteriorate they might not be able to sell three thousand chests of castor sugar or to maintain its recent price.⁴⁰ Wholesale merchants in Iran expected the VOC to bring well-processed sugar to the market. In the beginning of the eighteenth century the Company tried offering unrefined muscovado sugar (*muscovade suiker*) alongside castor sugar and managed to sell it at 1.5 *maḥmūdīs* per *man-i Tabrīz* (equivalent to 6 Dutch pounds), which was half the price of castor sugar. However, a Dutch report relates that the merchants disliked the raw sugar, saying it would be the last time they would buy unrefined sugar from the Dutch.⁴¹ The merchants who traded with the VOC primarily aimed at procuring Javanese castor sugar from the Company. In 1717 the Dutch ambassador Joan Josua Ketelaar instructed the Bandar Abbas factors to dispose of the remaining spices that were low in demand at that time and add sugar, especially castor sugar, because the item was strongly favoured in Iran.⁴²

Klein points out that towards the mid-1680s Iran's growing cash shortage reduced the import of ocean-going sugar for cheaper local fructose produced from grapes and dates. Even so, it seems that many seafaring merchants who carried on trading with the Gulf in the 1690s did not suffer too much in terms of their sales of well-processed sugar.⁴³ It is quite likely that the Dutch project to provide the market with their castor sugar stimulated other merchants to try out different refined varieties. In March 1694 Dutch officials at Bandar Abbas complained that the castor sugar they had received from Batavia remained unsold because of its low quality, and earnestly requested that Batavia send them very white and well-dried sugar. They also reported that, besides the Muslims and the Armenians who were importing sugar from Bengal, the latest arrivals from Surat had imported a reasonable quantity of Manila sugar. The sugar was exceptionally pure, "as white as the first snow" (*uitnemend schoon en zo wit als de eerste gevallene sneeuw*). According to the notice they received, that variety was brought from Manila by ships of the renowned Bohra merchant at Surat named Abd al-Ghafur. His agents had purchased the sugar for 2 and 2.5 *rijksdaarlers* per picol, and once it was brought to Surat it was sold for 3.5 rupees for 36 ¼ Dutch pounds. The Dutch officials concluded that, if these facts were correct, the variety yielded a good profit and was encouraging Abd al-Ghafur and other merchants to carry on the shipping and trade to Manila, which would cause

³⁹ NA VOC1747 1, letter from Bandar Abbas to The Netherlands, 31 July 1706, pp. 71, 74, 77, 79-80; VOC1747 1, annual sales statement, Bandar Abbas, 1705-06, pp. 372-4.

⁴⁰ NA VOC1559, letter from Bandar Abbas to Batavia, 20 March 1694, fols. 834v-5r.

⁴¹ NA VOC1667, letter from Bandar Abbas to Batavia, 30 April 1702, pp. 437-8, 443-4.

⁴² NA VOC1897, instruction from J.J. Ketelaar to Bandar Abbas, 8 March 1717, p. 171.

⁴³ Klein, "Trade in the Safavid Port City," 409.

great trouble for the Company's trade. In fact, the Manila variety attracted merchants from the upper countries for its whiteness and purity, and it fetched a price of 3 17/20 *maḥmūdīs* per *man*. The Surat ships that imported Manila sugar into Bandar Abbas that year included an Armenian ship called *St. Thomas*. This ship came from Bengal on 28 January 1694 with freight, mostly weighed goods including large amounts of Manila sugar and various varieties of Bengali sugar, etc. Soon afterwards another ship also brought various kinds of sugar including Manila sugar. According to the VOC, this ship, recorded as an English private vessel from Bengal, had procured the Manila sugar at Madras on its way to Bandar Abbas. At Bandar Abbas the sugar fetched a price of 3 7/10 *maḥmūdīs* per *man*.⁴⁴

Furthermore, English private traders were busy importing well-processed Chinese sugar into Bandar Abbas.⁴⁵ There was some difficulty in selling their castor sugar in 1705–06, for the VOC mentioned the enormous import of refined sugar by the Company itself and by the English traders in that year. They were quoting wholesale merchants who said there was far too much to dispose of in the next two years.⁴⁶ What presented a great menace to the Dutch was, however, the fact that the Chinese castor sugar (*poedersuiker*) that the English imported that year was outstandingly pure and as white as the first snow.⁴⁷

It should be noted that while the VOC was trying to overtake other suppliers of sugar, another hard competition was going on among the Company's "competitors", also to help decrease the price of sugar in Safavid Iran. On 10 April 1706, an English ship called *The Loyal Cook* came from Bengal to Bandar Abbas with 2,000 sacks (*zakken*) of Bengali sugar. According to the ship's crew they would be followed by many other competitors, including two more English ships, a Danish ship, two Muslim vessels from Bengal, and a few ships from China and Coromandel. This news evoked a surprisingly positive response from the Dutch, because they saw that the increased competition might reduce their rivals' profits. Their ultimate hope was that the traders would have to give up their shipping to Bandar Abbas in the following season, and then the VOC could dominate sugar imports into Iran.⁴⁸ There were four non-Dutch ships which followed with sugar cargoes that year. Three of the arrivals were English vessels, two from Bengal and one from China; the other was a Danish ship from Bengal. A Dutch report recorded the arrival of the above-mentioned English vessel as "*de Wettelijke Kok*" laden with only 1,000 sacks of castor sugar, and that that *The Loyal Cook*

⁴⁴ NA VOC1559, letter from Bandar Abbas to Batavia, 20 March 1694, fols. 833r-4r, 838r.

⁴⁵ For China's sugar production, see C. Daniels, *Agro-Industries and Forestry: Sugarcane Technology*, part 3 of *Biology and Biological Technology*, vol. 6 of *Science and Civilization in China* (Cambridge: Cambridge University Press, 1996); S. Mazumdar, *Sugar and Society in China: Peasants, Technology, and the World Market* (Cambridge: Harvard University Asia Center, 1998); G. Souza, "Hinterlands, Commodity Chains, and Circuits in Early Modern Asian History," In *Hinterlands and Commodities: Place, Space and the Political Economic Development of Asia over the Long Eighteenth Century*, edited by T. Mizushima, G. Souza and D. Flynn (Leiden: Brill, 2013), 20-32.

⁴⁶ NA VOC1732, letter from Bandar Abbas to Batavia, 31 January 1706, pp. 306-7.

⁴⁷ NA VOC1732, letter from Bandar Abbas to Batavia, 15 April 1706, p. 474.

⁴⁸ *Idem*, pp. 476-7.

came from Bengal one month later with unknown cargoes (but perhaps including Bengali sugar).⁴⁹

Functions

What functions did sugar perform in Safavid Iran? How did they evolve over time? For this inquiry five principal functions of sugar are examined: the ways in which it was used for medicine, nutrition, festivity, gifts, and a resource.

Medicine

In medieval Arabic medicine cane sugar was highly esteemed as containing valued pharmaceutical properties. Following the traditional Galenic theory in Greek medicine, Arabic pharmacology classified sugar as “hot” and “moist” (old sugar as “hot” and “dry”) and believed it was effective against colic, eye disease, cough, asthma and urinary dysfunctions, as well as generally conditioning the kidneys and the liver.⁵⁰ Presumably the most popular sugar used as medicine in Safavid Iran was sherbet. It created much demand from urban populations for its medical properties to abate sore throats caused by the hot, dry climate.⁵¹

Sherbet also encouraged social intercourse. As much as being taken as a medicine people similarly offered sherbet as an appropriate gift for elite persons. During his stay in Isfahan Chardin sometimes received generous treats of conserves, sherbets, etc., from the sister of the late king Abbas II (r. 1642–66).⁵² At respectable receptions and meals sherbet was customarily served as a refreshment.⁵³ Raphaël Du Mans, the head of the French Capuchin mission in Safavid Iran, noted that on such occasions sherbet (*chourbet*) was served as a refreshing drink, with pomegranate juice or lemon juice with added sugar and ice.⁵⁴ As Housseini suggests, the sherbet house belonging to the king functioned as a “guest house” where foreign ambassadors were offered sherbet while waiting for a royal audience.⁵⁵

⁴⁹ NA VOC1732, shipping list, Bandar Abbas, 19 July 1705–15 April 1706, p. 593; VOC1747 1, shipping list, Bandar Abbas, 13 April 1706–30 November 1706, pp. 375-7; VOC1763, shipping list, Bandar Abbas, 30 November 1706–21 December 1707, p. 342.

⁵⁰ T. Sato, *Sugar in the Social Life of Medieval Islam* (Leiden: Brill, 2015), 91-103.

⁵¹ T. Morikawa, “Persia-kyutei no wine to sherbet [Wine and Sherbet at the Persian court],” In *Shoku to bunka: Jiku wo koeta shokutaku kara [Food and Culture: Eating across Space and Time]*, edited by N. Hosoda (Hokkaido: Hokkaido-daigaku Shuppankai, 2015), 82-3, 92.

⁵² Chardin, *Voyages du chevalier Chardin*, vol. 3, 190-1, vol. 4, 44.

⁵³ Idem, vol. 4, 65.

⁵⁴ Du Mans, *Estat de la Perse*, 110-1.

⁵⁵ A. Hosseini, “Sharba wa sharba-khāna dar gudhar-i zamān [Iran’s Sherbet and Sherbet Houses in Passage of Time],” *Bāgh nāzar* 10, no. 25 (2013): 57-66.

Nutrition

During the Safavid period sugar also featured as a valued condiment and sweetener among the great and the wealthy.⁵⁶ While the use of this still luxurious “food item” increased, many European visitors from Safavid Iran observed the frugality of their Iranian diet. Chardin commented that Asians in general and Iranians in particular ate much less than Europeans. He said that Iranians only had two meals per day. The first was eaten between 10 a.m. and noon, and consisted of fruit, such as melons and grapes, cheese, milk and conserves. The second, their main meal, was around 7 p.m., and consisted of soups prepared from fruit and herbs, roasted meat, eggs, vegetables, and pilaf (*pilo*).⁵⁷ There can be no doubt that fruit provided much of the needed calories. Jean Thévenot, a French traveller who visited Iran in the mid-1660s, related that the Iranians were especially immoderate in the amount of fruit they ate. Fryer quoted French inhabitants of Isfahan who said that more melons, cucumbers and other fruit were consumed there in one month than in Italy, France and Spain in half a year.⁵⁸

As we have seen before, sugar had been a consistent element in this staple fruit-centred diet during the seventeenth century. The wealthy consumed conserves and sherbets in their private life and not just at respectable receptions and entertainments. Sugar was stored in their houses along with conserves and sherbets. They enjoyed confections (*confections*) made with musk, amber and some sorts of conserves (*confitures*) before and after their meal.⁵⁹ The increased intake of calories from sugar also went hand in hand with the rise of urban life. The most sumptuous aspect of this, Fryer said, were the public baths (*ḥammāms*). They could be found in all the cities and were open to everyone of both sexes for a small price. When visitors of an elevated status retired from a bath to put on their clothes, they would find a collection of fruits, sweetmeats, and various perfumes, such as rosewater, awaiting them. All the attendants and waiters prepared coffee (*coho*), tea, tobacco, or brandy for them.⁶⁰ Though available information is rather limited, we could say that sugar became a “necessity” among the lower strata of the population of Isfahan by 1670. In the early 1670s the confectioners and pastry cooks in the capital requested the grand vizier (*i ‘timād al-dawla*) to introduce a fixed price for sugar. If the government failed to prevent merchants who had bought the sugar products at Bandar Abbas selling it for unreasonable prices at Isfahan, they claimed that food riots could occur because of a prolonged shortage of supplies.⁶¹

Festivity

As in many other sugar-consuming countries, in Iran sugar was deemed to be a symbol of prosperity and blessing. Dishes prepared with sugar were lavishly consumed at festivals such

⁵⁶ Morikawa, “Persia-kyutei no wine to sherbet,” 78-95.

⁵⁷ Chardin, *Voyages du chevalier Chardin*, vol. 4, 26-30, 46-7. For similar observations, Du Mans, *Estat de la Perse*, 110-1; Fryer, *A New Account of East-India*, 405.

⁵⁸ Thévenot, *Suite du Voyage de Levant*, vol. 2, 180; Fryer, *A New Account of East-India*, 263.

⁵⁹ Chardin, *Voyages du chevalier Chardin*, vol. 4, 42, 44.

⁶⁰ Fryer, *A New Account of East-India*, 343-4.

⁶¹ Klein, “Trade in the Safavid Port City,” 402-3.

as *Nawrūz*.⁶² At the enthronement of Abbas III at Isfahan in September 1732, his regent Tahmasp Quli Khan visualized the restored Safavid power by distributing a “royal sugar banquet” (*koninglijke suikerbanquet*).⁶³

It is possible that the consumption of sweetmeats at special family events significantly increased during the Safavid period.⁶⁴ According to William Francklin, an EIC man who stayed in Shiraz in 1786–87, a proposal for marriage would involve the father or mother of the man (or sometimes his sister) together with his friends going to the house of the woman to whom the proposal was to be made. If the woman’s father accepted the proposal, he would immediately order sweetmeats to be brought out as a direct sign of compliance. A few days after a child was born, the friends and relatives of the mother would assemble at her house to enjoy music and dancing girls. After the amusements a learned Muslim (*mullā*) would be introduced. He would take the baby in his arms and ask the mother what name she chose for the child. After he was told, the *mullā* would begin to pray, reciting the name into the infant’s ear three times for the baby to remember, and telling it to be obedient to its parents and to venerate the Quran and the Prophet Muhammad, etc. Having repeated the profession of faith (*shahāda*), the *mullā* would return the child to the mother. Then the company would be entertained with sweetmeats, a part of which the female attendants would take away in their pockets, since they believed that it was an “infallible means” of them having babies themselves.⁶⁵

Gift and treat

The habit of presenting sugar and serving sweetmeats was also widespread in high society during the Safavid period. During his stay in Isfahan from 1618–21, Della Valle saw Abbas I receive loads of tribute from the ruler of Shiraz, Imam Quli Khan, who was then trying to establish Safavid rule in the Iranian littoral of the Persian Gulf. Among this tribute were two lumps of sugar bread that were so large they needed a whole wagon to be transported. However, he thought the gigantic sugar bread reflected the sense of material inferiority the Iranians possibly felt towards the Indians. He said that the king had ordered the governor to make them so big in order to show the Indian ambassador at the time, who was known to boast about his country’s sugar, that Iran was also overflowing with it.⁶⁶

Because of the “reciprocal” nature of gift-giving in Iran, the presenting of sugar was a sign of mutual social recognition; it usually provided people with an opportunity to recognize each other’s place and grade in the hierarchy of the Safavid dynasty.⁶⁷ Fryer stated that, during his travel from Bandar Abbas to Isfahan in 1676, as he approached great cities or populous towns, the governors would send out their deputies to welcome and guide him to his

⁶² Kaempfer, *Am Hofe des persischen Grosskönings*, 218-22.

⁶³ NA VOC2554, description of the rise of Nadir Shah, 31 May 1741, fols. 2265v-6r.

⁶⁴ Morikawa, “Persia-kyutei no wine to sherbet,” 93-4.

⁶⁵ W. Francklin, *Observations made on a Tour from Bengal to Persia, in the years 1786–7* (London: T. Cadell, 1790), 109-10, 120-2.

⁶⁶ Della Valle, *Der voortreffelyke reizen*, vol. 3, 177.

⁶⁷ R. Matthee, “Gift-giving iv: The Safavid Period,” *Encyclopædia Iranica*, updated 9 February 2012.

lodge. They would bring provisions for his party, not only serving dried and fresh sweetmeats, but also sending sheep, barley, rice, etc. On their departure, the party was offered horses, but could not leave until they had paid for all of these items. He said, “So soon their humanity is turned to avarice; for how can that be esteemed a gift, which is bestowed with an intent to gain?”⁶⁸ Foreign agents in Safavid Iran, particularly those of the European companies, were complaining about the custom of offering presents including sugar to the king and high-ranking individuals in order to gain their favours and receive benefits from them. Joan Cunaeus, the Dutch envoy to the court of Abbas II, therefore rejoiced when he received from the court seven big dishes of sweetmeats (*gebakken suiker*) which were prepared for the king at the royal banquet that evening, since this was deemed to be a great honour in the country.⁶⁹

As Smidt and Della Valle observed, an Iranian banquet in the early seventeenth century chiefly comprised a serving of fruits, wine, conserves, and pilaf. Further research is required to know when the “sugar banquet,” coffee, and tobacco appeared in the ceremonial diet and how they transformed it over time. What we can say with certainty is that the fancy style of eating became quite common among the upper classes of society by the fall of the Safavid dynasty. During his court visit in 1717–18, around five years before the Afghan conquest of Iran, Ketelaar recorded the serving of a sugar banquet, coffee, warm rosewater and tobacco as the usual Iranian treat (*het gewone traktement van suikerbanquet, cauwa en warm rosewater als ook een caljoen*).⁷⁰

Resource

Because of the population’s strong appetite for sugar, the elite turned their attention to the economic and financial rewards that sugar offered. In the 1670s, various local officials in ports and provinces, such as the governors of Bandar Abbas, Lar, and Shiraz, and the customs master (*shāhbandar*) of Bandar Abbas, were all involved in the sugar trade.⁷¹ In 1706, Sultan Husayn (r. 1694–1722) honoured a *sayyid* (descendant of Prophet Muhammad) called Mirza Murtada with the title of “the king’s merchant” (*koningshandelaar*), and issued an edict ordering his treasurer to give Mirza Murtada 4,000 *tūmāns* so that he could buy sugar and other bulk goods from the Dutch and the English at Bandar Abbas and sell them to other merchants. He was expected to earn a profit, for the edict stipulated that Mirza Murtada had to use two thirds to reimburse the court officials (perhaps shared sponsors) and was entitled to the rest for himself.⁷² The news of Mirza Murtada’s arrival, however, made all the local merchants hesitant to trade at Bandar Abbas. A leading merchant at Shiraz called Hajji Nabi wrote to the VOC that if he had sent his trading agent to the port, the king’s merchant together with the *nāzir-i buyūtāt* (the *nazier* was the superintendant of the royal workshops) and other

⁶⁸ Fryer, *A New Account of East-India*, 239.

⁶⁹ C. Speelman, *Journal der reis van den gezant der O.I. Compagnie Joan Cunaeus naar Perzië in 1651–1652*, edited by A. Hotz (Amsterdam: Johannes Müller, 1908), 152.

⁷⁰ NA VOC1901, diary, J.J. Ketelaar, fols. 981v-2r.

⁷¹ Klein, “Trade in the Safavid Port City,” 404-5.

⁷² NA VOC1747 1, edict from Sultan Husayn to Mirza Sayyid Murtada, 6 October 1706, pp. 378-80. For Mirza Murtada, W. Floor, *The Economy of Safavid Persia*, 58.

court officials would have complained that he was the only one who was obstructing their project.⁷³

The remarkable value of sugar as a resource was in part due to the financial stringency with which the Safavid court had struggled since the latter half of the seventeenth century. The change of the commercial relationship between the Safavids and the VOC at the turn of the eighteenth century reflected this. What defined their relationship during the seventeenth century was the contract for silk: the VOC bought a given amount of Iranian raw silk from the court for a contracted price every year, and the court in turn gave the Company various commercial privileges, such as trading goods with no inspection, exemption from customs and tolls, etc. Their agreement was concluded in 1695, the beginning of Sultan Husayn's reign, when it was stipulated that the VOC bought 300 *cargas* of silk at 44 *tūmāns* per *carga*, and the court in turn guaranteed the Company free trade, exemption from customs duties (up to an annual import and export of 20,000 *tūmāns*) and from road tolls (*rāhdārīs*).⁷⁴

Towards the end of the seventeenth century, however, the increased cost of silk made the court unable to deliver the contracted amount, which made them look for an alternative financial device.⁷⁵ In July 1699, the court suggested that the silk trade be discontinued, and offered to confirm the Dutch's usual rights on the condition that the VOC had to deliver an annual tribute (*recognitie*) consisting of cash and some rarities and goods.⁷⁶ But the VOC declined to accept this change to their treaty. Lengthy negotiations ensued till November 1701, when the court and the Dutch ambassador Jacob Hoogkamer finally reached an agreement. It stated that the king would promise to continue to supply 100 *cargas* of silk at 44 *tūmāns* every year and allow the VOC exemption from import, export and other duties (*in-, uitvoer en andere gerechtigheden*) up to the amount of 20,000 *tūmāns* as before. What was new to the agreement was that the VOC had to submit goods as tribute (*schenkagiegoederen*) to the royal workshops (*konigsgebruikhuizen*) in order to conclude a silk contract (*om een contract op honderd carges zyde te maken*). The Company did not have to send these goods if the king failed to deliver the contracted amount of silk. But the Company was obliged to send the tribute whenever the king delivered silk even if it did not want to accept.⁷⁷ There is little doubt that the *konigsgebruikhuizen* referred to the royal sherbet houses, for in 1707 the VOC submitted the treaty goods to the workshops (*serbethuizen*) in return for 40 *cargas* of silk sent from the court.⁷⁸ The new treaty specified items to be submitted, consisting mostly of castor

⁷³ NA VOC1747 1, letter from Bandar Abbas to Batavia, 4 April 1707, p. 430; VOC1747 1, letter from Bandar Abbas to Batavia, 30 November 1706, pp. 49-51.

⁷⁴ W. Floor, "Dutch Relations with the Persian Gulf," In *The Persian Gulf in History*, edited by L.G. Potter (New York: Palgrave Macmillan, 2009), 240-5; F.W. Stapel (ed.), *Corpus diplomaticum*, vol. 4 (The Hague: Martinus Nijhoff, 1935), 116-9.

⁷⁵ R. Matthee, *The Politics of Trade in Safavid Iran: Silk for Silver, 1600–1730* (Cambridge: Cambridge University Press, 1999), 208-9.

⁷⁶ F.W. Stapel (ed.), *Corpus diplomaticum*, vol. 3 (The Hague: Martinus Nijhoff, 1935), 153-4.

⁷⁷ Stapel (ed.), *Corpus diplomaticum*, vol. 4, 209-12.

⁷⁸ NA VOC1763, letter from Bandar Abbas to Batavia, 21 December 1707, p. 117; Matthee, *The Politics of Trade in Safavid Iran*, 245.

sugar (83 per cent) with some candy sugar (9 per cent), amounting to 32.2 tons in total (as below).⁷⁹

10,000 *man-i Tabrīz* (ca. 2.9 kg) castor sugar (*poedersuiker*)
 1,120 *man-i Tabrīz* candy sugar (*kandijsuiker*)
 144 *man-i Tabrīz* cardamom
 144 *man-i Tabrīz* cloves
 284 *man-i Tabrīz* cinnamon
 284 *man-i Tabrīz* pepper
 1,000 *mithqāl* (4.608 g) nutmeg
 130 *mithqāl* mace
 650 *mithqāl* agarwood
 4 *man-i Tabrīz* benzoin
 24 *man-i Tabrīz* white sandalwood
 2,000 *mithqāl* radix china
 8 *man-i Tabrīz* candied (*geconfijte*) nutmeg
 4 *man-i Tabrīz* candied cloves

It seems clear that the court's high demand for sugar as an asset correlated with the continuous outflow of gold and silver specie from Iran during the late Safavid period. In the early 1710s, the agreement became virtually invalid when it was disclosed that the VOC was "smuggling" specie out of the country, exploiting their right to free transport.⁸⁰ While the king wanted to expel the Dutch from his country, the grand vizier, whom the Dutch called the most capable buyer of their sugar and spices, asked him to be patient, saying "if the Europeans left the country, the prices of sugar and spices would skyrocket."⁸¹ The court instead demanded that the VOC send the specified goods twice a year.⁸² The prominent mercantile-cum-political role of the grand vizier is reminiscent of the notion of India's "portfolio capitalists": there was a high degree of commercialization of military and political power in pre-modern India, as many merchants straddled the arenas of commerce and political participation.⁸³ The diplomatic issue was finally settled in August 1717. Sultan Husayn reconfirmed the previous silk contract, and stipulated that the VOC be exempt from tolls, road tolls and one per cent of the tariff (*een pro cent*) on their annual imports and exports, up to a limit of 20,000 *tūmāns*, with the proviso that they did not smuggle other merchants' goods under the Company's name. However, now it was not payment for silk but sugar that secured the Company their usual rights. The royal edict stated that the VOC's commercial privileges be confirmed only when they submitted the prescribed goods (*voorschrevene schenkagiegoederen voor haar verkregene vrijheden sonder uitstel sullen hebben te leven*).⁸⁴

⁷⁹ Stapel (ed.), *Corpus diplomaticum*, vol. 4, 212.

⁸⁰ Floor, "Dutch Relations with the Persian Gulf," 246-7.

⁸¹ NA VOC1886, report from W. Backer Jacobsz to Batavia, 24 March 1716, pp. 20-1; VOC1886, letter from Bandar Abbas to Batavia, 15 February 1716, pp. 69-70.

⁸² NA VOC1913, report from J.J. Ketelaar at Bandar Abbas to Batavia, 31 March 1718, pp. 473-5; Floor, "Dutch Relations with the Persian Gulf," 247-8.

⁸³ S. Subrahmanyam and C. Bayly, "Portfolio Capitalists and the Political Economy of Early Modern India," *The Indian Economic and Social History Review* 25, no. 4 (1988): 401-24.

⁸⁴ Stapel (ed.), *Corpus diplomaticum*, vol. 4, 495-500.

In short, it was because of Iran's rich fruit diet that large amounts of cane sugar were imported during the Safavid period. Once associated with preserves and sherbets, sugar became an integral part of the population's diet. There was no gender, ethnic, or moral boundary in sugar consumption in Safavid Iran, only the issue of affordability. Whereas maritime sugar was destined for many different markets in Iran and probably overseas, the Safavid court was by far the largest magnet. Sugar came from various sugar-producing countries in Asia such as Northwest India, China, Taiwan, Bengal, Oman and Java, and varied greatly in character and quality. Relative prices as much as the diversity in people's tastes determined what variety was used for what purpose. Sugar was in great demand in the court circle for nutrition, festivities, gifts and treats, and as a resource. It is noteworthy, though, that sugar consumption in urban life was also commonplace in the Safavid period. Sugar, though still a "luxury", moved closer to becoming a "necessity", even for the lower strata of the urban population, by the turn of the eighteenth century.

2. After the Safavid period

Relocation of market

The fall of the Safavids triggered a prolonged power struggle among regional and local elites in Iran. While many scholars have stressed the imperial and economic decline in this phase, some historians have claimed that alternative channels of commerce, in many places away from the turbulent centre of Isfahan, developed together with the formation of capable political entities. They note that the pivot of the Gulf trade shifted away from Bandar Abbas to the northern ports of Bushire and Basra in the second half of the century, as the Zands in Shiraz and the *mamlūks* in Baghdad encouraged the trade through their territories. On the other hand, the Durrani rule over Afghanistan facilitated caravan commerce from Gujarat and Sind to Iran, and at the turn of the nineteenth century the Qajars in Teheran further stimulated this overland traffic to northern Iran. In the meantime, the rise of the Utubis in Kuwait and Bahrain and that of the Bu Saids in Masqat increasingly redirected the Indian Ocean shipping with Iran from the Iranian littoral to East Arabia, while developing a new link with the Iranian hinterland through Sind. Accumulated evidence of sugar flows in Iran and the bordering countries seems to substantiate these views.

Isfahan and Teheran

It seems likely that, after the fall of the Safavids, frequent interruptions of caravan traffic from the Persian Gulf decreased the availability of sugar in Isfahan. Available price lists of commodities sold at the Isfahan market suggest that the price of sugar began to rise from around 1740 (Figure 1.1).

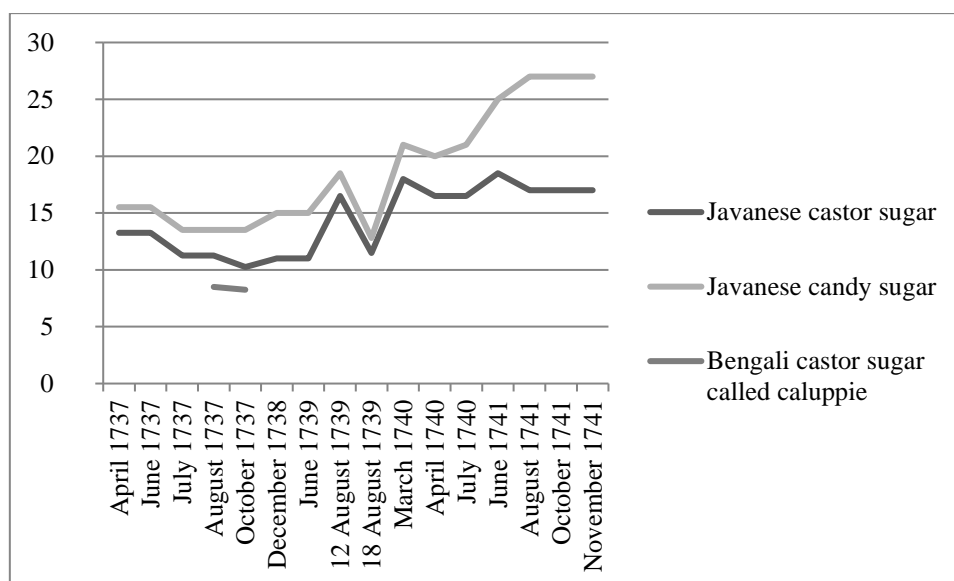


Figure 1.1: Sugar prices at the Isfahan market, 1737–41 (*mahmūdīs per man-i shāhī*)

Sources: Appendix 1 (NA VOC2448 pp. 1576-86, 1589-92; VOC2476 pp. 1396-8; VOC2510 pp. 1472-7; VOC2511 pp. 1429-40; VOC2584 pp. 2444-9, 2453-7).

Perhaps the Isfahan market continued to thrive in the mid-eighteenth century. VOC officials at Bandar Abbas reported in 1750 that, because of the extraordinarily high price of foodstuff in the upper regions (*extra duurte der levensmiddelen in de bovenlanden*), the merchants wanted to spend their money to get sugar and fine textiles.⁸⁵ By 1785, however, the market became a mere shadow of its former self. According to Louis-François de Ferrières-Sauveboeuf, a French traveller who stayed in Isfahan during the years 1784–85, two-thirds of the city was in ruins, and a large number of Iranian inhabitants and also many Armenians, a principal mercantile community of the city, took refuge in Baghdad and Basra.⁸⁶

We know little about Isfahan and its market in the last two decades of the eighteenth century. But sugar consumption in urban life probably came back towards the turn of the century. Guillaume-Antoine Olivier, a French entomologist, visiting Iranian cities such as Kermanshah, Teheran, Isfahan, etc. in 1796, commented that the Iranians loved all kinds of sweets (*sucreries*), conserves (*confitures*) and candies (*bonbons*).⁸⁷ Iran not only imported candy sugar (*sucré candi*) from Bengal and Batavia, but also exported fruits preserved in various substances, such as vinegar, grape-jam, honey, as well as sugar to Hindustan.⁸⁸

The establishment of the Qajar power base in Teheran probably attracted more sugar to the new capital. In September 1796, at a caravanserai in Teheran, an Isfahan inhabitant held a

⁸⁵ NA VOC2766, letter from Bandar Abbas to Batavia, 10 May 1750, p. 218.

⁸⁶ He noted that some neighbouring cities, such as Kashan, Qom and Teheran, were also damaged. L.-F. Comte de Ferrières-Sauveboeuf, *Mémoires historiques, politiques et géographiques des voyages faits en Turquie, en Perse et en Arabie depuis 1782 jusqu'en 1789*, vol. 2 (Paris, Buisson: 1790), 37, 39, 41, 42, 43, 76.

⁸⁷ G.A. Olivier, *Voyage dans l'Empire Othoman, l'Égypte et la Perse*, vol. 5 (Paris: H. Agasse, 1801–07), 19-20.

⁸⁸ Idem, 322-3.

feast for six compatriots of his who had just come back with the royal army from Khorasan. After music and drama performances, he served around 20 guests with a supper of cooked rice and meat, sweets (*friandises*), conserves (*confitures*), many fruits and a little wine.⁸⁹ Just like in the Safavid court, sugar was an integral part of political and social life at the Qajar court. It was a tremendous honour for a subordinate to receive a gift of sugar from the king.⁹⁰ In the Qajar cuisine, sugar featured as a valuable condiment.⁹¹

Kerman, Yazd and Khorasan

After the Safavid period, whereas the old commercial highway from Bandar Abbas through Lar and Shiraz to Isfahan steadily declined, the trading route from Bandar Abbas to northern cities, such as Kerman and Yazd, was significantly developed. In the late 1720s merchants appeared who bought sugar from the VOC at Bandar Abbas to send to Kerman.⁹² Whereas merchants from Lar, Shiraz and Isfahan faded away, Multani merchants became the principal buyers of Dutch sugar at the port by 1760.⁹³

It is likely that the northern route at first functioned as an alternative passage to Isfahan. A Dutch caravan sent from Bandar Abbas in 1737 reached Isfahan through Yazd. During its journey, the caravan encountered six merchants who were also on their way to Isfahan: four *Banians*, one Armenian and one Khorasani Muslim.⁹⁴ In the latter half of the eighteenth century, however, Kerman and Yazd were closely linked with the trade of Khorasan and beyond. In 1762, EIC officials at Bandar Abbas noted that Kerman was the place where all goods that were traded at the port for Khorasan, Qandahar, Mashhad, etc. headed first, and that the only alternative passage was via the Sirjan-Yazd route.⁹⁵

In the late 1750s, Bandar Abbas's trade was severely hampered. Consequently, the northbound caravan traffic changed course to Minab, an eastern settlement of Bandar Abbas. The EIC noted that caravans laden with various Indian goods left for Kerman and other places in the interior from this town.⁹⁶ There is no doubt that these goods included sugar from Masqat under the Bu Saids (1749– present), since in those days merchants crossed the Gulf from Minab to Masqat to get the item for more competitive prices.⁹⁷

⁸⁹ Idem, *Voyage dans l'Empire Othoman*, vol. 5, 131-2.

⁹⁰ W. Floor, *Traditional Crafts in Qajar Iran (1800–1925)* (California: Mazda Publishers, 2003), 330-2.

⁹¹ Sh. Mahdavi, "Qajar Dynasty xiv: Qajar Cuisine," *Encyclopædia Iranica*, updated 19 March 2015.

⁹² NA VOC2042, letter from Bandar Abbas to The Netherlands, 16 June 1727, fol. 3945r.

⁹³ NA VOC2968, letter from the ship *Nieuw Nieuwen Kerk* to Batavia, 1 May 1759, pp. 9-10.

⁹⁴ NA VOC2448, diary, Brand, Bandar Abbas to Isfahan, pp. 1545, 1547-8, 1561.

⁹⁵ British Library (BL) India Office Records (IOR) G/29/14, 20 July 1762.

⁹⁶ BL IOR G/29/13, 9 February 1761.

⁹⁷ NA VOC2968, letter from the ship *Nieuw Nieuwen Kerk* to Batavia, 1 May 1759, p. 18.

Gujarat and Sind

During the period following the decline of the Safavids, maritime traders increasingly explored sugar markets in western India, especially Gujarat. From the late 1740s, Surat, a leading trading port of Gujarat, experienced an influx of sugar. The Dutch sales of Javanese castor sugar tripled from 27.1 million pounds during 1702–44 to 81.2 million pounds during 1746–91.⁹⁸ The English and the Portuguese also imported large quantities of sugar from Bengal, Batavia, Malacca, and China, while the French brought considerable amounts from Mauritius in the last quarter of the century.⁹⁹ Moreover, indigenous cane sugar participated in the competitive market by 1790.¹⁰⁰

Why did sugar flock to Surat in the latter half of the eighteenth century? R. Barendse argues that sugar supplies to Iran shifted from the sea lanes to an overland route. He said that, in the latter half of the century, caravan commerce from India to Iran via Herat under the Durrani (1747–1973) developed to such a degree that it replaced much of the old maritime trade of the Gulf.¹⁰¹ On the other hand, G. Nadri suggests that there was a substantial growth of sugar consumption in Gujarat in the eighteenth century. Whereas part of the sugar imported to Surat passed on to Deccan, Kutch, Sind, Multan, and even Tibet, he claims that a large part of it was consumed in Gujarat itself, because “a large cluster of relatively prosperous intermediate and subaltern groups” in the region began to increase their sugar consumption during that period.¹⁰² A paucity of available source materials hinders any definite conclusion, but one may assume that people that received sugar from Surat also promoted sugar consumption in their towns, thus contributing to the enormous sugar inflow. During their trial marketing in Sind in 1757, the VOC described castor sugar as a principal commodity there, “without which, it is impossible for that nation [the population of Sind] to survive” (*zonder dewelk het die natie onmogelijk is te leven*).¹⁰³ In the latter half of the eighteenth century, Sind also received supplies of sugar from Masqat. Appreciable amounts were sent up from there through the Indus River to Khorasan.¹⁰⁴

Shiraz

From the late 1720s Bushire rose to become a major maritime entrance to Shiraz, as increasing insecurity made travel from Bandar Abbas to Shiraz difficult for merchants.¹⁰⁵ In

⁹⁸ G. Nadri, “The Dutch Intra-Asian Trade in Sugar in the Eighteenth Century,” *International Journal of Maritime History* 20, no. 1 (2008): 93-5.

⁹⁹ Nadri, “The Dutch Intra-Asian Trade,” 83; Idem, *Eighteenth-Century Gujarat: The Dynamics of Its Political Economy, 1750–1800* (Leiden: Brill, 2009), 114-5.

¹⁰⁰ A. Hove, *Tours for Scientific and Economical Research, made in Guzerat, Kattiawar, and the Conkuns, in 1787–88* (Bombay: Bombay Education Society’s Press, 1855), 92, 99, 100.

¹⁰¹ R. Barendse, *The Western Indian Ocean in the Eighteenth Century*, vol. 1 of *Arabian Seas 1700–1763* (Leiden: Brill, 2009), 301-2.

¹⁰² Nadri, *Eighteenth-Century Gujarat*, 115-6.

¹⁰³ NA VOC2937, report, W. Brahé and N. Mahué, 8 May 1757, p. 18.

¹⁰⁴ BL IOR P/414/51: Bombay Commercial Proceedings, report on the commerce of Arabia and Persia, S. Manesty and H. Jones, 15 August 1790, pp. 125-6.

¹⁰⁵ BL IOR G/29/5, 30 January 1729, 5 April 1729.

the early 1750s, when Bushire was mired in local power struggles, neighbouring ports such as Bandar Rig, Bandar Deylam, and Bandar Ganaveh emerged in its place, and they continuously supplied maritime goods for inland cities such as Shiraz and Isfahan.¹⁰⁶

Under Zand rule (1765–94) the sugar market in Shiraz progressed. Sugar was an indispensable item at special occasions, such as marriage proposals and baby-naming ceremonies. Scattered evidence suggests that a wide range of the population was familiar with using sugar as well as local sweeteners, such as grapes and manna.¹⁰⁷ An EIC merchant, Scott Waring, wrote in 1802 that an antidote against animal poisons called “*dum*” (*dam*, i.e. breath) was well known there. Folk believed that the power to withstand animal toxins occurred in a person as a reward for fasting and meditation, but this immunity might be passed on to someone else the beneficiary saw as deserving a blessing. Many people visited such a gifted man at the time of the wheat harvest, and he extended his favours by breathing onto a piece of sugar (or something else) which they were then ordered to swallow.¹⁰⁸

Caucasus, Gilan and Mazandaran

During the eighteenth century, notwithstanding increasing tension between the Russians and the Iranians in Iran’s northern borders, sugar markets in the Caspian coastlands remained active. Although sugar cane cultivation has a long history in Mazandaran, it was primarily for local use. George Forster, an Englishman travelling from India overland via the Caspian to England in 1783–84, commented that:

When the general demand of this article in Persia is considered and that it is rarely produced on this side of the Indus, it might be naturally supposed that Mazandaran would derive extensive benefits from such a possession, especially through its navigable vicinity to the southern territories of Russia, where a large quantity is consumed, at an advanced price. Yet from an ignorance in the methods of preparing and refining it, this valuable product yields but a limited utility.¹⁰⁹

¹⁰⁶ NA VOC2885 1, letter from Kharg to Batavia, 27 September 1755, p. 7.

¹⁰⁷ For the popularity of grape and manna in Shiraz, Olivier, *Voyage dans l'Empire Othoman*, vol. 5, 282-3; E.-T. Hamy, *Voyage d'André Michaux en Syrie et en Perse (1782–85) d'après son journal et sa correspondance* (Geneva: Société Générale d'Imprimerie, 1911), 31.

¹⁰⁸ S. Waring, *A Tour to Sheeraz by the Route of Kazroon and Feerozabad* (London: T. Cadell and W. Davies, 1807), 117.

¹⁰⁹ G. Forster, *A Journey from Bengal to England: Through the Northern Part of India, Kashmire, Afghanistan, and Persia, and into Russia, by the Caspian-Sea*, vol. 2 (London: R. Faulder, 1798), 216-7. For sugar production areas in Mazandaran, S.G. Gmelin, *Travels through Northern Persia 1770–1774*, translated by W. Floor (Washington, DC: Mage Publishers, 2007), 241.

A German botanist, Samuel Gottlieb Gmelin, stated that, because of its unrefined form, Mazandaran sugar was hard to dissolve in tea, had an unpleasant rancid taste, and looked blackish-yellow.¹¹⁰

There seems no doubt that a large quantity of sugar suitable for further processes was brought in from the Persian Gulf during the eighteenth century. As the decline of the Bandar Abbas trade caused a shortfall of sugar supplies for interior markets, maritime sugar was one of the articles most in demand in the Gilan market.¹¹¹ In the early 1770s Gmelin noted that Isfahan supplied sugar and cotton manufactured goods for Mazandaran. Considering that Iran had a relatively good connection to the Gulf trade during the Zand period, it is likely that sugar brought in from Isfahan came via Bandar Abbas or Bushire.¹¹²

But the Caspian regions had begun to import American sugar from Russia, presumably in the latter half of the eighteenth century, and Russia increasingly imported refined sugar from Great Britain towards the end of the century (Figure 1.2).

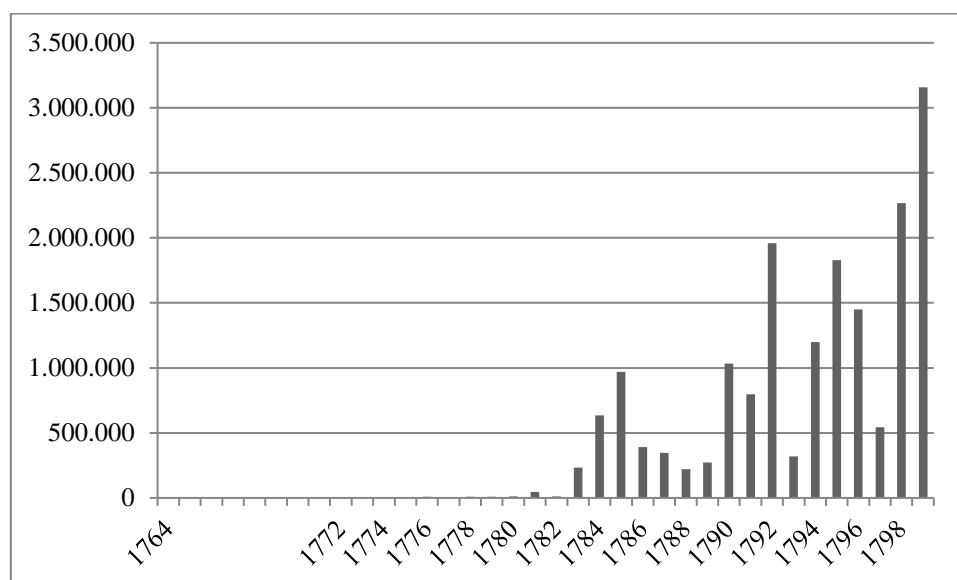


Figure 1.2: British sugar imports to Russia, 1764–99 (British pounds)

Source: A. Kahan, *The Plow, the Hammer and the Knout: An Economic History of Eighteenth-Century Russia* (Chicago: University of Chicago Press, 1985), 222-5 (Table 4.63).

Whereas the colonial product became a favoured consumable among the Russian gentry, some of the sugar sent to Russia was destined for northern Iran.¹¹³ Gmelin mentioned that Shamakhi and Rasht imported various goods including sugar from Russia.¹¹⁴ According to

¹¹⁰ Gmelin, *Travels through Northern Persia*, 253-4.

¹¹¹ BL IOR R/15/1/1, account of the raw silk received from a Coja Sarkees, undated, fols. 67r-9r.

¹¹² Gmelin, *Travels through Northern Persia*, 245.

¹¹³ Kahan, *The Plow, the Hammer and the Knout*, 210.

¹¹⁴ Gmelin, *Travels through Northern Persia*, 40, 223.

Forster, the sugar sent from Russia was American sugar. He stated that the sugar that he bought at Mashhadsar in Mazandaran was “the produce of West Indies, manufactured in England, and imported at Petersburg [St. Petersburg], whence it came into Persia by the tract of Astracan [Astrakhan].”¹¹⁵

Iraq, Arabia, Kurdistan and Anatolia

As at Bushire, Basra developed as an alternative sugar market to Bandar Abbas from the 1720s onwards. VOC residents at Isfahan reported in 1737 that some *Gorguaanse kooplieden* (either Gorgan or Georgian merchants) came over from Basra and sold castor sugar.¹¹⁶ The relatively stable *mamlūk* rule (1747–1831) added momentum to the Basra trade. During his stay at Basra in the latter half of 1765, Niebuhr saw many Armenians come over to establish their factories in the city after the turmoil had broken out in Iran. He acknowledged Sulayman Pasha’s contribution to the increase in the region’s security. Sulayman’s reign (1747–62) met with so much approval that, “upon his death, the Arabs made the lamentations, which one still often hears in the coffee houses and on the street in Baghdad. Never have the Arabs been controlled as well as in his reign and that of his father-in-law.” The Arab nomads, therefore, stood in much awe, calling him Abu Layla (Father of Night), because he usually made night raids to give them no chance to escape. As a result, Niebuhr noted, the trade from India that used to pass through Bandar Abbas and Isfahan was now carried on through Basra and Baghdad.¹¹⁷ It seems likely that part of the sugar imported to Basra was meant for regional consumption. Julius Griffiths, an Englishman travelling from Aleppo to Basra in 1786, noted that the Coromandel Coast and Bengal supplied rice, sugar, muslins and a vast quantity of white and blue cloths for common use.¹¹⁸

Towards the end of the century, Masqat rose as the major depository of sugar for the West Asian markets. In 1790 the EIC reported that the import of sugar to Masqat was very large and sufficient “for the supply in that indispensably necessary article of the countries of Persia, Arabia Deserta, Mesopotamia, Kurdistan [Kurdistan], Armenia, Georgia and Natolia [Anatolia].”¹¹⁹

As in the Caspian countries, American sugar was traded in markets in Iraq in the latter half of the eighteenth century. American sugar, refined in Marseilles and reshipped to the Levant, increasingly entered major Ottoman markets, such as Izmir, Istanbul, Aleppo, etc. (Figure 1.3).¹²⁰

¹¹⁵ Forster, *A Journey from Bengal*, vol. 2, 213.

¹¹⁶ NA VOC2448, letter from Isfahan to Bandar Abbas, received on 3 September 1737, pp. 1384-5.

¹¹⁷ C. Niebuhr, *Reize naar Arabië en andere omliggende landen*, translated by S.J. Baalde and J. van Schoonhoven, vol. 2 (Amsterdam: S.J. Baalde, 1776–80), 292, 301-2.

¹¹⁸ J. Griffiths, *Travels in Europe, Asia Minor and Arabia* (London: T. Cadell and W. Davies, 1805), 389.

¹¹⁹ BL IOR P/414/51: Bombay Commercial Proceedings, report on the commerce of Arabia and Persia, Manesty and Jones, Basra, 15 August 1790, p. 84.

¹²⁰ E. Eldem, *French Trade in Istanbul in the Eighteenth Century* (Leiden: Brill, 1999), 68-70.

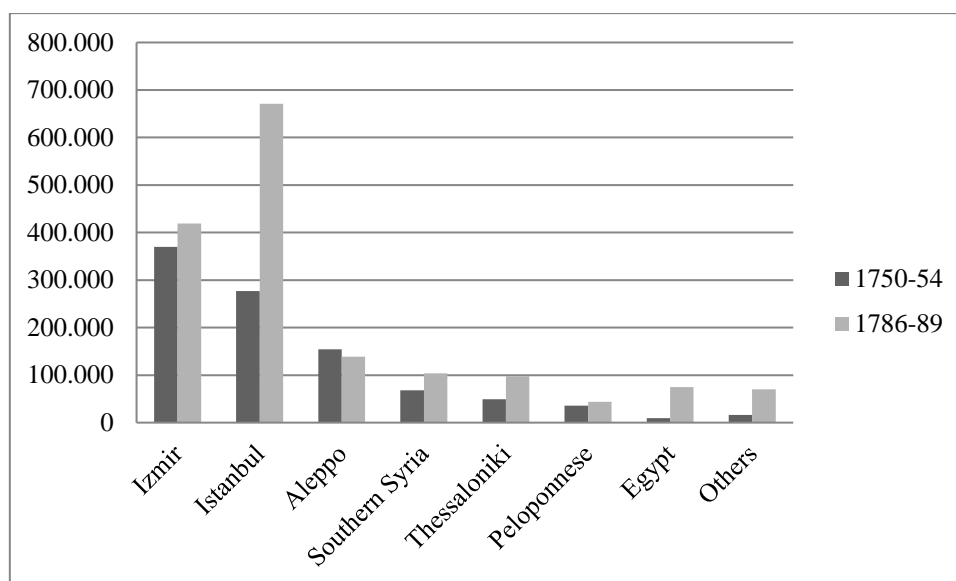


Figure 1.3: French sugar imports to the Levant, 1750–54 and 1786–89 (*livres tournois*)

Source: R. Paris, *De 1600 à 1789. Le Levant*, vol. 5 of *Histoire du commerce de Marseille* (Paris: Librairie Plon, 1957), 558.

Some French sugar sent to Aleppo was probably re-exported further eastwards, though still in limited amounts. An English naval surgeon, Edward Ives, passing through Mosul in 1758, said that European lump and powder sugar was very scarce and expensive there, while candy was more readily available and at rather reasonable prices.¹²¹ Since American sugar was superior to Indian sugar, Olivier commented, it was always preferred unless the price was very dear. Yet much sugar also came from Batavia and Bengal through Basra for consumption in Baghdad and Arabia, and some of this headed for Iran as well.¹²²

Consumption in town

War time

After the Safavids, it seems likely that patterns of sugar consumption remained the same among the populations of cities and towns in Iran and neighbouring countries. During the period following the Afghan conquest of Iran, repeated wars caused a chronic shortfall of food supplies for Iran's urban population. It is tempting to argue that sugar's role as valued nutrition remained crucial in such a situation. The Safavid capital of Isfahan during the Afghan siege is a case in point. Prices of staples remaining in the city skyrocketed due to the siege, and then the population, rich and poor alike, remarkably began to demand sugar. The VOC's Isfahan diary relates:

¹²¹ E. Ives, *A Voyage from England to India, in the year MDCCLIV* (London: printed for Edward and Charles Dilly, 1773), 327.

¹²² Olivier, *Voyage dans l'Empire Othoman*, vol. 4, 433, 439.

At present one sees the poor stamping horses' and camel's bones into pieces and then eating them. Meanwhile sugar which is sold now in the shops instead of bread, because of lack of life's necessities, costs 40 *maḥmūdīs* or Dfl. 17 for powdered sugar and 44 *maḥmūdīs* or Dfl. 18.14 per *man* for lump sugar. This commodity sold well, both to the commoners and to the nobles.¹²³

In order to stifle the population's frustration, a supervisor for life's basic needs at Isfahan punished some confectioners by allowing their shops to be plundered by the poor. Through this measure, the Dutch said, "it was hoped that the other sellers of the necessities of life would be so frightened that they also would sell at lower prices. However, the result was rather the reverse of what had been expected, for all the shops were now closed and one sees only some horse and donkey meat hanging here and there in the bazar."¹²⁴ The demand for sugar during the Afghan siege was so high that, even after the Safavid regime was restored in the early 1730s, the grand vizier kept accusing the EIC of overcharging for sugar during the siege.¹²⁵ The VOC was also accused of the same thing. According to an English Muscovy Company agent James Spilman, "the Dutch, during the siege, before the Afghans took the city, got prodigious riches by the sale of a quantity of sugar for money and jewels, for which Shah Mahomed [the Afghan leader Mahmud] imprisoned and fined them very extraordinarily. Yet they made a considerable figure, tho' they pretended to be poor."¹²⁶

Whether it is true or not, the Iranian diet remained much the same as in the Safavid period. At the turn of the nineteenth century, Olivier was amazed at the population's liking for preserves and sherbets in contrast to their meagre diet.

People perfectly know how to preserve a great number of fruits well all the year around, but it is preserves (*confitures*), candies (*bonbons*) and cakes (*gâteaux*) in which the Persians excel. Nowhere else have I seen so much of them nor tasted them as pleasant. They preserve a large number of products of the country in sugar (*sucre*). They import much of it from India. They make candies and cakes in all forms and colours with some rice flour and wheat flour, together with eggs, honey, almonds, pistachios, pignolias, sesame, grape-jam (*raisiné*), sugar and particularly manna, [...]. They preserve in sugar a great number of flowers and fruits, in which they put all the essences and perfumes of the Orient.

¹²³ W. Floor, *The Afghan Occupation of Safavid Persia 1721–1729* (Paris: Association pour l'Avancement des Études iraniennes, 1998), 152.

¹²⁴ Floor, *The Afghan Occupation*, 158-9.

¹²⁵ BL IOR G/29/5, 14 February 1730.

¹²⁶ J. Spilman, *A Journey through Russia into Persia by two English gentlemen, who went in the year 1739, from Petersburg* (London: R. Dodsley, 1742), 56.

The sherbets or beverages which they consumed around the clock are equally varied, equally good, and equally flavoured.¹²⁷

It seems true that the rise in competition among regional and local notables after the Afghan invasion made them keen on acquiring, if not extracting, any disposable resource to keep up their power, sugar being one of them. The VOC archives originating from Iran after the Safavid period, particularly during Nadir Shah's rule (1730–47), contain numerous accounts of goods which the Company submitted to the king and state officials. Many of these presents included large amounts of castor and candy sugar.¹²⁸ Hanway, travelling in the Caspian regions in the early 1740s, said that this practice was vital for the great to sustain their relationship with their own subordinates. When he realized that the sweetmeats he served to his guests were mostly taken away by their servants, he said:

Is it not absurd, in fine, that a strange corruption of manners should induce almost every master to contract with his servant that the greatest part of his wages shall be paid him by his neighbours, though his own expenses are by this means not only increased, but also rendered impatient and vexatious, whilst servants, on the other hand, become extravagant, in consequence of these preposterous revenues, and their morals spoiled by the folly of their masters?¹²⁹

Giving a sugar treat likewise maintained its prominent role as a means of recognizing one another's status among the ruling elite. During his stay in Shiraz in the late 1780s, Franklin wrote:

A practice of the hospitality is with them [Iranians] so grand a point that a man thinks himself highly honoured if you will enter his house and partake of what the family affords, whereas going out of a house without smoking a *caleân* (*qalyân*), or taking any refreshment, is deemed affront; that they say that every meal a stranger partakes with them brings a blessing upon the house. To account for this, we must understand it as a pledge of faith and protection, when consider that the continual wars, in which this country has been involved, with very little cessation, since the extinction of the Sefi family [the Safavids], has greatly tended to a universal depravity of disposition, and a perpetual inclination to acts of hostility. This has lessened that softness and urbanity of manners for which this nation has been at all former times so famous, and has at the

¹²⁷ Olivier, *Voyage dans l'Empire Othoman*, vol. 5, 288-9.

¹²⁸ For instance, NA VOC2448, list of presents submitted to Nadir Shah, etc. at Isfahan, 27 June 1737, p. 1683.

¹²⁹ Hanway, *An Historical Account of the British Trade*, vol.1, 144-5.

same time too much extinguished all sentiments of honour and humanity amongst those of higher rank.¹³⁰

Under these circumstances, it became almost impossible for affluent people in cities to cope with the increasing demand for sugar from the authorities. Some time after his arrival at Bushire in 1737, the Dutch agent Jacob van Schoonderwoerd was informed that a chief merchant and *shāhbandar* of Bushire called Shaykh Madhkur gave presents including two horses, a large quantity of candy and castor sugar, etc., to the *sardār* (commander in chief) of Nadir Shah's troops Mirza Mahdi, who was then in charge of subduing the Gulf Arabs.¹³¹ The Dutch were therefore obliged to promise to prepare such presents as soon as possible, despite the fact that only around one month earlier they had sent him spices, sugar and chintz via the *shāhbandar*.¹³² At the feast of *ʿĪd al-Fiṭr*, the *shāhbandar* visited the Dutch lodge with a great retinue. Schoonderwoerd had to treat all of them to coffee, rosewater, and sugar according to the local custom.¹³³

Persistence of urban life

Despite the political uncertainty during the eighteenth century, it is quite likely that urban life carried on more or less as normal in many of the towns during that period. A scarcity of contemporary accounts about Kerman, Yazd and Khorasan makes it difficult to know precise details of their respective sugar markets. It seems, however, that the rise of Kerman and Yazd as great commercial nodes after the Safavid period might have increased the use of sugar as gifts to authorities there, as well as at caravan stations located along the trading routes to these cities.¹³⁴ In Sind it was commonplace among town rulers to treat guests to various items, such as sweetmeats and rosewater.¹³⁵ Social life in Zand Shiraz was also vibrant. The inhabitants were accustomed to consume sugar on special family occasions as well as in communal meeting places, such as bathhouses.¹³⁶

As in the Safavid period, the practice of giving a sugar treat had an important place in the urban life of the Caspian coastland. Peter Henry Bruce, an English military man who joined the Russian campaign to the western and southern coasts of the Caspian Sea in 1722, happened to meet one of the principal inhabitants on a street of Tarki (Tirku) in Daghistan. Despite the fact that there was no appointment between them, the man welcomed Bruce and

¹³⁰ Francklin, *Observations*, 156-7.

¹³¹ Shaykh Madhkur was the founder of the Arab shaykhdom of the Madhkur family at Bushire that lasted until the mid-nineteenth century.

¹³² NA VOC2448, diary, J. van Schoonderwoerd, Bushire, pp. 1531, 1538-9.

¹³³ Idem, p. 2527. In his recent essay, Assef Ashraf also discusses crucial roles that the custom of gift-giving played in the state-formation of the Qajars from the late eighteenth to the early nineteenth century. Assef Ashraf, "The Politics and Gift Exchange in Early Qajar Iran, 1785–1834," *Comparative Studies in Society and History* 58, no. 2 (2016): 550-76.

¹³⁴ NA VOC2448, diary, Brand, Bandar Abbas to Isfahan, pp. 1557, 1559-60, 1564, 1566.

¹³⁵ NA VOC2937, report, Brahé and Mahué, 8 May 1757, pp. 10-1, 25-6.

¹³⁶ Francklin, *Observations*, 70-6, 109-10, 120-2.

his suite to his residence, where he entertained them with coffee, fruits and sweetmeats.¹³⁷ Another English military man, Elton John, also experienced this customary treat. When he dropped by a town called “Languaon”, east of Rasht (possibly Langharud) in 1739, the vizier of the place treated him to coffee, tea and sweetmeats.¹³⁸ The population liked to consume sweetmeats when drinking. At his visit to the admiral of the Persian navy, Muhammad Khan at Babol (Balfrufh), Hanway was entertained with a supper as well as dance and music. After dinner, the admiral invited him to drink brandy. When he declined, Muhammad Khan expressed with much amusement as he referred to Hanway, “I, being an European and Christian, did not delight in spirituous liquors.” It was common, Hanway commented, “for each person to set a plate of sweet-meats before him, and drink their liquor in tea-cups till they are drunk, which is generally affected in a very short time.”¹³⁹ In fact, the Iranians living there were known to have an exceptionally sweet tooth. On their plates there were all kinds of sugar-coated fruits and various jams, which “they indulge in a very wasteful manner, because they uncommonly love sweetmeats.”¹⁴⁰

Periodic conflicts and epidemics notwithstanding, inhabited areas dotted along major trading routes in Iraq appeared to have a brisk social life during the eighteenth century. There is no doubt that Baghdad had an important place in this development. In 1774, an English merchant, Abraham Parsons, witnessed vivid scars of the plague that had hit Baghdad a few years before. He wrote that the disease had reduced the population from around 500,000 to less than 100,000. On the other hand, he saw a strong recovery process going on. He calculated that, since the ravage of the plague had abated, 200,000 inhabitants had come back.¹⁴¹ Consequently, urban life returned. What excited much curiosity from Parsons was the popularity of coffee houses among the population. According to his inquiry, there were 955 coffee houses on the Persian side, of which more than half had been leased within the last six months. It was usual to see from two to three hundred people at a time at these stores, some playing chess and others smoking, drinking coffee, etc.¹⁴² In the coffee houses people also enjoyed sherbet.¹⁴³

Around the same time, Hilla was known as “Little Baghdad”, because the town and its buildings looked so much like those in Baghdad. Straddling the Tigris in the same way as Baghdad, the town also had many licensed coffee houses. Parsons estimated the population to be upwards of 30,000.¹⁴⁴ In spite of Nadir Shah’s siege in 1743, Mosul remained active.

¹³⁷ P.H. Bruce, *Memoirs of Peter Henry Bruce, Esq. A military officer, in the services of Prussia, Russia, and Great Britain* (Dublin: J. and R. Byrn, 1783), 322-3.

¹³⁸ Spilman, *A Journey through Russia*, 16-8.

¹³⁹ Hanway, *An Historical Account of the British Trade*, vol.1, 250-2.

¹⁴⁰ Gmelin, *Travels through Northern Persia*, 90. However, sugar was not affordable to lower classes, who instead used coagulated grape juice called *shīra*. Forster, *A Journey from Bengal*, vol. 2, 184.

¹⁴¹ A. Parsons, *Travels in Asia and Africa including a Journey from Scanderoon to Aleppo, and over the Desert to Bagdad and Bussora, a Voyage from Bussora to Bombay, and along the Western Coast of India, a Voyage from Bombay to Mocha and Suez in the Red Sea, and a Journey from Suez to Cairo and Rosetta, in Egypt* (London: Longman, Hurst, Rees and Orme, 1808), 128-31.

¹⁴² *Idem*, 131.

¹⁴³ *Idem*, 133. Iman al-Attar provides a valuable insight into the urban life of Baghdad in the eighteenth century. Iman al-Attar, “Textual Representations of the Socio-Urban History of Baghdad: Critical Approaches to the Historiography of Baghdad in the 18th and 19th Centuries,” (PhD diss., University of Tasmania, 2014).

¹⁴⁴ Parsons, *Travels in Asia and Africa*, 140.

Carsten Niebuhr, a German traveller who passed from Basra to Aleppo via Baghdad in 1766, wrote that Mosul seemed to have been developed recently. He estimated it to have a population of 20,000 – 24,000 and described the city as reasonably handsome. All public coffee houses, baths and bazars belonged to the ruling family of Abd al-Jalili.¹⁴⁵

The steady development of urban life in Iraq during the eighteenth century can be attributed to gradual migrations of people from Iran to the major Iraqi cities. As already mentioned, many Armenians moved to Basra from Iran after the Safavid period. Samuel Eversfield, an EIC agent who visited Baghdad in 1779, wrote that the city was large and populous, enjoying the considerable advantage of the Tigris for commerce. There were nearly 80,000 houses in the city, and the inhabitants consisted mainly of Iranians, Armenians, Turks and Jews.¹⁴⁶ On his way back from Isfahan in 1785, Ferrières-Sauveboeuf was also impressed by the grandeur of the city. He attributed it to three reasons: immigration from Iran, urbanization resulting from the inflow of Arabs who were “fed up with life in tents”, and the city’s location which was suited for commerce. On the first point, he said that “a great number of Iranians had come over with their families, while the Armenians, refugees from Julfa [at Isfahan], had brought their resources and industry.”¹⁴⁷ About ten years later, Mosul was very prosperous. Olivier noted that the population of the province of Mosul was 200,000, and that, since the city was one of the great markets in the Orient, merchants who sought shelter ran into this growing *entrepôt* and did their commerce freely.¹⁴⁸ In Olivier’s view, Baghdad was more of an Iranian city than a Turkish one, because there were a large number of bazars devoted to merchants and workers in the city. As for the population, he related that, since Sulayman (Abu Layla or the Great, r. 1780–1802) became governor of Baghdad, the population had increased by 30,000 – 40,000, of whom 12,000 – 15,000 were Iranians, who had escaped from the troubles and the civil wars to which their homeland had been subjected for more than half a century. Jews and Armenians had also settled in the city to expand their commercial enterprises from Turkey and India.¹⁴⁹

As in Iran, the use of sugar as a treat was a priority in Iraqi high society. Ives experienced it at the provincial court of Diwaniya, a town on the highway between Basra and Baghdad. After his arrival from Basra on 10 May 1758, he and English companions had an audience with the governor of Diwaniya called Ali Agha. Ali Agha was “a native of Persia” and “the most important of any in this part of the world, the Basha of Baghdad excepted.” In those days, he commanded a vast region from Qurna, where the power of the governor of Basra ended, up the river as far as Hilla.¹⁵⁰ During the reception, an Armenian merchant from Basra who was staying in Diwaniya at that time called Khwaja Paghos (Cojee Pagoose) and a man called Hermet (Hemet) both served the English party as interpreters.¹⁵¹ According to Ives,

¹⁴⁵ Niebuhr, *Reize naar Arabië*, vol. 2, 340, 345.

¹⁴⁶ S. Eversfield, *A Journal, kept on a Journey from Bassora to Bagdad over the Little Desert, to Aleppo, Cyprus, Rhodes, Zante, Corfu, and Otranto, in Italy, in the Year 1779* (Horsham: Arthur Lee, 1784), 44, 48, 51.

¹⁴⁷ Ferrières-Sauveboeuf, *Mémoires historiques*, vol. 2, 82-3.

¹⁴⁸ Olivier, *Voyage dans l’Empire Othoman*, vol. 4, 269, 272-3, 277-8.

¹⁴⁹ Idem, 313, 324-5. The migration theory might also be applicable to Khorasan and the Caspian. R. Barendse, *Kings, Gangsters and Companies*, vol. 2 of *Arabian Seas 1700–1763* (Leiden: Brill, 2009), 790-1, 806-7.

¹⁵⁰ Ives, *A Voyage from England*, 259, 260, 262.

¹⁵¹ Idem, 259.

Hermet was of French origin. He had served the EIC as an interpreter at Isfahan for many years, but because of the destructive civil war he had left Iran. He joined Ives at Basra and was now on his way to Baghdad “where his family resided, and he proposed carrying them from thence to Venice, his wife’s native [place].”¹⁵² Ali Agha talked to the English party through Khwaja Paghos and Hermet; Paghos spoke to Hermet in Persian and Hermet to the party in French and sometimes in “broken” English. Meanwhile the party was served first with a saucer of sweetmeats. Some members tasted four or five very small spoonfuls and obviously intended to finish the whole saucer full. Hermet stopped them, however, because just one spoonful would have been more polite, by whispering, “for dat one spoonful only, was de more polite.” Then a small cup of coffee was brought, and after a short interval, a small basin of warm sweet water scented with roses. Lastly, their handkerchiefs were wetted with rosewater, and their noses were refreshed with the smoke of ambergris and agarwood.¹⁵³ In November 1774, after five days of travelling from Hilla, Parsons arrived at “a very large Arab town on the Chaldean side” of the Euphrates called “Arjar”. The town was governed by “an *emir* (an Arabian prince)” and consisted of tents. After submitting some presents, Parsons invited the Arab governor to his cabin to drink coffee and smoke a pipe. When the governor came to the ship, sweetmeats were served. Parsons wrote that, on this occasion, the governor not only ate the sweetmeats but also filled his pocket with them, and his followers, more than ten in total, followed their master’s example.¹⁵⁴

It may be worth mentioning that it was a sign of respect to serve sherbet and conserves. On 20 July 1730, when Dames Heij and Carel Koenad, the VOC residents at Basra, visited the governor, they were treated to coffee and sherbet (*serbet*) “according to the local custom” (*volgens inlands gebruik*).¹⁵⁵ Upon his arrival in Mosul in June 1743, Jean Otter, a French envoy to Nadir Shah’s court, had an audience with the governor of the city called Husayn Pasha (Husein Pacha) at his residence (*serai*). After exchanging the usual Turkish compliments, Otter and the governor conversed with each other in Persian and Arabic. Meanwhile, the governor entertained him with conserves (*confitures*) together with coffee. The audience lasted one hour before sherbet (*cherbet*) and perfume were brought in, and then Otter took his leave. About one week after he left Mosul Otter had another reception with a Kurd chief (*buluk bashi* [*bulūk bāshī*]) called Abd al-Rahman Agha. The chief invited Otter to his tent and his companions to other tents, and civilly treated them to dinner. In return for this warm reception Otter sent him several pounds of tobacco and Mocha coffee, a box of sherbet, and dozens of cups of coffee beans.¹⁵⁶

A question that has yet to be answered is how these people developed their purchasing power. Recently R. Kazemi and G. Sood have suggested that there was significant

¹⁵² It is difficult to identify this Frenchman, because many members of the Hermet family worked for the EIC as interpreters at Isfahan from the 1730s onwards. However, the man might be Jacques Charles Hermet, whom we know was on duty as such at least in 1750. Ives, *A Voyage from England*, 237; BL IOR G/29/7, 1 November 1750.

¹⁵³ Ives, *A Voyage from England*, 260-2.

¹⁵⁴ Parsons, *Travels in Asia and Africa*, 146.

¹⁵⁵ NA VOC9091, diary, Basra, p. 460.

¹⁵⁶ J. Otter, *Voyage en Turquie et en Perse avec une relation des expéditions de Tahmas Kouli-khan*, vol. 2 (Paris: Freres Guerin, 1748), 251-2, 263-4.

commercialization in Iran and Iraq during the eighteenth century. Although supporting evidence is limited, they argue that people in these countries, especially those outside any governmental purview, increased business activities in the course of the century.¹⁵⁷ Another consideration I would point out is the fact that after the Safavid period, copper became an important alternative export item for gold and silver. Whereas gold and silver came from Europe, copper was produced in Anatolia, Kerman and Khorasan. It is likely that such relatively easy access relieved the population of some of their chronic financial hardship. I shall return to this subject in Chapters 3 and 4.

Conclusion

The consumer market for sugar witnessed a significant structural reformation after the Afghan conquest of Isfahan in 1722. After the demise of the Safavid court, until then the main market for sugar, many other markets were developed in Iran and neighbouring countries. While the former grand market of Isfahan went into decline, Teheran, Kerman, Yazd, Khorasan, Sind, Shiraz, the Caspian regions, Iraq, Arabia, Kurdistan, and Anatolia attracted much sugar. Accordingly, sugar supplies followed different channels. Whereas the Bandar Abbas-Lar-Shiraz-Isfahan axis declined, the Bandar Abbas-Yazd-Kerman route, the Bushire-Shiraz route, and the Basra-Baghdad route became principal supply lines from the Persian Gulf. In the second half of the century Masqat also developed as the major depository of sugar for the West Asian markets, attracting much of the trans-oceanic shipping of sugar to the Gulf. It is important to note that these changes to a large extent coincided with the rise of efficient regional governments, namely the Qajars in Teheran, the Durranis in Afghanistan, the Zands in Shiraz, the *mamlūks* in Baghdad, and the Bu Saids in Masqat.

A lively consumption of sugar continued in regional courts and towns during this phase. In Iranian cities and towns, in spite of the chronic shortage of foodstuff, a popular demand for sugar as nutrition would have persisted, while the regional and local elites in their power struggles demanded much sugar as a resource from wealthy people. However, what is more remarkable is the demand persisting in urban life. Sugar featured as an indispensable social item in urban arenas in West Asia, particularly in the Caspian and Iraq. The development of the Iraqi sugar market in the eighteenth century may well owe much to a gradual immigration from Iran to Iraq after the Safavid period. Through this process, it is possible that Iraq progressively shared a social setting with Iran, where sugar enjoyed an eminent status in the popular customary diet.

Thus, the remarkable flexibility and endurance apparent in the consumer market in sugar in West Asia during the eighteenth century underlies the resilient nature of the circulation of

¹⁵⁷ R. Kazemi, "Tobacco, Eurasian Trade, and the Early Modern Iranian Economy," *Iranian Studies* 49, no. 4 (2016): 613-33; G. Sood, *India and the Islamic Heartlands: An Eighteenth-century World of Circulation and Exchange* (Cambridge: Cambridge University Press, 2016). Concerning eighteenth-century India, Barendse also suggests a shift in the pattern of demand from courts to what he calls "the middling sort" of the population, saying that these people began to boost consumption in urban arenas. Barendse, *Kings, Gangsters and Companies*, 838-46.

sugar in the Persian Gulf during that period. Outlets for maritime sugar in the Gulf corresponded to shifting commercial magnets in the interior. This gives rise to many questions. Who were those involved in the flexible supplies of sugar in the Gulf? What enabled them to adjust rapidly to changing trading conditions there? In order to answer these questions, in subsequent chapters we shall investigate data from the suppliers of sugar to the Gulf during the eighteenth century.

Chapter 2: Sugar Trade in the Persian Gulf: The VOC

The expansion of the sugar market in West Asia beyond Iran after the decline of the Safavid dynasty promoted the rise of secondary ports of trade in the Persian Gulf. To show how suppliers of sugar adjusted to the new environment, this chapter will present an overview of the VOC sales of sugar in the Gulf in the eighteenth century. During the period up to their final withdrawal from the Gulf in 1766, the Company traded in Javanese sugar at multiple locations in the Gulf, such as Bandar Abbas (1701–59), Basra (1724– c. 1753), Bushire (1737– c. 1753), and Kharg Island (1753–66). Although Nadri analyses this particular trade using many of the so-called *rendementen* (the VOC's annual sales statements) recorded at these places, he deals with the sugar sales at different trading posts collectively as those in "Persia".¹ In order to get a clearer picture of the extent that the Company adjusted to the reformation of the Gulf market, this chapter will examine sugar sales at each station by making full use of the Company's *rendementen*.

1. Bandar Abbas

In Asian maritime trade in the seventeenth and eighteenth centuries cane sugar was one of the most suitable ballasts, because of its weight and high profitability. In the seventeenth century two large sugar markets emerged at the extremities of Asia's maritime world: Japan to the east, and Iran to the west. These markets had one characteristic in common: both could supply precious metals, including gold, silver and, later, copper. Since these articles were essential for financing their intra-Asian trade, the VOC increasingly participated in these marketplaces.²

As seen in the previous chapter, after the establishment of their factory in Bandar Abbas in 1623, the VOC began to import sugar from China, Taiwan, Bengal, Lahore and Ahmedabad. It was the introduction of Taiwanese sugar that initially contributed most to the Iranian market; the Company monopolized importing it until they surrendered Taiwan to Cheng forces in 1662.³ While several North Indian sugars were imported in the first half of the seventeenth century, Bengali sugar became prominent towards the middle of the century.⁴ The principal areas of sugar production in Bengal were Sirpur near Sonargaon in Decca and Chandrakona in Bardwan.⁵

¹ G. Nadri, "The Dutch Intra-Asian Trade in Sugar in the Eighteenth Century," *International Journal of Maritime History* 20, no. 1 (2008): 63-96.

² The Japanese consumption of cane sugar in confections began to develop in the sixteenth century. Sugar became one of Japan's principal import items in the early seventeenth century. Apart from Chinese and Taiwanese sugar, most Southeast Asian sugar (from central Vietnam, central Siam, Cambodia, and Banten) went to Japan throughout the seventeenth century. D. Bulbeck, A. Reid, L. Chang Tan and Y. Wu, *Southeast Asian Exports since the 14th Century: Cloves, Pepper, Coffee, and Sugar* (Leiden: KITLV Press, 1998), 107.

³ W. Floor, *The Economy of Safavid Persia* (Wiesbaden: Reichert Verlag, 2000), 127-8, 131.

⁴ R. Klein, "Trade in the Safavid Port City Bandar Abbas and the Persian Gulf (ca. 1600–1680): A Study of Selected Aspects," (PhD diss., University of London, 1993–94), 376-82.

⁵ O. Prakash, *The Dutch East India Company and the Economy of Bengal, 1630–1720* (Delhi: Oxford University Press, 1988), 173.

The vacuum that resulted after the Dutch were expelled from Taiwan was occupied by Omani loaf sugar. Previously Omani sugar had been marginalized by Taiwanese sugar, but in the 1670s it increased its share of the Iranian market. These circumstances caused the VOC to shift the pivot of their sugar trade towards Bengali sugar, because the market for that did not overlap too much with that for Omani sugar.⁶ In the financial year 1662–63 we see that there was a sharp increase in the Dutch export of Bengali sugar to Iran; it then reached 1.17 million Dutch pounds. On the other hand, the Javanese sugar sent to Iran that year amounted to only 90,000 pounds. The gross profits from these varieties were different: 172 per cent and 159 per cent, respectively (Figure 2.1).⁷

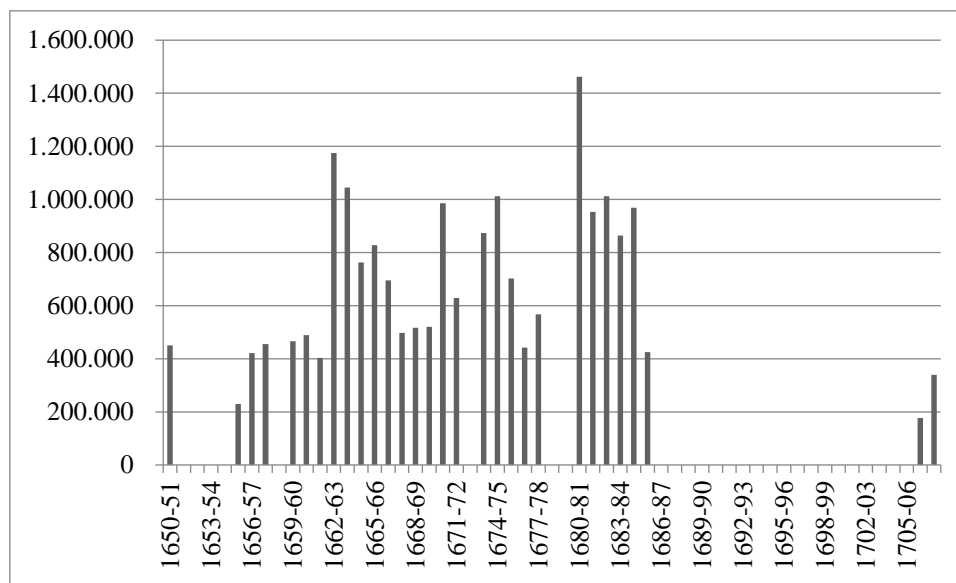


Figure 2.1: Dutch export of Bengali sugar to Iran (Dutch pounds)

Note: Data for 1652–53, 1653–54, 1678–79, 1680–81, and 1686–87 to 1705–06 are not available. The VOC's financial year begins on 1 September and ends on 31 August in the following year.

Source: Prakash, *The Dutch East India Company*, 174-5.

The export of Bengali sugar to Iran peaked in 1680–81 at 1.46 million pounds and produced a profit of 186 per cent profit in Iran. This was also the time when the High Government of Batavia intended to encourage sugar production in the environs (*ommelanden*) of Batavia for overseas markets.⁸ Even though during the 1680s Bengali sugar yielded a higher net profit than Javanese sugar, Batavia put an end to that lucrative trade by 1700. The

⁶ Floor, *The Economy of Safavid Persia*, 131-2; Klein, "Trade in the Safavid Port City," 408-9.

⁷ Prakash, *The Dutch East India Company*, 175.

⁸ Idem, 176. For the development of sugar production in Batavia during the VOC period, see L. Blussé, *Strange Company: Chinese Settlers, Mestizo Women and the Dutch in VOC Batavia* (Dordrecht: Foris Publications, 1988), 73-96; E. Jacobs, *Merchant in Asia: The Trade of the Dutch East India Company during the Eighteenth Century* (Leiden: CNWS Publications, 2006), 247-59; A. Ota, *Changes of Regime and Social Dynamics in West Java: Society, State and Outer World of Banten 1750–1830* (Leiden: Brill, 2006), 132-42.

small quantities of Bengali sugar exported to Iran in the years 1706–07 and 1707–08 served simply as ballast on the ships sailing to Iran.⁹

The Company imported two types of Javanese sugar to Iran: castor sugar (*poedersuiker*) and candy sugar (*kandijnsuiker*). According to the Dutch annual sales statements during the period 1701–20, the VOC imported on average an annual weight of about 1.2 million pounds of castor sugar into Bandar Abbas. This shows that Batavia’s switch from Bengali sugar to Javanese sugar had proved to be a success. On the other hand, their candy sugar had a relatively small share of the market, averaging annually around 241,000 pounds (Figure 2.2).

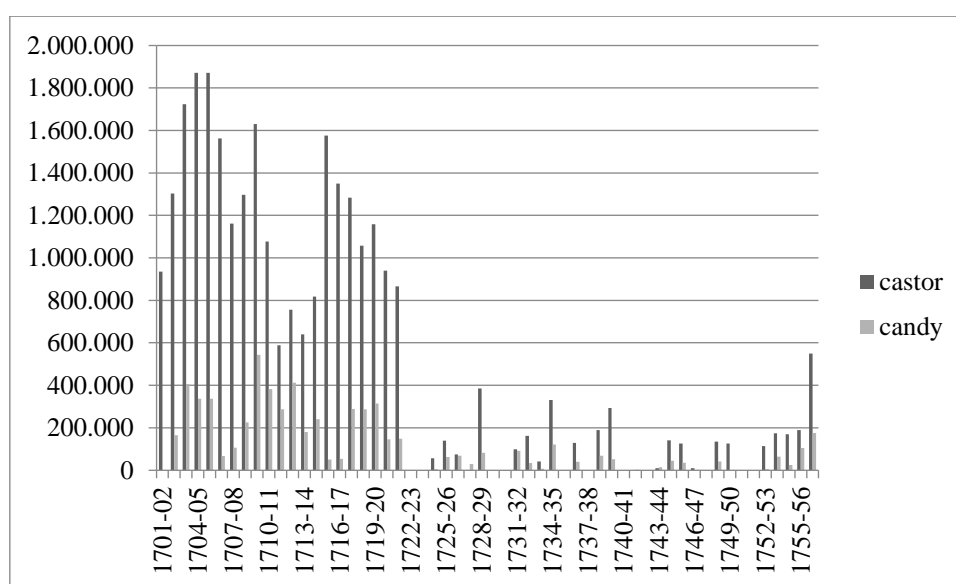


Figure 2.2: Dutch import of Javanese sugar into Bandar Abbas, 1701–56 (Dutch pounds)

Note: Data for 1722–23, 1723–24, 1730–31, 1735–36, 1737–38, 1740–41, and 1751–52 are not available.

Source: Appendix 2 (Nadri, “The Dutch Intra-Asian Trade,” 87-90).

Javanese sugar was the most profitable item in the VOC trade in the Gulf after spices.¹⁰ The annual net profits accrued from castor sugar and candy sugar during 1701–20 averaged 168 per cent and 116 per cent, respectively. In the favourable year of 1703–04 castor sugar yielded a profit of 264 per cent (Figure 2.3).

⁹ Prakash, *The Dutch East India Company*, 176.

¹⁰ Nadri, “The Dutch Intra-Asian Trade,” 71.

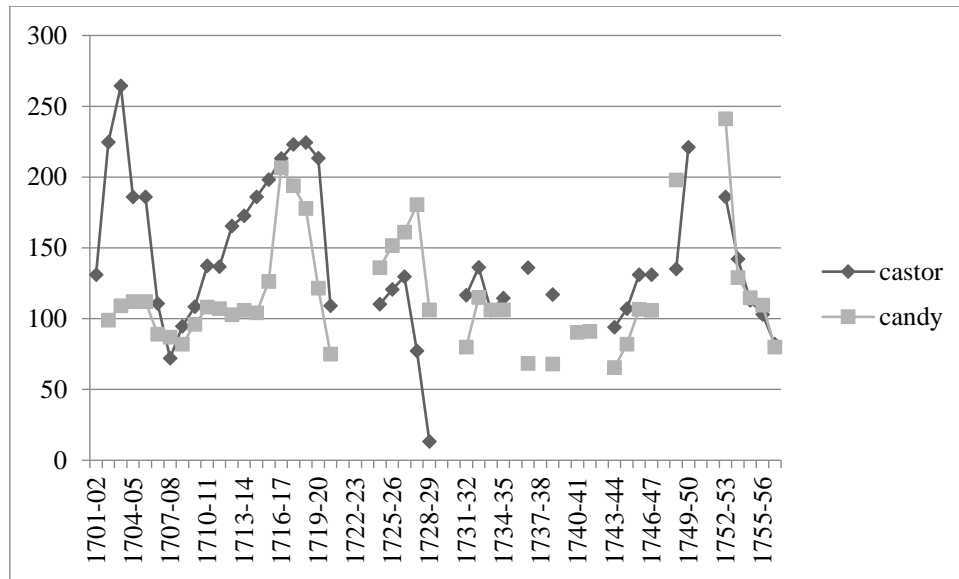


Figure 2.3: Net profits from sugar at Bandar Abbas, 1701–56 (per cent)

Source: see Figure 2.2.

Thanks to its high profitability, sugar accounted for nearly one third of the total sale value of imports into Bandar Abbas during the same phase (Figure 2.4). There is little doubt that such favourable results gave a strong boost to the development of the Dutch sugar industry in Java. During the first two decades of the century, 20 per cent of Dutch sugar shipments from Batavia headed for Iran, whereas those for the Netherlands comprised 36 per cent and those for Japan 19 per cent.¹¹

¹¹ Ota, *Changes of Regime*, 243.

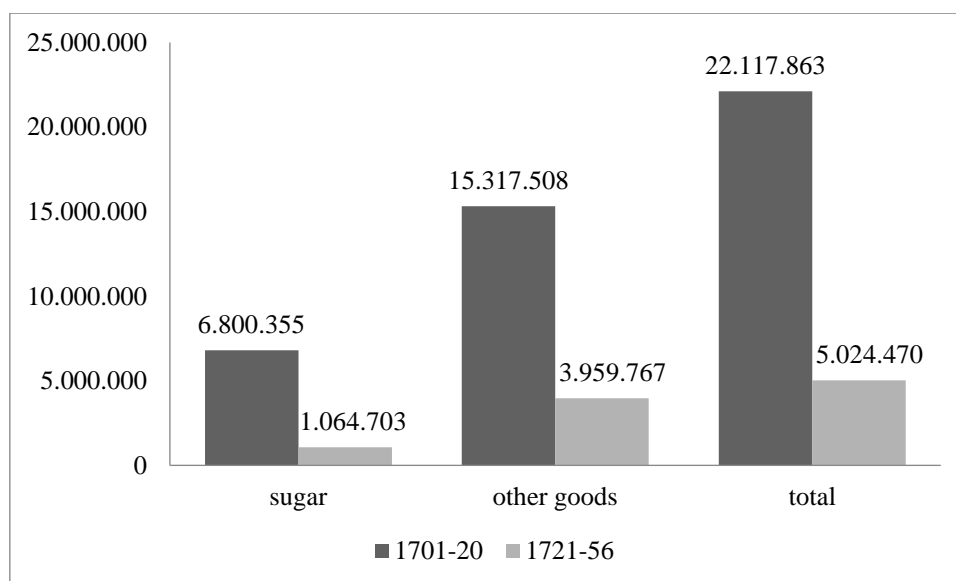


Figure 2.4: Comparative sale value between the two phases 1701–20 and 1721–56 (guilders)

Source: see Figure 2.2.

After the Afghan conquest of Iran in 1722, the VOC trade in sugar turned into a disaster. During the Afghan interregnum (1722–30), the Dutch sugar trade at Bandar Abbas came close to a complete standstill. Even after the Safavid rule was restored to Iran in the early 1730s, the trade did not recover to its former level. From 1721–56 annual imports did not even reach half a million pounds, except in 1756–57 when the market for Dutch Javanese sugar in the Gulf was temporarily revived (Figure 2.2). It should be noted that the troubles in Batavia's *ommelanden*, that led to the massacre of Chinese workers in the sugar plantations in 1740, caused a shortfall in sugar supplies to the Gulf in the early 1740s, thus dealing an additional blow to this ailing trade.¹²

Consequently, the value of Dutch sales of sugar severely decreased, falling from 6.8 million guilders from 1701–20 to one million guilders from 1721–56. There seems to be a significant correlation between this particular trade and the VOC total sales at Bandar Abbas. The overall sale value of goods sold by the VOC during 1721–56 fell by 74 per cent compared to the period 1701–20, as the sale value of Javanese sugar dropped by 85 per cent (Figure 2.4).

It is also worth mentioning that, from the late 1730s to the mid-1740s, the VOC occasionally sold Javanese sugar at Isfahan. They maintained a trading station at Isfahan from 1623 until 1745. During the Safavid period, the Isfahan factory played an important role in ensuring the Company's export of items for overseas markets, such as Iranian raw silk and precious metals. Bandar Abbas supplied the necessary cash for running the Isfahan business by transferring the proceeds of the year's sales through local financial agents. After the decline of the Safavids, however, the local banking network was impaired so severely that,

¹² NA VOC2593, letter from Bandar Abbas to Batavia, 31 October 1742, fol. 1669r.

instead of transferring earned money, Bandar Abbas had to send cash crops to Isfahan by caravan.¹³

We do not know much about what items or how much Isfahan received from Bandar Abbas in this way, but the remaining *rendementen* suggest that the transported goods included sugar. In the financial year 1737–38 the Isfahan factory sold 16,618 pounds of castor sugar and 2,117 pounds of candy sugar. Yet the profit was rather low: castor sugar yielded 59 per cent and candy sugar 36 per cent. In 1741–42, the total sales of sugar amounted to no more than 2,463 pounds. Even so, the profits from the two varieties were extraordinarily high: castor sugar yielded 668 per cent and candy sugar 424 per cent. Underlying this might be the sharp rise of the sugar price in the early 1740s: in 1737–38 castor sugar and candy sugar fetched 10.5 *maḥmūdīs* and 13 *maḥmūdīs* (per *man-i shāhī*) respectively, but in 1741–42 that corresponded to 20.5 *maḥmūdīs* and 26 *maḥmūdīs*.¹⁴

2. Bushire and Bandar Rig

Although Bushire had started to develop as an alternative trading port to Bandar Abbas in the late 1720s, the VOC entered the emergent market only in 1737. After the establishment of their factory at Bushire the Company imported goods for certain Iranian cities, such as Shiraz and Isfahan, from which Bandar Abbas was often cut off. They withdrew in around 1753.¹⁵

There are few existing *rendementen*, so it is difficult to figure out the trends of Dutch sales of Javanese sugar at Bushire during the period 1737–53. From scattered evidence, however, it is probable that the total sales of sugar at Bushire during that period was very low, and much lower than at Bandar Abbas (Figure 2.5).

¹³ For instance, NA VOC2448, letter from Bandar Abbas to Batavia, 30 April 1738, p. 1927.

¹⁴ NA VOC2476, annual sales statement, Isfahan, 1737–38, pp. 1390-1; VOC2610 2, annual sales statement, Isfahan, 1741–42, pp. 62-3. For the increase of sugar price at the Isfahan market, see also Figure 1.1.

¹⁵ In 1747, the VOC separated the Basra factory from the Persian directorate, and placed Bushire under the director of Basra factory.

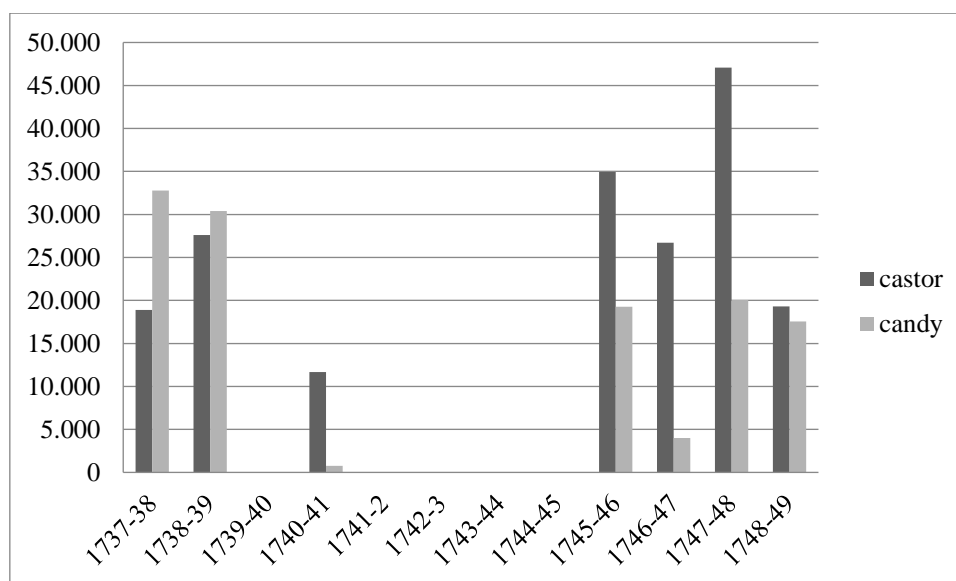


Figure 2.5: Dutch import of Javanese sugar into Bushire, 1737–48 (Dutch pounds)

Note: Data for 1739–40, 1743–44 and 1744–45 are not available.

Source: Appendix 3.

A principal reason why the VOC did not further explore the Bushire market was the increasing status of Basra as a major port of transit for goods to Iran towards the mid-eighteenth century. Concerning the Company's poor sales at Bushire, Dutch residents at Basra wrote with much confusion that, despite the fact that a considerable amount of goods that they had sold at Basra had been transhipped to Iran through Bushire, the same sorts of goods they sent to Bushire attracted no buyers there. They therefore suggested that the VOC dismiss the Dutch officer at Bushire and leave only a local broker there, to keep them informed of the arrival of caravans and markets there, and to enable Basra to supply the goods required in Bushire in a more effective manner. This point will be discussed further in Chapter 4.¹⁶

The habit of traders circumventing Bushire can be attributed to the rise of the neighbouring port of Bandar Rig in the early 1750s. When they noticed this important development, the VOC sent a commission to utilize the new channel around 1752. According to an existing *rendement*, at that time the VOC imported 12,869 pounds of castor sugar and 13,646 pounds of candy sugar, and they were satisfied with their profits from these varieties: 166 per cent and 137 per cent respectively. Sugar represented 17 per cent of the total value of the sale of goods during the commission.¹⁷ However, we note that this was also the time when the Dutch themselves retreated from the Iranian littoral to concentrate on their commerce on Kharg Island.

¹⁶ NA VOC2787, letter from Basra to Batavia, 10 August 1750, pp. 6-8.

¹⁷ NA VOC2863, annual sales statement, Bandar Rig, undated, p. 46.

3. Basra

Trade at Basra began to pick up in the early 1720s, because the slump at Bandar Abbas after the decline of the Safavids allowed Basra to develop into a leading trading port in the Persian Gulf. The VOC participated in this growing market in the financial year 1723–24. Dutch sugar trade at Basra had favourable years in the late 1740s (Figure 2.6).

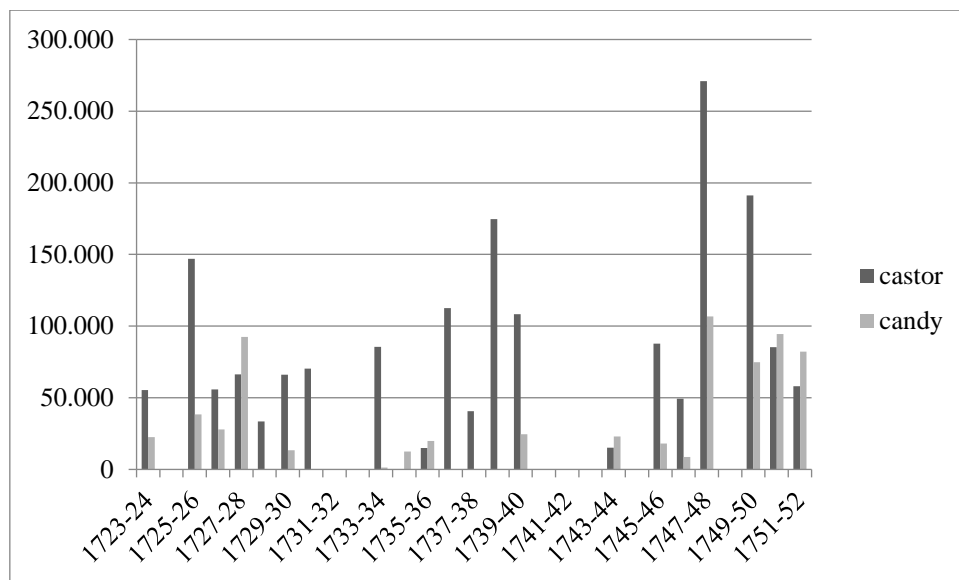


Figure 2.6: Dutch import of Javanese sugar into Basra, 1723–51 (Dutch pounds)

Note: Data for 1732–33 and 1744–45 are not available.

Source: Appendix 4.

Basra played a role in the Dutch sugar trade in the Gulf by compensating for sales at Bandar Abbas. The Company transported sugar from Bandar Abbas to trade at Basra when they found it difficult to dispose of it at Bandar Abbas. In the 1720s, when inland merchants hardly came over to Bandar Abbas, the VOC counted on the Basra market. However, it was less successful, for at Basra during the period 1723–27 annual imports averaged to about 65,000 pounds of castor sugar and 36,000 pounds of candy sugar, while at Bandar Abbas it was about 68,000 pounds of castor sugar and 42,000 pounds of candy sugar. In the early 1730s trade at Bandar Abbas appeared to show signs of improving. The war between the Turks and Iranians in Iraq at that time meant Bandar Abbas stopped sending goods to Basra.¹⁸ In 1734, though, Basra complained that their trade could have been more successful if they had been provided with goods for the last three years. Instead, the English and the French harvested the fruits left behind, despite them not having obtained much profit in the previous year due to the on-going war.¹⁹ However, it was not long before the VOC realized that Bandar

¹⁸ NA VOC2303, letter from Basra to The Netherlands, 30 April 1734, fol. 5413r.

¹⁹ NA VOC2323, final report from D. Heij to G. Gutchi, Basra, 25 May 1734, pp. 1412-3.

Abbas's trade fell far short of their expectations. From the late 1730s onwards, the Company paid more close attention to the markets at Basra and Bushire. In 1737, when they entered the Bushire market, the VOC reported that both castor sugar and candy sugar could fetch the highest price in Basra, followed by Bushire.²⁰ After 1743, when Batavia resumed the sugar shipments to the Gulf, Basra probably became the most important destination in the Gulf in terms of sales. Average annual sales of castor sugar in Basra during 1743–47 were about 106,000 pounds; this far exceeded those in Bandar Abbas during the same period, where they were only about 57,000 pounds (Figures 2.7, 2.8, 2.9 and 2.10).

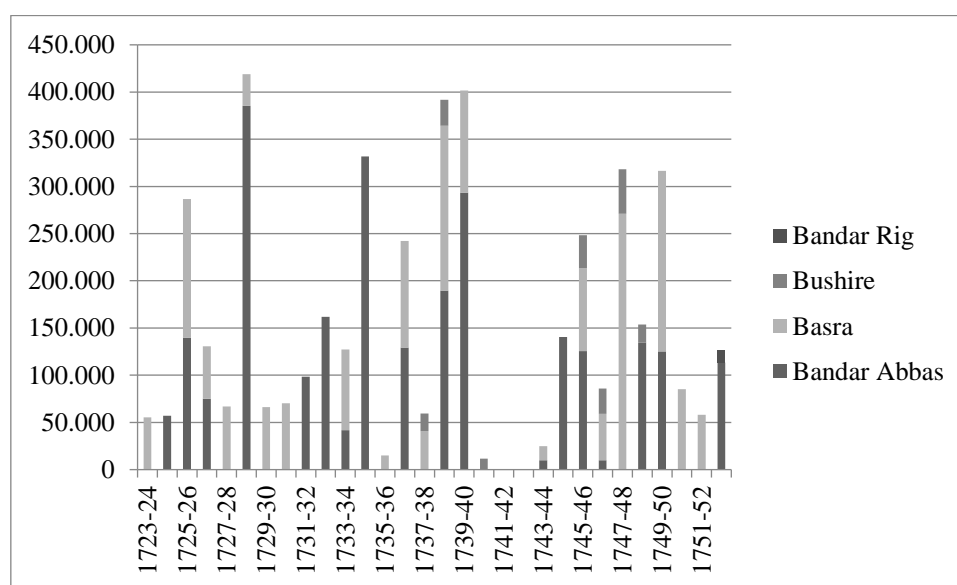


Figure 2.7: Sales of castor sugar made by Bandar Abbas, Basra, Bushire and Bandar Rig, 1723–52 (Dutch pounds)

²⁰ NA VOC2448, letter from Bandar Abbas to Batavia, 31 December 1737, p. 164.

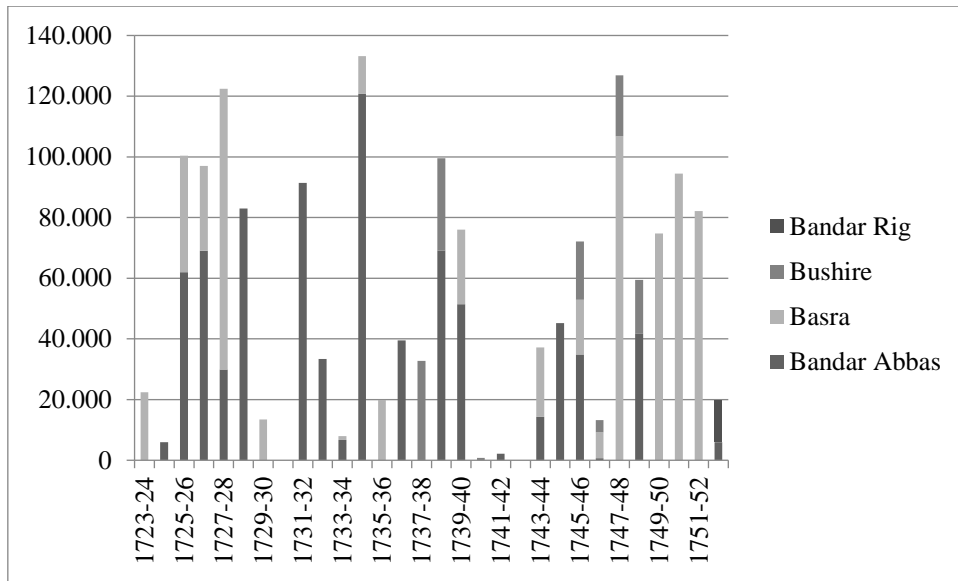


Figure 2.8: Sales of candy sugar made by Bandar Abbas, Basra, Bushire and Bandar Rig, 1723–52 (Dutch pounds)

Sources: Appendices 2, 3 and 4; NA VOC2863, p. 46.

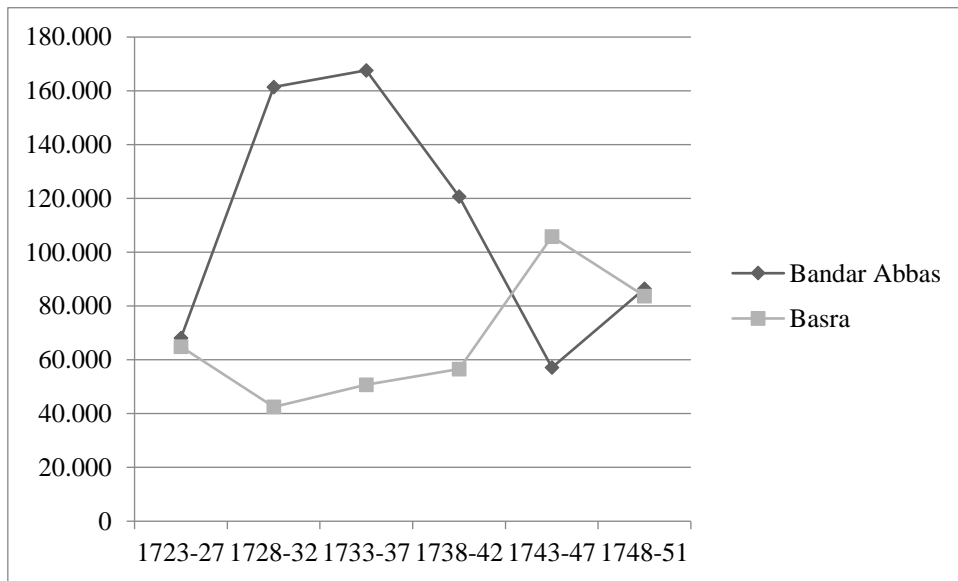


Figure 2.9: Five-year average annual imports of castor sugar into Bandar Abbas and Basra, 1723–51 (Dutch pounds)

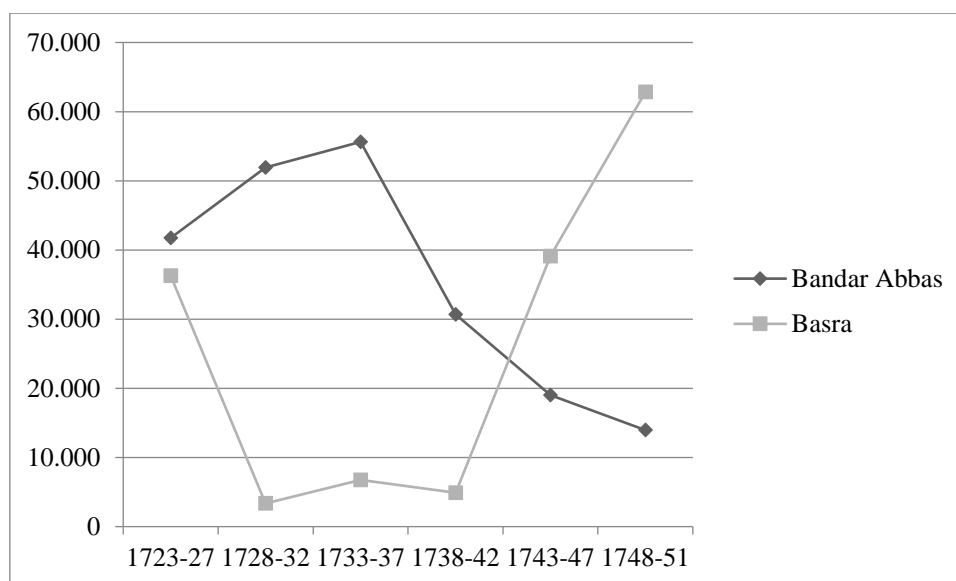


Figure 2.10: Five-year average annual imports of candy sugar into Bandar Abbas and Basra, 1723–51 (Dutch pounds)

Sources: Appendices 2 and 4.

It seems that sugar also yielded acceptable profits in Basra. Notwithstanding some fluctuations, the average annual profits from castor sugar and candy sugar during 1723–51 were 103 per cent and 118 per cent respectively. Sugar took up 16 per cent of the total value of goods sold at Basra during that time, with castor sugar at 10 per cent and candy sugar at 6 per cent (Appendix 4). Yet the actual importance of sugar that figured in the VOC's commerce in Basra might be much bigger than these records suggest. Regarding the reduced profitability of the Basra factory in the financial year 1751–52, Basra residents wrote that this was because they had not received that year adequate supply of weighed goods (*pondgoederen*), which included sugar, but instead they were dealing with a great amount of individual items (*stukgoederen*). They claimed that castor sugar gave them the most profit, and that it was very difficult for them to sell candy sugar without offering castor sugar as well.²¹

Despite such an optimistic interpretation about the trade at Basra in Javanese sugar, it is fair to say that the projects at Basra and Bushire proved inadequate. The sales at the factories there were never enough to stave off the declining fortune of the VOC in the Gulf. The five-year average annual import of castor sugar into the Persian Gulf fluctuated between 1.54 million pounds and 0.87 million pounds during 1701–20, but during 1721–55 it hardly reached 0.2 million pounds (Figure 2.11). Such a serious recession applied also to candy sugar (Figure 2.12). These data seem to suggest a severe decline in the Gulf market for Javanese sugar after the Safavids.

²¹ NA VOC2824, letter from Basra to Batavia, 11 January 1753, pp. 10-1.

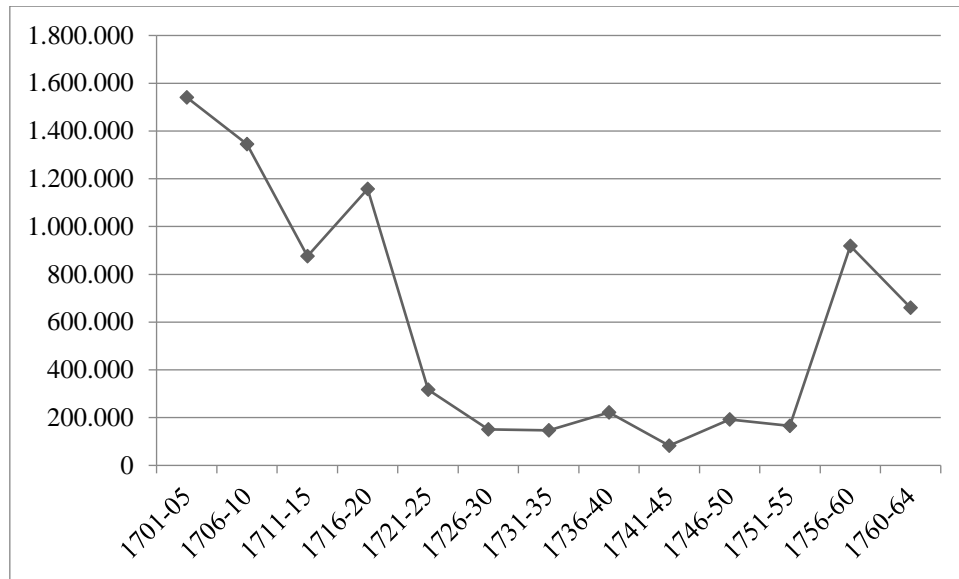


Figure 2.11: Five-year average annual import of castor sugar into the Persian Gulf (Bandar Abbas, Basra, Bushire, Bandar Rig, Kharg, Masqat and Sind), 1701–64 (Dutch pounds)

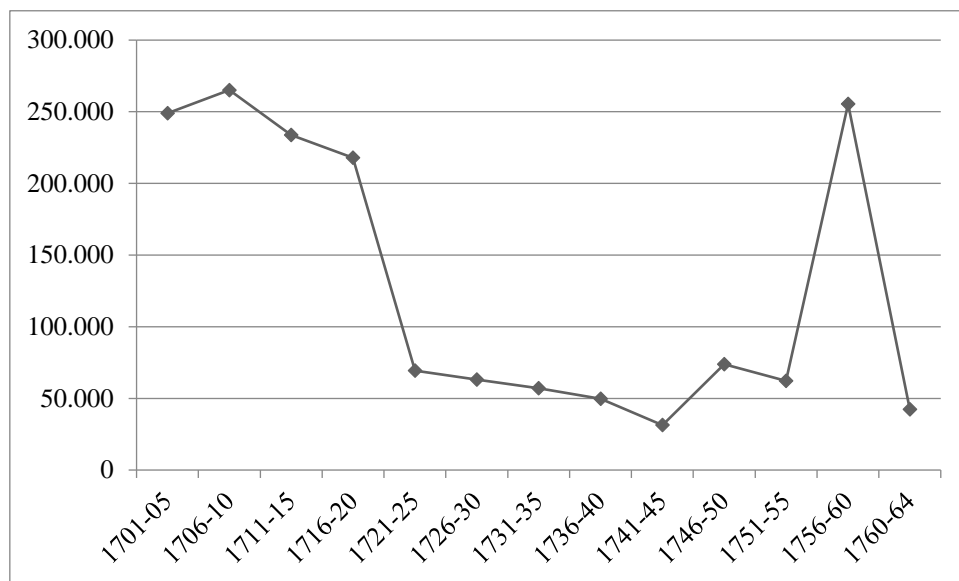


Figure 2.12: Five-year average annual import of candy sugar into the Persian Gulf (Bandar Abbas, Basra, Bushire, Bandar Rig, Kharg, Masqat and Sind), 1701–64 (Dutch pounds)

Sources: Appendices 2, 3, 4 and 5; NA VOC2863, p. 46; VOC2885 1, p. 53; VOC2937, p. 85; VOC2937, pp. 44-5.

In 1753 the VOC became embroiled in a conflict with the Turkish authorities at Basra, which eventually obliged the Dutch staff to “clandestinely” retreat from the port.²² Under

²² NA VOC2824, letter from J. van der Hulst at Bushire to Batavia, 25 March 1753, p. 78.

these circumstances, the Company was attracted to Kharg Island, which appeared to have escaped much of the political disorder that plagued the northern shore of the Gulf in those days.

4. Kharg Island, Masqat and Sind

While the VOC trade in Javanese sugar in the Gulf was in severe decline from the time of the fall of the Safavids till their simultaneous withdrawal from Basra and Bushire in 1753, it is intriguing to see that subsequently there was an impressive improvement. Soon after their retreat from Basra and Bushire the VOC set up their final trading station in the Gulf on Kharg Island. There are few available *rendementen* so we cannot know exactly the early results of the Dutch sugar trade there. But we know that Kharg sold an average of 60,000 pounds of castor sugar and some 200,000 pounds of lump sugar during the 1750s.²³ It seems likely that the trade changed into a higher gear after the Company closed down the Bandar Abbas factory in 1759. In the meantime, the VOC actively explored the possibility of developing two other growing markets for their Javanese sugar in the western Indian Ocean, namely at Masqat and Sind.

The High Government was intent to dispose of surplus stocks of sugar in Batavia as much as possible, and this led to three commercial voyages to Masqat. The first shipment took place in December 1755, when Schoonderwoerd had sailed from Bandar Abbas to Masqat on his way to Batavia to assess the feasibility of selling goods there.²⁴ On that occasion he sold only 24,200 pounds of iron and 100,121 pounds of castor sugar. His net profit from the castor sugar was 85 per cent.²⁵ Although that result was poor, Schoonderwoerd thought that it was due to a scarcity of money at Masqat during his limited stay, and that he could have sold most of his cargo if he had stayed for three to four months more. He therefore suggested that the Company send a medium-sized ship to Masqat every year, and that the ship stay for three to four months and sell goods on one-month credit. According to him, the best trading season in Masqat was in the beginning of October, when the so-called “Mocha monsoon”, *de Mochase mousson*, started. That was the time when it was possible to procure Spanish reals, *rijksdaalders*, and Venetian ducats, as well as coffee, Socotra aloe, etc.²⁶

After the first shipment a second voyage soon followed. In July 1756, Batavia ordered Captain de Nijsz of *de Marienbosch* and Captain Brahé of *'t Pasgeld* to sail to Masqat and to try to sell their goods there, particularly sugar. In case the Masqat market proved difficult, Brahé was instructed to proceed to Sind to assess the market there. Both ships left Batavia on 19 July 1756, but *de Marienbosch* reached Masqat first, on 27 August 1756. The market

²³ W. Floor, *The Persian Gulf: The Rise of the Gulf Arabs: The Politics of Trade on the Persian Littoral 1747–1792* (Washington, DC: Mage Publishers, 2007), 200.

²⁴ *Idem*, 208.

²⁵ NA VOC2885 1, sales statement, January 1756, p. 53.

²⁶ NA VOC2885 1, letter from J. van Schoonderwoerd at Masqat to Batavia, 27 January 1756, pp. 52-4. According to W. Floor, “the Mocha monsoon” refers to the coffee traders who sailed from Mocha to Basra in July to sell their coffee and buy dates and other return goods. These traders often dropped by at Masqat for trade on their way back to Mocha. Floor, *The Rise of the Gulf Arabs*, 209.

turned out to be not brisk. It took six months to sell all the goods except one bale of Ceylonese cinnamon and five cases of manufactured goods. When *ʾt Pasgeld* arrived at Masqat on 19 September 1756 she left for Sind one month later (26 October), according to instructions.²⁷

Brahé arrived at Karachi on 18 November 1756.²⁸ After having sold some sugar there he navigated up the river from Karachi to search for better markets. During the voyage he succeeded in selling most of the sugar on board, though at no higher a price than the rate at Karachi.²⁹ The *rendement* recorded on this voyage tells us that the VOC sold 638,747 pounds of castor sugar and obtained 74 per cent profit from it. Castor sugar represented 71 per cent of the total value of goods sold during that venture.³⁰

The profit from sugar had not been as high as expected. Nevertheless, Brahé and another senior mariner called Mahué were very positive about the potential for Dutch sugar on the Sind market. They wrote that it was impossible for the people of Sind to survive without castor sugar. They attributed the poor profit to their unfamiliarity with the local language and commercial traditions and the unexpected expenses incurred by moving from one trading post to another. They proposed that Batavia send a big ship with merchandise to Masqat and Sind every year, and that the ship first visit Sind at the end of October or the beginning of November to unload most of its sugar shipment and what spices could be sold there over three to four months. That ship should then proceed to Masqat with some sugar and a considerable amount of spices, iron, tin, lead and zinc.³¹

The third voyage to Masqat turned out to be more successful than the previous two attempts. A few months after de Nijsz's expedition with poor results, the High Government sent another ship, *de Barbara Theodra*, to Masqat to dispose of excessive sugar stocks from Batavia. Rood, the captain of the ship, arrived at Masqat on 21 September 1757 and stayed there until 7 December 1757.³² According to the existing *rendement*, in this period the Company sold a great amount of castor sugar, 794,568 pounds, and 33,810 pounds of candy sugar, giving net profits of 118 per cent and 58 per cent respectively.³³ In his report, Rood noted that his expedition showed a profit of 107,612 guilders 4 stivers. This amounted to 101 per cent profit, 30 per cent more than the last voyage, all because of successful sales of castor sugar.³⁴

While Batavia was well satisfied with the profit realized by *de Barbara Theodra*, the Dutch factory at Kharg Island was very apprehensive that any regular sugar shipments to Masqat might hinder their trade in Javanese sugar on the island. Therefore, they kept

²⁷ *Idem*, 210-2.

²⁸ W. Floor, *The Dutch East India Company (VOC) and Diewel-Sind (Pakistan) in the 17th and 18th Centuries (Based on Original Dutch Records)* (Karachi: Institute of Central and West Asian Studies (University of Karachi), 1993-94), 58.

²⁹ NA VOC2937, report, W. Brahé and N. Mahué, 8 May 1757, pp. 7-15.

³⁰ NA VOC2937, sales statement, Sind, 1756-57, pp. 44-5.

³¹ NA VOC2937, report, Brahé and Mahué, pp. 47, 48, 60-1.

³² NA VOC2937, report, S. Rood, 8 March 1758, pp. 77-8.

³³ NA VOC2937, sales statement, Masqat, 21 September 1757-7 December 1757, p. 85.

³⁴ NA VOC2937, report, Rood, 8 March 1758, p. 86.

appealing, claiming that if Batavia sent ships to Masqat or Mocha, Kharg would be deprived of profits they could otherwise gain. This would also hold true for any goods brought to Sind, which might also reduce profit from the VOC trade at Surat and Malabar.³⁵ They eventually convinced the High Government to discontinue all voyages to Masqat and Sind.

Thus the VOC trade in sugar in the Gulf was concentrated on Kharg Island towards the end of the 1750s. Figure 2.13 shows that, during the period 1759–64, the Company imported substantial amounts of Javanese sugar into Kharg.

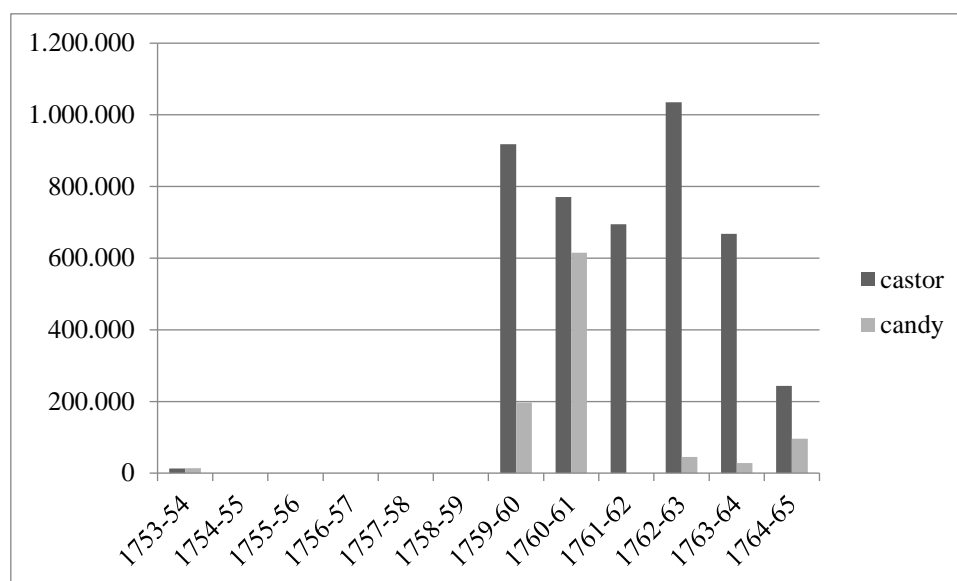


Figure 2.13: Dutch import of Javanese sugar into Kharg Island, 1753–64 (Dutch pounds)

Note: Data for 1754–55, 1755–56, 1756–57, 1757–58 and 1758–59 are not available.

Source: Appendix 5.

In the successful years (1759–60, 1760–61, and 1762–63), the Company imported more than one million pounds of Javanese sugar. The decline of sugar sales in the year 1764–65 was to a certain degree due to a shortfall in the sugar supply caused by the shipwreck of *de Amstelveen* off the Omani coast in August 1763.³⁶ The average annual net profits from castor sugar and candy sugar at Kharg during 1759–64 were 104 per cent and 48 per cent respectively (Appendix 5). Floor argues that the remarkable improvement of sugar sales in the early 1760s gave Batavia “unrealistic” expectations about the capacity of the Gulf market for absorbing Dutch sugar, and that obsession delayed their decision to withdraw from the Gulf trade altogether.³⁷ For the first time since the Safavid era the average annual import of Dutch sugar into the Gulf during the period 1759–63 had almost reached one million pounds. It

³⁵ NA VOC2937, letter from Kharg to Batavia, 26 October 1757, p. 19.

³⁶ NA VOC3156, letter from Kharg to Batavia, 30 September 1764, pp. 21-2.

³⁷ Floor, *The Rise of the Gulf Arabs*, 200, 204-6.

would have been quite natural for VOC officials on the ground at the time to take this fact as a positive sign.

It is also noteworthy that, during the period following the fall of the Safavids, numerous merchants of Cambay, Sind, Kutch, Masqat, etc., who formerly traded with the Persian Gulf, visited another Dutch trading station, the one at Cochin in Malabar, to buy sugar and other commodities for their home countries. Under these circumstances Cochin imported a substantial amount of Javanese sugar.³⁸ There was probably competition to enhance sales of Javanese castor sugar between Kharg and Cochin. The trade in 1760 is a case in point. Since merchants who came over to Kharg Island for trade wanted to buy mainly castor sugar, the Kharg factory usually urged them to buy a little candy sugar together with castor sugar at an approximate ratio of 8 :: 1 or 10 :: 1; otherwise they threatened to offer no castor sugar for sale.³⁹ In May 1760, however, a Dutch ship called *'t Slot van Cappelle* imported more candy sugar than usual, producing a ratio of 1 :: 1 for castor sugar to candy sugar in their warehouses. As a result, in spite of the great effort put in by the Dutch residents, four to five hundred canisters (*canassers*) of candy sugar ended up unsold. Kharg claimed that this unexpected oversupply of candy sugar was caused by the Cochin factory. When the ship docked there on its way to Kharg it unloaded 460 canisters of castor sugar (sugar which could have reached Kharg), but only 98 canisters of candy sugar.⁴⁰ Castor sugar was the principal stock of their trade, and Kharg ordered more of it, claiming that otherwise the merchants would easily abandon the rest. So they requested that, when Batavia sent a ship via Malabar to Kharg with sugar, the High Government must forbid Cochin to unload castor sugar from the ship lest it damage Kharg's trade, as it had done with *'t Slot van Cappelle*.⁴¹

Any prospect of a full recovery for the VOC sugar trade in the Gulf quickly grew dim. In spite of the VOC policy to "Make trade not war", the Company again got involved in a power struggle among the notables of Bandar Rig, Bushire and Shiraz towards the mid-1760s, which resulted in a conflict with the then ruler of Bandar Rig named Mir Muhanna. The tension culminated in Mir Muhanna conquering Dutch Kharg in January 1766. The destruction of the Kharg factory not only crushed the Company's remaining hope of any further improvement of their trade there, but also ended their time of commerce in the Gulf. All remaining Dutch staff left the Gulf in July 1766.⁴²

Conclusion

This chapter has exposed details of the "overall" decline of the VOC import of Javanese sugar in the Gulf in the eighteenth century by analysing their sales at particular places in the Gulf that developed as secondary markets after the Safavid period. Taking together all the evidence

³⁸ A. Das Gupta, *Malabar in Asian Trade 1740–1800* (London: Cambridge University Press, 1967), 91-3; Nadri, "The Dutch Intra-Asian Trade," 84-5.

³⁹ NA VOC3027 1, letter from Kharg to Batavia, 15 October 1760, p. 8.

⁴⁰ NA VOC3027 1, letter from Kharg to Batavia, 1 October 1760, pp. 2-3.

⁴¹ NA VOC3027 1, letter from Kharg to Batavia, 30 November 1760, pp. 16-7.

⁴² Floor, *The Rise of the Gulf Arabs*, 157-62, 172-3.

adduced, it is clear that the VOC made some sustained efforts to adjust to the realignment of the Gulf sugar market during that period. This particular trade retained a notable presence in the Gulf market until the VOC finally departed from the Gulf in 1766.

After the Afghan conquest of Iran in 1722, the VOC import of Javanese sugar into Iran slumped. Their sugar import into Bandar Abbas, the principal outlet for Javanese sugar during the late Safavid period, sharply decreased, thus prompting a significant drop in the total sale value of what was imported.

Soon after the Afghan invasion, even though secondary markets for the VOC Javanese sugar emerged in the Gulf, the Company continued to focus on Bandar Abbas during the 1720s and the first half of the 1730s. It is only towards the end of the 1730s that they became keen to utilize alternative channels, including Basra, Bushire, and Bandar Rig. In this development, Basra played a prominent role in absorbing Dutch sugar destined for the Gulf. After 1743, Basra outpaced the import of the Company's sugar from Bandar Abbas. However, it is evident that the sales at the northern outlets were never enough to compensate for their decline at Bandar Abbas. During that time, the Company's annual import into the Gulf diminished to one eighth of the best it had been in the late Safavid period.

Such a serious decline suggests a breakdown in the Gulf market for Javanese sugar, so it is all the more interesting to see that the VOC trade picked up in the following years. After the VOC retreat from Basra in 1753, Kharg Island took up a central position in the Company's trade of sugar in the Upper Gulf. More importantly, however, the 1750s began a period for the Company to explore possibilities that had come up in the western Indian Ocean rim and to squeeze profit from an ever-growing production of sugar in Java. While Kharg tried to enhance sugar sales, Batavia actively sent sugar shipments to Masqat and Sind in 1756 and 1757 to check out the potential of various markets there. The last voyage to Masqat in 1757 yielded an agreeable result for the High Government, but ironically this success provoked a fierce protest from Kharg to discontinue annual voyages to both places. What is also remarkable is the improvement of the Kharg sales of sugar from the last part of the 1750s. By regaining the Company's attention to their island, Kharg imported a considerable amount of sugar in the early 1760s. The import of Javanese sugar by the VOC during the period 1759–63 averaged almost one million pounds per year, for the first time since the Safavid period. This resurgence, though temporary, most likely prompted Batavia to reconsider the arrangement of their sugar exports to the Persian Gulf over Malabar.

The fact that the Gulf market for the VOC Javanese sugar was so active from the late 1750s to the early 1760s also gives us an opportunity to rethink the idea that intermittent political dislocations deprived Iran's population of their purchasing power. Conversely, it raises the question of why this happened during this particular time, and why not earlier. In this light, it is important to note that VOC officials who were deployed in the Gulf stations after the Safavids were continuously reporting that, apart from increasing expenses to cope with the socioeconomic disorder, their "competitors" were hindering their sugar trade. Who were these "competitors"? How did they carry on their business in rapidly changing trading conditions? How differently did they trade from the VOC? What insights into the

reorganization of the Gulf market can their activities provide? These are the questions to be answered in the next two chapters.

Chapter 3: Sugar Trade in the Persian Gulf: The VOC's Competitors

During the Safavid period, sugar was highly profitable in Iran, and this encouraged a great number of traders, Europeans and Asians alike, to engage in the import of sugar into the Persian Gulf. Not surprisingly some of them were cut-throat competitors. The VOC also joined in this promising venture soon after they had set up a trading station at Bandar Abbas, and now they had to face the challenge of other suppliers vigorously importing sugar. While adequate scholarly attention has been paid to the increased competition during the seventeenth century, little is known about its development during the eighteenth century, especially after the fall of the Safavids, when the Gulf market witnessed a significant reformation. The present chapter will examine the competition at Bandar Abbas from the close of the seventeenth century up to the final departure of the VOC in 1759. Few documents have survived from the “competitors” of the VOC, so it is difficult to know accurately who the “competitors” were and how they gained profits from their speculative enterprises. But the detailed Dutch accounts about monitoring other traders provide valuable insights into the ways in which their “competitors” came to involve themselves in the lucrative commerce at Bandar Abbas.

1. Safavid period

Non-VOC shipping of sugar

Bandar Abbas is a port city located on the northern shore of the Strait of Hormuz, the mouth of the Persian Gulf. It was established by the Safavid dynasty in 1622 and ruled by a governor (*ḥākīm/sulṭān/khān*) and a customs-master (*shāhbandar*). The port connected many points along the Indian Ocean with major cities of Iran, such as Shiraz, Isfahan, Kerman and Yazd, and functioned as a major hub of trans-regional trade in the Gulf during the Safavid period. Bandar Abbas attracted many merchants, not only from Asia but also from Europe. After the establishment of the town, three East India Companies from Europe set up trading posts at Bandar Abbas: the EIC (1622), the VOC (1623), and the French (in the late seventeenth century).

As explained in the previous chapter, the VOC initially obtained a substantial profit from the import of Taiwanese sugar into Iran, a trade which they monopolized until 1662 when they lost Taiwan. Omani loaf sugar increasingly filled the gap left by the diminishing supplies of Taiwanese sugar, and Bengali sugar, the production for export of which had been accelerated by the mid-seventeenth century, offered an opportunity for the Company to resume commerce. In the financial year 1662–63, there was a sharp increase in the VOC export of Bengali sugar to Iran: then it reached 1.17 million Dutch pounds, and in Iran it yielded a gross profit as high as 172 per cent.¹ This triggered intense competition from other suppliers. By 1660 among these competitors joining this lucrative trade were Surat merchants such as the Chelebi family, Golconda notables including Mir Jumla, and Orissa and Bengali

¹ O. Prakash, *The Dutch East India Company and the Economy of Bengal, 1630–1720* (Delhi: Oxford University Press, 1988), 174-5. See also Figure 2.1.

officials. In the late 1660s Dutch private trade from Bengal represented an obstacle to the VOC. In 1668–69, when a Dutch ship called *Duinvljet* docked at Colombo, it uncovered 374 bags of illegitimate private sugar.² The greatest threat to the VOC, however, were English private traders. Large amounts of English goods were being imported into Iran and bought by merchants from Isfahan. So in 1672, VOC officials at Bandar Abbas tried to dissuade these merchants from trading with the English by underpricing the English sugar at the Isfahan market. This strategy seems to be effective for, a few years later, many Isfahan merchants were refusing to buy sugar from English ships that happened to arrive in Iran before Dutch ships.³ The competition never ceased. By 1687 English private trade from Bengal to Bandar Abbas exceeded that of the EIC.⁴ In the early 1680s the EIC agent of Bengal named Matthew Vincent was known as one of the main competitors of the VOC for Bengali sugar in large parts of the Iranian market.⁵ The EIC itself engaged in this venture in the 1680s, though on a smaller scale.⁶

Whereas preceding studies have highlighted the VOC struggle to import Bengali sugar into Bandar Abbas in the second half of the seventeenth century, they have failed to look at the more critical phase for the Company that followed. From the 1690s onwards, the VOC concentrated on the sale of Javanese sugar produced in Batavia's *ommelanden*. The regular correspondence of Dutch officials provides many references to the activity of the shipping of sugar in the Indian Ocean to Bandar Abbas by other traders in this period, but the details are rather fragmentary and sporadic. The most important Dutch records on this subject are the so-called "shipping lists". The EIC factory at Bandar Abbas also compiled similar lists but they are now incomplete.⁷ The Dutch records contain lists of non-VOC ships which arrived at and departed from the port of Bandar Abbas from 1694 to 1715, though with minor gaps. The lists provide valuable information on trans-oceanic shipping, including the names of the ships, their registrations, dates of arrival and departure, origins and destinations, and occasionally sizes, owners, cargoes, etc. Although these data constitute a treasure trove of information about sugar imports into Bandar Abbas by non-Dutch vessels during that period, historians have not made full use of them.

There are four principal difficulties in utilizing the lists of non-VOC arrivals and departures. Like many other trading centres along the Indian Ocean, Bandar Abbas was not only a terminal for long-distance shipping but also a node for local and regional shipping, connecting numerous secondary ports in the Gulf with its neighbours. Local shipping usually involved countless relatively small craft, mostly referred to as *trankies* in the Company records. They played an essential role in invigorating trade at Bandar Abbas. However, the

² R. Klein, "Trade in the Safavid Port City Bandar Abbas and the Persian Gulf (ca. 1600–1680): A Study of Selected Aspects," (PhD diss., University of London, 1993–94), 380–2.

³ Prakash, *The Dutch East India Company*, 175–6.

⁴ R. Barense, *The Arabian Seas: The Indian Ocean World of the Seventeenth Century* (New York: M.E. Sharpe, 2002), 447.

⁵ Klein, "Trade in the Safavid Port City," 381.

⁶ Prakash, *The Dutch East India Company*, 176; W. Floor, *The Economy of Safavid Persia* (Wiesbaden: Reichert Verlag, 2000), 132.

⁷ For instance, BL IOR G/29/15, list of the arrival and departure of shipping, Bandar Abbas, 14 October 1726–24 March 1727, fols. 247r-v.

Dutch lists totally omit such sailings and primarily focus on large ocean-going ships, for it was their imports that represented a major threat to the Company's annual profit in Iran. We have noted that there are no local shipments of Omani sugar to Bandar Abbas via Masqat or other harbours of Oman in the list, even though a not insignificant part of those shipments was destined for other marketplaces of the Gulf such as Bahrain, al-Hasa, and Basra, and even Mocha.⁸

The second difficulty for utilizing the Dutch lists is that they register foreign vessels only by their respective nationality: as English (*Engels*), sometimes distinguishing EIC (*Engelse Compagnie*) vessels from English private (*Engelse particulier*) ones; Danish (*Deens*); French (*Frans*); Muslim (*Moors*); Armenian (*Armeens*); and others. The registrations of ships did not always record the names of the traders who actually ran the ocean-going trade. A Danish vessel called *Princess Sophia Hedwig*, which imported sugar from Bengal into Bandar Abbas on 14 June 1709, had in fact been hired by English traders.⁹ It is also pertinent to remember that many ships carried not only goods for the community noted in the registry but also a considerable amount of freight for other merchants. The freight packages brought by a Muslim ship called *Ali Shahidi* on 15 May 1701 included conserves (*confituren*) and sugar from Bengal, though we do not know who assigned those commodities onto the ship.¹⁰

Thirdly, the lists note the origin of the sugar suppliers and sometimes the ports that the ships visited on their way to Bandar Abbas, but it is not certain where the sugar was actually loaded. Ships from Bengal and China, most of which conveyed sugar, might have procured the sugar from local sugar-producing regions in those regions, but we cannot identify any sugar and conserves in their cargo from other places. For example, it is often unclear whether sugar sent from Surat was from North India or from somewhere else. This is exemplified by a list for a Muslim ship from Surat called *Ilahi Shahidi*. This ship imported 355 sacks of Bengali sugar into Bandar Abbas on 25 January 1697.¹¹ But frequently conserves occur on the lists of cargoes from Surat, which suggest that they were locally manufactured for export.¹²

The fourth limitation of the lists is that they note the amount of cargo arriving in container units, such as canisters (*canassers*), sacks (*zakken*), bags (*blazen*), etc., with no indication of the weight of those units. Even so, we can speculate about the total sugar import by non-Dutch ships for certain years. The total foreign import of sugar in the competitive year of 1705–06, as seen in Chapter 1, was 8,200 sacks and 6,000 “small canisters” (*kleine canassers*).¹³ Assuming that a sack weighed 300 Dutch pounds and a “small canister” 145 Dutch pounds (with a large canister about 290 pounds), the grand total would amount to about

⁸ Klein, “Trade in the Safavid Port City,” 408.

⁹ NA VOC1768, shipping list, Bandar Abbas, 1 November 1708–23 December 1709, fol. 1884v.

¹⁰ NA VOC1667, shipping list, Bandar Abbas, 28 February 1701–27 January 1702, p. 250.

¹¹ NA VOC1598 1, shipping list, Bandar Abbas, 1 November 1696–31 March 1697, p. 72. Besides the English, Muslim traders constantly exported Bengali sugar to Surat during the eighteenth century. For instance, NA VOC8736, shipping list, Hugli, 20 October 1704–15 April 1705, pp. 92-7.

¹² Many English and Muslim vessels from Surat brought conserves to Bandar Abbas in the late Safavid period. For instance, NA VOC1650, shipping list, Bandar Abbas, 10 June 1700–11 December 1700, p. 30; VOC1611 2, shipping list, Bandar Abbas, 5 April 1698–28 July 1698, p. 70.

¹³ NA VOC1732, shipping list, Bandar Abbas, 19 July 1705–15 April 1706, pp. 592-3; VOC1747 1, shipping list, Bandar Abbas, 13 April 1706–30 November 1706, pp. 375-7.

3.33 million pounds.¹⁴ But this figure is somewhat unrealistic by comparison. The English ship *Leijer Sester*, for instance, arrived from Bengal on 9 May 1706 with 3,000 sacks of sugar or 900,000 pounds. But the tonnage of this ship is listed as 200 *lasten*, or about 600,000 pounds.¹⁵ Therefore, we should reduce the provisional grand total as previously calculated, but it would still be high, seeing that the VOC had a total import of sugar that year of about 2.2 million pounds.¹⁶

Notwithstanding these limitations it is possible to get an overall picture of the non-VOC shipping to Bandar Abbas and of its sugar import. The shipping lists record 256 arrivals at Bandar Abbas during the period 1694–1715, of which 94 vessels unloaded sugar at the port. The average annual number of arrivals during the period 1694–1715 is 12 ships, with an average of 4 shipping sugar during that period (Figure 3.1).

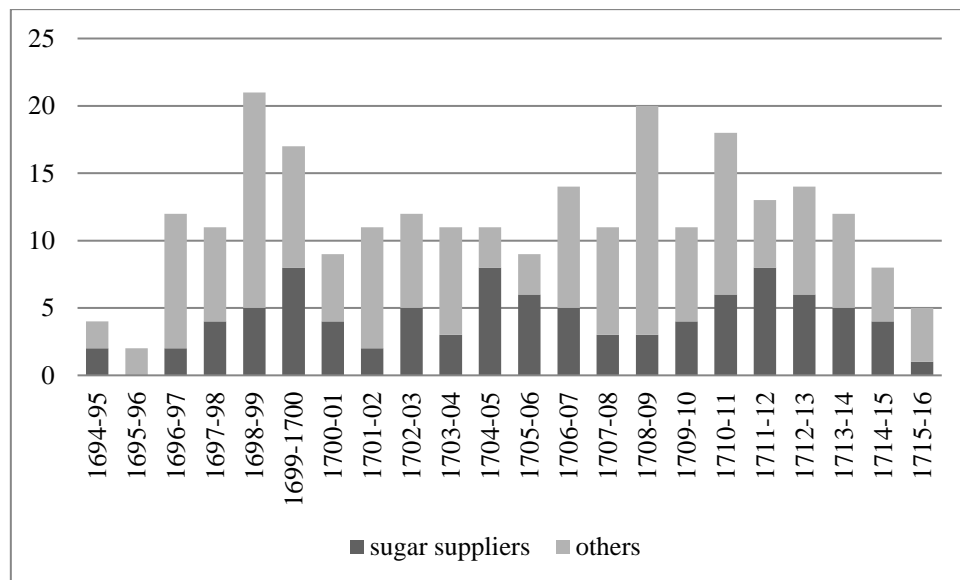


Figure 3.1: Non-VOC sugar suppliers to Bandar Abbas, 1694–1715 (number)

Note: The VOC's financial year begins on 1 September and ends on 31 August in the following year. This roughly corresponded to the trading season of Bandar Abbas. In the years 1694–95 and 1695–96, the VOC covers only the period from 28 June 1695 to 31 October 1695, after which no record is available till 1 November 1696. The document for foreign shipping is almost unbroken from 1697 to 1715. In 1716, the list ends on 15 February. Sugar suppliers shown in the figure include those who conveyed cargoes of conserves.

Source: Appendix 6.

¹⁴ NA VOC8081, shipping list, Bandar Abbas, 11 December 1710–23 May 1712, p. 102; VOC2034 2, instruction from P. 't Lam at Bandar Abbas to B. Lispensier for the latter's mission in Masqat, 15 June 1725, p. 344.

¹⁵ VOC1747 1, shipping list, Bandar Abbas, 13 April 1706–30 November 1706, p. 375.

¹⁶ G. Nadri, "The Dutch Intra-Asian Trade in Sugar in the Eighteenth Century," *International Journal of Maritime History* 20, no. 1 (2008): 87.

Figure 3.2 clearly shows that it was English shipping that held prime position in the ocean traffic. From 1694–1715, 136 English vessels (EIC and private together) arrived at Bandar Abbas, representing 53 per cent of the total shipping. Muslim shipping took second place, with a total number of 76 (30 per cent) during the same period. Local ships, presumably Persian (*inlands*) and Arab vessels (*Arabisch*), made a significant contribution to the regional sailings. Other European vessels, Portuguese, French, and Danish, regularly appear in the lists of arrivals.

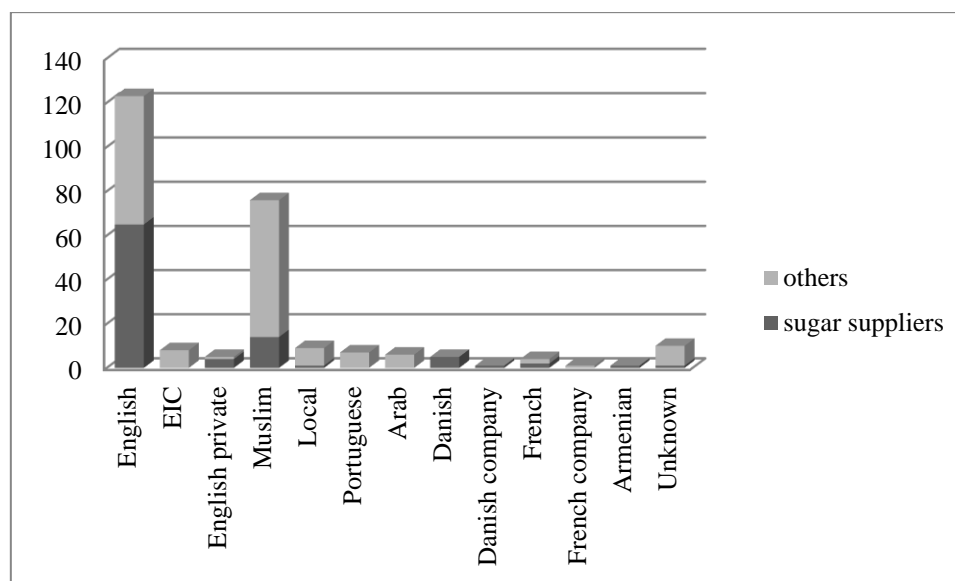


Figure 3.2: Registrations of arrivals at Bandar Abbas, 1694–1715 (number)

Note: Sugar suppliers shown in the figure include those who conveyed cargoes of conserves.

Source: Appendix 7.

Since both the EIC and English private traders participated in the shipping at Bandar Abbas, it is a limitation that the records describe them both simply as “English”. That may be because at Bandar Abbas it was hard to distinguish EIC commerce from English private vessels. In 1693 the VOC noted that English private traders were abusing the EIC exemption from customs and tolls, and selling their goods at a quarter of the price other merchants charged at Isfahan. The Dutch wrote that most of the goods imported by the EIC or under its name did not belong to the Company but to English private traders. The private traders often sold their goods to the EIC officials at Bandar Abbas, so that they could circumvent paying customs at the port and tolls (*rāhdārīs*) on the way to Isfahan. The only thing they needed to know was what percentage of the brokerage they needed to pay to the EIC brokers.¹⁷ One way and another English private trade with the Persian Gulf flourished towards the turn of the

¹⁷ NA VOC1559, letter from Bandar Abbas to Batavia, 2 August 1693, fols. 711v-2v.

eighteenth century, as many English and other private ships with merchandise arrived both at Bandar Abbas and the nearby port of Kong (Congo).¹⁸

The amount as calculated also shows that, during the years 1694–1715, the English posed the greatest threat to the VOC sugar import into Bandar Abbas. During that period, 69 English vessels imported sugar (73 per cent). The Muslim import was active too, where cargoes of sugar were listed on 14 Muslim ships (15 per cent). It is interesting to note that all the six Danish ships (both of the Company and private) that reached Bandar Abbas during that period were laden with large quantities of sugar. The lists give the impression that the English were deeply involved in the Danish shipping, and at the same time the French and the Armenians also engaged in the lucrative commerce.

Where did the English ships come from? Figure 3.3 indicates that many of the ships came from, or at the least passed through, South Asia, where the EIC had set up trading stations, including Bengal, Bombay, Surat, etc. Of particular importance was Bengali shipping. During the years 1694–1715, 54 ships came from Bengal, or 40 per cent of the total English shipping.

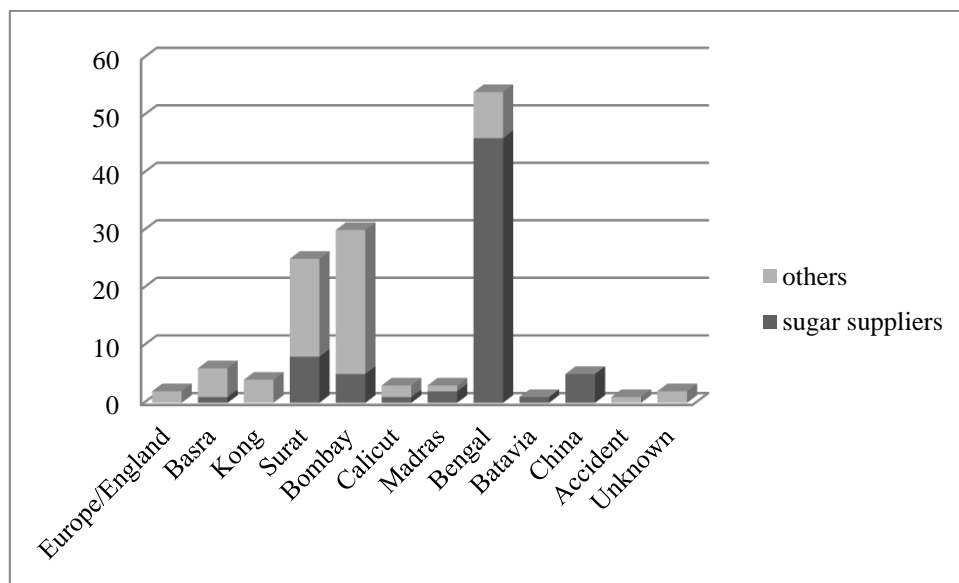


Figure 3.3: Origins of English arrivals at Bandar Abbas, 1694–1715 (number)

Note: Sugar suppliers shown in the figure include those who conveyed cargoes of conserves.

Source: Appendix 8.

Not surprisingly most of the English arrivals from Bengal traded in sugar. Sugar, chiefly Bengali but sometimes Chinese, was being transported by 45 such ships.¹⁹ Chinese sugar also featured much in English shipping to Bandar Abbas. During 1694–1715, five English ships

¹⁸ NA VOC1582, final report from A. Verdonk to A. Berganje, Bandar Abbas, 15 May 1696, p.164.

¹⁹ NA VOC1779, shipping list, Bandar Abbas, 21 December 1707–12 January 1709, p. 321

arrived from China and all of them brought Chinese sugar. What is remarkable is that, while the VOC endeavoured to cultivate a market for “their” Javanese sugar in Iran, English traders also tried to benefit from this growing commerce. An English ship called *King*, which arrived at Bandar Abbas from China on 25 April 1705, imported 700 canisters of Javanese sugar (*Batavise suiker*) as well as 500 canisters of Chinese sugar.²⁰ The English also brought considerable amounts of sugar from Surat, Bombay, Calicut, and Madras. But, as mentioned above, it is difficult to know the precise origins of the sugar sent from these countries. What seems likely is that Bombay and Calicut functioned as transits for Bengali and Chinese sugar to Bandar Abbas.²¹ One entry about sugar import from Basra refers to a cargo of Bengali sugar that had been carried back from there, probably due to the Basra market being inactive at the time it first arrived.²²

While the English ships dominated the shipping from Bengal, Muslim ships were actively engaged in sailing from Gujarat, particularly from Surat (Figure 3.4).

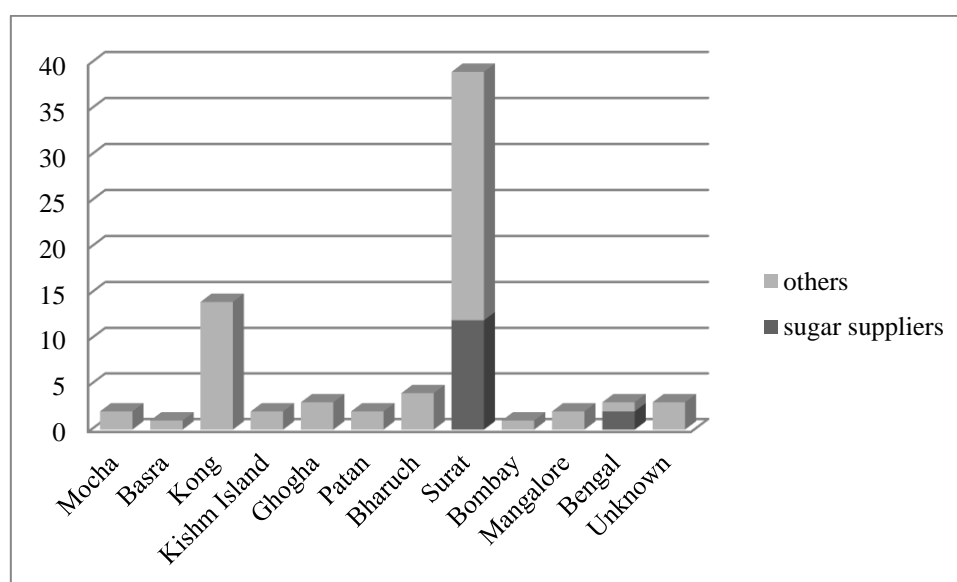


Figure 3.4: Origins of Muslim arrivals at Bandar Abbas, 1694–1715 (number)

Note: Sugar suppliers shown in the figure include those who conveyed cargoes of conserves.

Source: Appendix 9.

The number of Muslim arrivals from Surat during the years 1694–1715 was 39 (51 per cent). The accumulated arrivals from other places of Gujarat, such as Ghogha, Patan and Bharuch, mean that Gujarati navigation constituted nearly two thirds of the total Muslim

²⁰ NA VOC1685, shipping list, Bandar Abbas, 20 May 1704–31 July 1705, p. 2572.

²¹ NA VOC1763, shipping list, Bandar Abbas, 30 November 1706–21 December 1707, p. 346; NA VOC1829, shipping list, Bandar Abbas, 11 December 1710–23 May 1712, pp. 187-8; VOC1802, shipping list, Bandar Abbas, 7 June 1710–17 July 1711, fol. 2204v.

²² NA VOC1779, shipping list, Bandar Abbas, 21 December 1707–12 January 1709, p. 324.

shipping to Bandar Abbas. The important position of Surat in Muslim shipping can also be seen in how vessels coming from Kong were usually laden with freight for Surat.²³

During the same period 12 Muslim ships imported sugar from Surat. Of these, 10 came with various kinds of conserves, and the rest brought Bengali sugar and “black sugar” (*zwarte suiker*).²⁴ Another two Muslim ships brought Bengali sugar from Bengal.

It is unfortunate that the lists of shipping with Bandar Abbas give us few clues as to the identities of individual owners of the non-VOC vessels laden with sugar. There is, however, another kind of Dutch list which enumerates non-VOC shipping at Surat in the eighteenth century, and some of those lists give us a glimpse of several shipowners. The Dutch factors at Bandar Abbas noted that a Muslim ship called *Triadoulet* [*Darya Dawla*], importing sugar from Bengal on 25 April 1704, belonged to a Muslim merchant named Miersa Mamet Jaet.²⁵ This vessel seems to be identical with the one named *Derria Dolled*, which appears in a Dutch list of non-VOC vessels anchoring at Surat in June 1701. According to the record, the ship belonged to Mirza Muhammad Shahid Bengali, a powerful merchant and shipowner of Surat at the time.²⁶ Some time after the sugar shipment to Bandar Abbas, ownership of the vessel apparently passed to his sons Hajji Muhammad Taqi and Hajji Muhammad Baqir.²⁷ Another traceable craft is the *Isfahan Merchant*, a Muslim vessel arriving on 3 January 1715 with conserves. This vessel regularly shows up in lists of Dutch passports issued for non-VOC vessels at Surat.²⁸ In the beginning of the 1710s, the ship was known to belong to a Muslim shipowner of Surat called Agha Habib, but rented to a Parsi merchant called Nanabhai Ratanji. A pass was issued for the latter’s voyage from Surat to the declared destinations of Calicut and Mangalore.²⁹ In later references Parsi merchants of Surat, including the above-mentioned Ratanji, appear as shipowners. The Dutch authorized their navigation from Surat to Mangalore, Cannanore, Persia, and Malacca.³⁰ These facts suggest that Muslim and Parsi merchants and shipowners of Surat were involved in “Muslim” shipping of sugar to Bandar Abbas in the early eighteenth century.

The lists of non-Dutch shipping for Bandar Abbas do not note what cargoes for sugar-importing ships were loaded for their return voyages, but what evidence we have clearly shows that whatever communities a vessel belonged to it was loaded with Iranian items, such as madder (*ruinas*), rosewater, almonds, fruits, wine, tobacco, etc. All this was for export, either for their own account or for that of other merchants.³¹ Dutch lists also record that many

²³ NA VOC1626 1, shipping list, Bandar Abbas, 2 September 1698–22 March 1699, p. 104.

²⁴ For the sugar suppliers, see NA VOC1598 1, shipping list, Bandar Abbas, 1 November 1696–31 March 1697, p. 72; VOC1802, shipping list, Bandar Abbas, 7 June 1710–17 July 1711, fol. 2204r.

²⁵ NA VOC1694, shipping list, Bandar Abbas, 14 December 1703–24 May 1704, pp. 346-7.

²⁶ NA VOC1660, list of foreign vessels present at Surat, 30 June 1701, fol. 964v; A. Das Gupta, *Indian Merchant and the Decline of Surat, c. 1700–1750* (New Delhi: Manohar Publishers, 1994), 104.

²⁷ NA VOC1714, list of arrival of non-VOC vessels, Surat, 29 June 1705, p. 42.

²⁸ NA VOC1870, shipping list, Bandar Abbas, 30 September 1714–13 April 1715, p. 651.

²⁹ NA VOC9056, pass book, Surat, 2 May 1711–16 April 1712, pp. 145-6.

³⁰ NA VOC1913, pass book, Surat, 28 January 1717–23 December 1717, pp. 80-1; VOC1947, pass book, Surat, 9 March 1719–2 March 1720, pp. 202-3.

³¹ NA VOC1598 1, shipping list, Bandar Abbas, 1 November 1696–31 March 1697, p. 72; VOC8367, shipping list, Bandar Abbas, 10 June 1700–11 December 1700, p. 53; VOC1732, shipping list, Bandar Abbas, 19 July

departing ships carried away precious metals from cash-strapped Iran. They give the impression that European vessels (English, Danish and French) actively exported bullion in large sums, but that such enthusiasm was not necessarily shown with vessels of other communities.

Whether or not this inference is justified, it is noteworthy that in the late Safavid period, Bandar Abbas featured as a main transit port for bullion and Iranian products to South Asian countries bordering the Indian Ocean, particularly to Surat.³² Any merchant at the port exporting goods procured in the upper countries could find both Asian and European freighters on hand to transship his goods abroad. Some lists of freight goods loaded into the VOC vessels at Bandar Abbas at the end of the seventeenth century and the early eighteenth century show that many Armenian, *Banian*, and Muslim merchants entrusted the VOC with the transport of gold and silver specie, such as ducats and *‘abbāssīs*, pearls, and other Iranian products we have mentioned, to their business associates in Surat.³³ The Dutch documentation of freight business at the port of Bandar Abbas in the early eighteenth century contains many accounts of fierce competition among India-bound ships for larger shares of the Asian freight. Freight businesses of Armenian merchants are a case in point. In 1705, the Dutch ship *de Lek* transported gold and silver specie, etc., from Bandar Abbas to Tuticorin on the Coromandel Coast for some Armenian merchants, thereby earning 2,455 guilders.³⁴ This caused concern to the factors at Bandar Abbas, that the facilitated trade of the Armenian and other local merchants between the Persian Gulf and some Indian regions might disadvantage the Company's maritime commerce. They faced a dilemma, for if the Company were to deny the merchants their ships, other shipowners would snatch the benefit. They wrote that since many of the Armenian merchants themselves possessed vessels, those who did not possess vessels could utilize theirs. English ships and sometimes Danish vessels were also available for dispatching cash and goods.³⁵

Flexibility of the Gulf market

Whereas considerable amounts of sugar were received at Bandar Abbas in the late Safavid time, it is likely that other ports of the Persian Gulf also offered trading opportunities to sugar suppliers. Although not well-documented, there is no doubt that alongside Bandar Abbas, Kong functioned as a main terminal for Indian Ocean shipping in the Gulf. Dutch officials at Bandar Abbas noted in 1694 that they had to sell their goods in great haste, since after the arrival of the Company's ship, many English, Armenian, Muslim, and *Banian* ships came from various Indian countries to Bandar Abbas and Kong with a large amount of all sorts of

1705–15 April 1706, p. 590; VOC1886, shipping list, Bandar Abbas, 13 April 1715–15 February 1716, p. 401; VOC1870, shipping list, Bandar Abbas, 30 September 1714–13 April 1715, pp. 650-1.

³² NA VOC1614, letter from Bandar Abbas to Batavia, 31 May 1700, fol. 1131r.

³³ For instance, NA VOC1714 1, list of freight goods for Surat loaded into the ship *Kauw*, Bandar Abbas, 30 November 1704, pp. 150-61.

³⁴ On this occasion, freight fees were charged at the rate of 1.5 per cent per value of the commodity. NA VOC1737, list of freight goods for Tuticorin loaded into the ship *de Lek*, Bandar Abbas, 18 July 1705, fols. 114r-5r.

³⁵ NA VOC1779, letter from Bandar Abbas to The Netherlands, 31 August 1708, pp. 61-3.

goods.³⁶ The increase in the volume of sailing to Kong probably reflects the maritime traders' intention to circumvent any payment for customs at Bandar Abbas. Throughout the night and even in bad weather, according to the VOC, the subordinates of the *shāhbandar* of Bandar Abbas would be watching out for what they saw as "smuggling" all along the Iranian littoral. In December 1705, when he heard of the arrival of two ships at Kong with freight from Surat, the *shāhbandar* left Bandar Abbas for Kong to collect customs in order to discourage "smuggling" (*sluikerijen*) there.³⁷

Also remarkable is the rise of Masqat as a terminal for Indian shipping, an alternative to Bandar Abbas and Kong, towards the turn of the eighteenth century. This was when the Arabs of Masqat increased hostilities not only against their arch-enemies the Portuguese, whose commercial base was at Kong, but also against the Safavids, and those they regarded as their allies, such as the Armenians.³⁸ In the early 1690s, the Dutch factors at Bandar Abbas recorded that, since goods brought to Masqat were transshipped to Bandar Abbas, Kong, and up in the Gulf with local barks, the Company had to sell their weighed goods quickly before local shipments filled the market.³⁹ In 1695, notwithstanding the on-going political tension, local crafts (*inlandse vaartuigen*) of Masqat and the Arab coast carried on sailing to the Iranian littoral "as freely as ever."⁴⁰ The English frequented Masqat for trade in the 1710s. The VOC officials at Bandar Abbas commented that few English ships arrived without touching Masqat.⁴¹

Basra traditionally imported reasonable amounts of maritime goods including sugar.⁴² Although it was not until the fall of the Safavids and the onset of a lingering turmoil in Iran that Basra took off as a contender to be the principal port of trade in the Gulf, trade at that port began in embryo in the late Safavid period.⁴³ As the conflict between the Arabs and the Iranians increased in the south of the Gulf in the early eighteenth century, both European and Asian ships forwarded their merchandise from Bandar Abbas to Basra. The extent to which this move affected trade at Bandar Abbas is shown in the *shāhbandar*'s complaint in 1705: he said that European ships were coming to Bandar Abbas with freight goods, and often reshipped goods to Basra, thus depriving the king of customs revenue. The VOC, however, claimed this was not done by their ships but by English and local vessels.⁴⁴ One may argue that by 1720, it became common for sugar suppliers, particularly the English, to use Basra as an alternative outlet for sugar.⁴⁵ It is not unlikely that much of the sugar imported in Basra in

³⁶ NA VOC1571, letter from Bandar Abbas to The Netherlands, 23 July 1694, pp. 52-3.

³⁷ NA VOC1763, letter from Bandar Abbas to Batavia, 21 September 1707, pp. 112-3; NA VOC1732, letter from Bandar Abbas to Batavia, 31 January 1706, p. 274.

³⁸ At the turn of the eighteenth century, the Arabs of Masqat had an antipathy mainly on the Portuguese and the Armenians. NA VOC1667, separate letter from M. Wichelman at Bandar Abbas to Batavia, 27 January 1702, p. 375-6.

³⁹ NA VOC1559, letter from Bandar Abbas to Batavia, 20 March 1694, fols. 838r-v.

⁴⁰ NA VOC1582, letter from Bandar Abbas to The Netherlands, 19 July 1695, p. 34.

⁴¹ NA VOC1843, letter from Bandar Abbas to Batavia, 22 June 1713, p. 305.

⁴² Klein, "Trade in the Safavid Port City," 373.

⁴³ R. Matthee, "Boom and Bust: The Port of Basra in the Sixteenth and Seventeenth Centuries," In *The Persian Gulf*, edited by L. Potter (New York: Palgrave Macmillan, 2009), 116-20.

⁴⁴ NA VOC1714 1, letter from Bandar Abbas to Batavia, 6 April 1705, p. 201.

⁴⁵ NA VOC1904, letter from Bandar Abbas to Batavia, 7 November 1718, fols. 2372v-3r.

the early eighteenth century was then exported to Iran. A Dutch report written about one decade later tells that trade at Basra could not flourish at the same time as at Bandar Abbas unless both places were at peace. When “it rained” (in their terminology) in Basra, it was great in Bandar Abbas, and vice versa. If Basra re-exported imported goods to the Iranian borders, the Iranian market would become saturated and suppliers to Iran would be stuck with unsold merchandise.⁴⁶

It is interesting to note that Mocha, a prime port of trade at the entrance of the Red Sea, acted as a distribution centre for sugar to the Persian Gulf in the early eighteenth century. The Dutch officials at Bandar Abbas initially thought that the trade at Mocha was probably directed to a different market from that of the Persian Gulf. They said that the Company’s import of principally weighed goods, such as pepper, castor sugar, and candy sugar, into Mocha would not badly affect those coming into Bandar Abbas.⁴⁷ Towards the end of the decade, however, it seems that both markets became increasingly intertwined with regional shipping from Mocha coming to the Persian Gulf. In February 1716, Bandar Abbas reported that wholesale merchants at the port did not hurry to deal, but waited for Muslim and other vessels to bring cheaper sugar from Mocha, where castor sugar and candy sugar were sold for unprecedentedly low prices at that time.⁴⁸

From what has been said it is clear that from 1694 to 1715, many nationalities besides the Dutch, including the English, the Muslims, and the Danes, etc., were involved in sugar imports to Bandar Abbas. Of these, the English, particularly the private traders, presented the biggest threat to the VOC trade in Javanese sugar at the port. Cargoes from Bengal constituted the greater part of the English shipping to Bandar Abbas, and most of them included Bengali sugar. English ships also came from China, bringing Chinese sugar and even Javanese sugar. Muslim vessels were the second most active vessels plying to Bandar Abbas during that period. Of particular importance was Surat shipping. Some of the Muslim arrivals from Surat imported various conserves and sugar, though it is not unlikely that Parsi shipowning merchants were involved in the particular shipping. In return for sugar, the non-Dutch sugar suppliers procured bullion and Iranian products, such as madder, rosewater, almonds, fruits, etc., either for their own account or for those of other merchants.

While Bandar Abbas was continuously receiving large imports of sugar in the late Safavid period, we note that many non-VOC sugar suppliers visited Kong, perhaps in order to circumvent the high tariff of Bandar Abbas. Their sugar imports into Kong turned out to be detrimental to the VOC trade at Bandar Abbas. Moreover, towards the close of the Safavid period the increasing insecurity of the southern Iranian littoral, due to the conflict between the Masqati Arabs and the Safavids, made non-Dutch traders avoid Bandar Abbas. Under these

⁴⁶ NA VOC2105, letter from Bandar Abbas to Batavia, 1 April 1728, pp. 232-3.

⁴⁷ NA VOC1870 1, letter from Bandar Abbas to Batavia, 27 September 1714, pp. 23-4. The VOC engaged in the trade of Javanese sugar at Mocha in the first half of the eighteenth century. However, the total sale amount during that period was quite meagre compared to that of Bandar Abbas; see Nadri, “The Dutch Intra-Asian Trade,” 75-8, 91-2.

⁴⁸ NA VOC1886, letter from Bandar Abbas to Batavia, 15 February 1716, p. 40.

circumstances Masqat and Basra in the Persian Gulf, and even Mocha in the Red Sea, rose as alternative sugar outlets. The re-export of sugar from these secondary ports to Iran also presented a menace to the Dutch trade at Bandar Abbas, stimulating a process of reorganization in the Gulf market, one that would develop further after the fall of the Safavids.

2. After the Safavid period

Towards the close of the Safavid period, the position of Bandar Abbas in the sugar trade began to change as non-Dutch suppliers of sugar plied to alternative venues away from the southern Iranian littoral. The commotion that plagued Iran after the Afghan conquest stimulated the process and it continued even after sovereignty was restored to the Iranians in the early 1730s. While many scholars have pointed out that the hardship suffered by the merchants from being exposed to arbitrary local and regional governments in Iran at that time indicated a crisis in the country's political economy, little light has been cast on their struggle for survival by adapting to the new environment. In this section this aspect will be illuminated by examining the activities of sugar suppliers who presented a great menace to the VOC trade in Bandar Abbas till their withdrawal in 1759.

Afghan interregnum (1722–30)

In the late Safavid period sugar suppliers would sell their sugar mainly at Bandar Abbas, and for their return voyage would export bullion and Iranian products that they had procured in market towns in the interior, particularly in the grand depository of Isfahan. This is a mechanism to be described in detail in Chapter 5. The structure of the trade substantially changed after the Afghan conquest. Now a principal feature of trans-regional trade in the following period was that markets for imported sugar to a greater extent shared space with those for bullion. Sugar suppliers headed for wherever they could be sure to trade their sugar for precious metals or alternative return goods. Bandar Abbas was one such place to attract sugar suppliers for a time.

Relocation and new connections

The political turmoil that spread over Iran after the Afghan invasion promoted the rise of secondary ports in places relatively free from trouble. Basidu was one such port. Located on the west of Kishm Island, this port was seen to be a commercial shelter by merchants. The powerful Arab ruler of Basidu named Shaykh Rashid did not fail to grab his opportunity. Claiming himself to be the *shāhbandar* (customs master) of Bandar Abbas, he announced that he would collect customs at Basidu instead of in Bandar Abbas and thereby attracted ocean-going ships into his port in the latter half of the 1720s.⁴⁹ His ambition to dominate the trade in the southern Gulf was shattered by the EIC who, also taking an interest in the Bandar Abbas

⁴⁹ BL IOR G/29/3, 12 December 1726.

customs revenue, deployed their naval forces against the shaykh several times in 1727. It is certain that Basidu acted as an alternative emporium to Bandar Abbas around the mid-1720s.⁵⁰ In 1725 gold ducats were available in Basidu, at a slightly higher price than at Bandar Abbas. On the other hand, the Basidu market for Javanese castor sugar was more favourable: sugar was sold at 4 *maḥmūdīs* per *man* (equivalent to 6 Dutch pounds), one *maḥmūdī* more than at Bandar Abbas.⁵¹

As Iran fell into more political tumult Oman, whose loaf sugar occupied a notable position in the Iranian market in the late Safavid time, also witnessed an outbreak of war, a war of succession among members of the ruling family, the Yarubis. It rapidly engulfed the entire country, causing fierce territorial conflicts among local tribes. Under these circumstances the production of cane sugar in the interior declined into insignificance, if not entirely.⁵²

Floor argues that the position of Masqat in the Gulf trade also plunged as it faced a serious crisis. Apart from the political disorder, he claims that a hurricane that severely hit the port city in 1723 turned Masqat into “a spent power” both militarily and commercially for the rest of the decade.⁵³ Conversely, Dutch documents written during that time give the impression that, despite these misfortunes, Masqat had a role as an alternative market to Bandar Abbas which continued to develop. In 1724 Dutch factors at Bandar Abbas reported that the merchants in the lower countries were still fearful of being deprived of money by the local regents, and that the wealthiest merchants hardly dared show themselves as capitalists, so many of them had already taken refuge in Surat, Basra, Masqat, etc.⁵⁴

In 1725, the VOC was able to sell small amounts of castor sugar at Bandar Abbas with enormous difficulty, while it was known that the item had recently fetched much higher prices at Masqat.⁵⁵ Meanwhile the VOC brokers at Bandar Abbas were bankrupt. As a consequence of their ruined financial network in Iran they could not repay a huge amount of money that the Company had entrusted to them. In order to improve the brokers’ liquidity, the Bandar Abbas factory transported 117,543 pounds of the brokers’ own sugar alongside 288,853 pounds of VOC sugar to the Masqat market on the Company’s account.⁵⁶ At the Arab port, however, the Dutch official in charge named Bartholomeus Lispensier and the Company’s second broker who accompanied him sold only 49,149 pounds of the castor sugar to petty *Banian* merchants.

⁵⁰ BL IOR G/29/4, 29 April 1727. For the EIC’s relations with Basidu, see B. Slot, *The Arabs of the Gulf 1602–1784: An Alternative Approach to the Early History of the Arab Gulf States and the Arab People of the Gulf, Mainly Based on Sources of the Dutch East India Company* (Leidschendam, 1993), 259–63.

⁵¹ NA VOC2055 1, letter from Bandar Abbas to The Netherlands, 15 December 1725, pp. 17, 31–2.

⁵² J. Wilkinson, *Water and Tribal Settlement in South-East Arabia: A Study of the Aflāj of Oman* (Oxford: Clarendon Press, 1977), 211.

⁵³ W. Floor, *The Persian Gulf, Dutch-Omani Relations: A Commercial & Political History 1651–1806* (Washington, DC: Mage Publishers, 2014), 100–1.

⁵⁴ NA VOC2006, letter from Bandar Abbas to The Netherlands, 20 June 1724, fol. 2985r.

⁵⁵ NA VOC2034 2, instruction from ’t Lam at Bandar Abbas to Lispensier, 15 June 1725, p. 345.

⁵⁶ *Idem*, pp. 341, 344.

Lispensier ascribed the poor sales to the arrival of an English vessel called *Cadogan* which had sold their sugar at very high prices, siphoning cash away from the market.⁵⁷

In the early 1720s Mocha also functioned as an alternative sugar outlet to Bandar Abbas. In 1722, when the Afghan invasion caused great commotion in Iran, a great number of ships — 21 Muslim, 15 English, 1 French and 1 from Ostend — sailed to Mocha with merchandise. The VOC commented that, since the suppliers sold their goods consisting principally of sugar, pepper, and textiles at low prices at Mocha, merchants who reshipped those goods to Basra, Kong, Masqat, and other places in the Gulf were able to obtain big profits.⁵⁸

While the relocation of sugar market from Bandar Abbas was going on, what remained in Bandar Abbas began to connect to the growing markets of Basra and Kerman. Cash flows from Basra became central to the trans-oceanic commerce in the southern Gulf in the latter half of the 1720s. The VOC reported that Armenian and *Banian* merchants at Basra who had specie on hand tried to capitalize on this situation. Through their business correspondents at Bandar Abbas or Basidu, they said, the Basra merchants urged even petty merchants to accept their precious metals, such as gold ducats, at high prices, although such a practice pushed seafaring traders to resort to bartering.⁵⁹

What is remarkable is that powerful wholesale merchants at Lar, Shiraz and Isfahan, who had virtually monopolized trade with the VOC at Bandar Abbas in late Safavid times, seldom appear in routine Dutch correspondence subsequently. Instead, merchants who traded with Kerman became important buyers of the Company's goods including sugar from the mid-1720s onwards. As far as we know such trade began in the financial year 1726–27. In March 1727 the VOC negotiated with some merchants who intended to load their freight animals with Javanese sugar to be transported to Kerman. Eventually they agreed to sell them castor sugar and candy sugar at 2 17/20 *maḥmūdīs* per *man* and 6 *maḥmūdīs* per *man* respectively.⁶⁰

Resilience of the English trade

The EIC factors in Iran report the socioeconomic crisis they had had to undergo during the Afghan occupation in irritated tones. But in the eyes of the Dutch their activities looked quite successful. A Dutch report in the beginning of 1727 relates that the English commerce had for some time been improving remarkably and that trust in this nation among the locals had increased. Apart from the fact that the EIC had repaid their debts, the Dutch felt that behind the English success lay the EIC policy of “Do as the Romans do” (*in Rome met de Romeinen moeten leven*), for they had been flexible enough to adjust to the changing situations. With the money the EIC had spent dealing with the government of Kerman, the Dutch noted, they had procured 256 bales (weighing 23,040 Dutch pounds) of Kerman wool, one of Iran's principal

⁵⁷ NA VOC2034 2, letter from Lispensier at Masqat to Bandar Abbas, 10 July 1725 pp. 329-30; VOC2034 2, letter from B. Lispensier at Masqat to Bandar Abbas, 27 July 1725, pp. 331-3; VOC2034 2, report from B. Lispensier to Bandar Abbas, 11 Augustus 1725, pp. 350-4.

⁵⁸ NA VOC1999, letter from Bandar Abbas to Batavia, 15 November 1722, p. 48.

⁵⁹ NA VOC2105, letter from Bandar Abbas to Batavia, 1 April 1728, pp. 232-4.

⁶⁰ NA VOC2042, letter from Bandar Abbas to The Netherlands, 16 June 1727, fol. 3945r.

export items. Furthermore, the English had sent their goods from Bandar Abbas to Kerman and carried back various items for export, such as shawls, madder, various fruits, etc., on their own account.⁶¹

While developing their commercial network with Kerman, the English made efforts to link up with Shiraz by utilizing Bushire, another channel for trade that had begun to develop in the 1720s. Regarding the English success in the Kerman wool trade, the VOC bitterly wrote that the English boasted about themselves everywhere like a king. According to the VOC, such remarkable progress was initiated by the EIC chief Thomas Waters (1726–28) who, with enormous authority vested by the Bombay Presidency as well as the timely assistance of local consultants, could take all measures necessary to survive the troublesome time. By satisfying the local authorities with presents big and small according to the importance of the matter, the Dutch factors wrote, the English established their commerce so solidly that the Company could not compete with them. In spite of the shortfall of cash, the English could still exchange their goods for money. They sent it by small craft to Bushire, thence by land to Shiraz under an Afghan escort. At Shiraz, they acquired wine, rosewater, etc., and travelled back with these items to Bandar Abbas. If the English requested support from local regents at Lar, Kerman or elsewhere, they were not refused. The English seem to have been honoured even more than some local regents.⁶²

Because the VOC usually referred to the EIC and English private traders as “English”, it is uncertain who exactly engaged in these new ways of trade. However, there is no doubt that, as in the late Safavid times, the interests of the Company and private traders, particularly the EIC factors in Iran, were deeply entangled. The EIC contact with Bushire in 1729 provides a striking example. On 10 February 1729 an EIC officer named William May asked other council members of the Bandar Abbas factory to let him go to Bushire for his own business. According to him, he was trading a large quantity of goods at Bushire, but since November, when he sold a part of it, he had not received any notice of sales of the remainder from the person to whom he had consigned his goods. He wondered if the *shāhbandar* of Bushire was interrupting the trade. The council not only granted his petition but also tried to make use of this occasion to set up “English” trade on a firm footing in the rising market.⁶³ During the Afghan occupation, the EIC struggled to uphold their old right to exemption from customs duties and tolls in Iran for EIC officers and local merchants working for the Company. Therefore, the council members were quite concerned that the *shāhbandar* might drive them out from his market by hindering local merchants from trading with those as proxies. Not only that, but the officers had a suspicion that he was also charging customs on English goods.⁶⁴ On 14 February, the factory sent May to Bushire by the Company’s ship named *Success* with an instruction to demand satisfaction from the *shāhbandar* for the money that he had charged on goods belonging to servants of the EIC’s interpreter at Bandar Abbas. However, when May arrived in Bushire, the man in question was no longer the *shāhbandar* and the present

⁶¹ NA VOC2079, letter from Bandar Abbas to Batavia, 10 January 1727, pp. 15-6.

⁶² NA VOC2091, letter from Bandar Abbas to The Netherlands, 15 August 1728, fol. 4899r.

⁶³ BL IOR G/29/5, 30 January 1729.

⁶⁴ *Idem*, 6 February 1729.

officeholder was out of town staying in Shiraz.⁶⁵ The Bandar Abbas factory ordered the English resident at Isfahan to lobby the Afghan court to discharge the *shāhbandar* of Bushire over the charge that he kept hindering merchants from buying English goods at his port.⁶⁶

As the shortage of money was increasingly being felt in Bandar Abbas, competition for export specie became intense. Besides money-hungry local authorities, the VOC complained that the English scraped up Venetian gold ducats at a high price, thus debilitating the Company's trade to nothing.⁶⁷ In this regard it is important to notice that, while gold and silver currency was rapidly running out in the south of the Iranian littoral, copper became an important substitute in the late 1720s. In Iran, copper coins were traditionally used as small denomination money for local transactions, but by 1730 maritime merchants showed more interest in procuring copper. In this trade the English showed far more flexibility than the VOC. In the beginning of 1730s the English mainly targeted local copper coins called *paysas* for export, while the Dutch gleaned what remained of any gold and silver in Bandar Abbas and Basidu. Since copper was prone to smaller losses than gold and silver, the Dutch commented, the English exchanged all their imports for copper money, and exported it to Surat, Madras, and Bengal.⁶⁸

The 1730s

Continuity of competition

During the 1730s more and more Indian shipping to the Persian Gulf made for Basra instead of Bandar Abbas. English and French vessels from Bengal, which presumably made up the main part of non-Dutch shipping to the Gulf after the Safavid period, began to head to Basra without dropping by Bandar Abbas.⁶⁹ We note, however, that during that period the Bandar Abbas trade was still enough for the “competitors” to continue to challenge the trade of the VOC.

In the mid-1730s the EIC commerce in Iran probably experienced a serious downturn. The VOC noted in 1734 that, while actively drawing bills of exchange to procure export goods at Kerman, the English were failing to liquidate those bills on time; they could not reach satisfactory agreements, even though they tried to settle mostly in goods. Because of the increased debts, their creditors were now saying that there would be only delays and disgust if they continued to tolerate the English.⁷⁰ The situation worsened the next year. In April 1735, the EIC fell into disfavour with the new ruler of Iran, Tahmasp Quli Khan (later Nadir Shah). His naval campaign against Basra had been humiliated by two English warships that lent

⁶⁵ Idem, 3 February 1729, 5 April 1729, inserted report from May to Bandar Abbas dated 6 April 1729.

⁶⁶ Idem, 7 February 1729. EIC high-ranking officers at Bombay and Surat also regularly engaged in private ventures through their relationships with the EIC factors at Bandar Abbas and Basra during the first half of the eighteenth century. T. Davies “British Private Trade Network in the Arabian Seas, c. 1680–c. 1760,” (PhD diss., University of Warwick, 2012), 179–87.

⁶⁷ NA VOC2105, letter from Bandar Abbas to Batavia, 1 April 1728, pp. 213–4.

⁶⁸ NA VOC2203, letter from Bandar Abbas to Batavia, 15 May 1731, p. 23.

⁶⁹ NA VOC2448, letter from Bandar Abbas to Batavia, 30 April 1738, p. 1946.

⁷⁰ NA VOC2323, letter from Bandar Abbas to Batavia, 23 September 1734, pp. 161–3.

naval assistance to the Turkish government of the port at that time. The growing tension jeopardized the safety of the EIC staff in Iran, leading to a temporary withdrawal of most personnel to Bombay.⁷¹

The unexpected retreat of the EIC gave the VOC much hope of reinvigorating their trade which had been troubled by the English over the previous decade. Yet their hopes were dashed in the years that followed. The Dutch factors wrote in 1736 that the English and the French had hampered the Company's trade badly. The wholesale merchants were willing to trade with the English whenever and in whatever goods they could and by however much was required, while they would not spend money with the Dutch unless the Company dropped their prices of their goods, specifically of sugar.⁷²

Amidst the protracted chaos in Iran during Nadir Shah's rule (1730–47), it is worth mentioning that many Dutch reports of that time refer to the mounting threat of French shipping and trade from India. The Dutch officers frequently complained that it was not just the English but also the French who were trying to attract wholesale merchants suffering from a shortage of cash in Iran. They were permitting them to trade on very long-term credits. However, this rise in French activity could to some extent weaken the menace of the English to the VOC. The credit that the French were extending to the local merchants, the Dutch wrote, was unrealistic and might result in a disruption of their trade. It was reckless for the French to adopt such "brusque" behaviour with the local regents. But if the French trade went into decline the English would take over their merchants from them and be able to trade everywhere in the Gulf with no difficulty.⁷³

Change in patterns of competition

The competition between the VOC and other sugar suppliers at Bandar Abbas from the 1730s onwards is evident from four main measures they took to handle the increasing scarcity of cash in the market: price adjustment, credit sales, acceptance of copper, and utilization of the Kerman market.

As argued in the previous chapter, despite its relatively high price, VOC import of Javanese castor sugar into Bandar Abbas grew substantially in the late Safavid period. Although available information is rather meagre, it seems possible that this "fancy" type of sugar retained a certain level of appeal in the market. A Dutch letter written in August 1735 relates that, because of its superior quality, the Company still managed to sell Javanese castor sugar at a price of 3 ½ *maḥmūdīs* per *man* at the port, despite the English selling much Bengali sugar cheaper.⁷⁴ But there can be little doubt that the wholesale merchants regarded

⁷¹ K.K. al-Khalifa, "Commerce and Conflict: The English East India Company Factories in the Gulf, 1700–47," (PhD diss., University of Essex, 1988), 32–4.

⁷² NA VOC2416, letter from Bandar Abbas to Batavia, 10 December 1736, pp. 149, 152.

⁷³ *Idem*, pp. 81–2. It is interesting to note that the EIC saw the French as being more popular with the government of Bandar Abbas, since, unlike the English and the Dutch, the French paid customs duties at the port. BL IOR G/29/6, 6 March 1740.

⁷⁴ NA VOC2357, letter from Bandar Abbas to Batavia, 24 August 1735, p. 34.

Dutch sugar as too expensive. In December 1736 the VOC complained that the merchants preferred to trade with the English unless the Dutch reduced the price of their sugar.⁷⁵ Nevertheless, the VOC seem not to have compromised. Three years later Dutch officers repeated the traditional idea that, while Batavia provided them with quality Javanese sugar, they could do better than those supplied with other varieties of sugar.⁷⁶

In the constricting financial situation of the late Safavid period, wholesale merchants in Iran wanted to obtain maritime goods on credit. The High Government of Batavia therefore permitted the factors at Bandar Abbas to sell the Company's goods on a three-month credit. Bandar Abbas had allowed a five-month credit to a wealthy wholesale merchant of Shiraz called Hajji Abd al-Rida, who dominated the trade with the VOC at the port.⁷⁷ When they became alarmed by many merchants becoming insolvent after the Safavid period, Batavia suspended the policy and ordered Bandar Abbas not to sell any goods on credit but only for direct cash payments.⁷⁸ This measure turned out to be a fatal mistake, for it enabled other sugar suppliers, particularly the English and the French, to attract more attention from penurious local merchants by offering them even longer terms of credit. The VOC pointed out to such developments in a reference to the arrival of numerous non-VOC vessels at Bandar Abbas during the financial year 1734–35. 28 ships had arrived, as well as 5 vessels (*vaartuigen*) perhaps from Basra or somewhere else with bullion and reshipped items. 17 of them belonged to the English. If no money was available in Bandar Abbas, the Muslim traders would not trade there but sail to Basra or somewhere else, and the captains (*nākhudās*) of the boats would likewise not unload their goods. But the English and the French would sell their goods on a long six-month credit. There were also undoubtedly some smugglers (*lorrendraaiers*), who imported their goods under the EIC name to avoid the payment of the Bandar Abbas customs, seriously undercutting the VOC trade.⁷⁹

The Dutch officers at Bandar Abbas saw the total breakdown of the Company as inevitable unless they were again permitted to sell their goods on credit for three or three and a half months, even though the English and the French usually allowed much more competitive terms of five to six months.⁸⁰ To make matters worse, the officers said, the English and the French were charging no interest on their credit sales. The wholesale merchants were unwilling to pay interest, for they carried the risk of transporting purchased goods in turbulent times all the way to Kerman, Isfahan and other places where they had agents to sell the goods for profit. They were only contracted to procure goods for return in those places for the English and the French, a manner of trade which they still considered to be profitable.⁸¹ In late 1736, the Dutch factors expressed their impatience. In a rather self-

⁷⁵ NA VOC2416, letter from Bandar Abbas to Batavia, 10 December 1736, p. 152. According to an existing Dutch *rendement*, in the year of 1736–37, the Company sold castor sugar at $3 \frac{2}{5}$ *maḥmūdīs* per *man*, 0.1 *maḥmūdī* cheaper than the above-mentioned price. NA VOC2448, annual sales statement, Bandar Abbas, 1736–37, pp. 1664–5.

⁷⁶ NA VOC2477, letter from Bandar Abbas to Batavia, 14 May 1739, p. 73.

⁷⁷ NA VOC1947, letter from Bandar Abbas to The Netherlands, 25 May 1719, p. 62.

⁷⁸ NA VOC2254, letter from Bandar Abbas to Batavia, 19 July 1732, p. 412.

⁷⁹ NA VOC2357 1, letter from Bandar Abbas to Batavia, 24 August 1735, pp. 438–9.

⁸⁰ NA VOC2390, letter from Bandar Abbas to Batavia, 19 March 1736, pp. 18–9.

⁸¹ NA VOC2368, letter from Bandar Abbas to The Netherlands, 18 May 1737, fol. 3782v.

justifying remark they said that, despite their utmost efforts, the French import of castor sugar, candy sugar and textiles had dimmed the Company's prospect.⁸² The next year Batavia eventually acquiesced to the Bandar Abbas request for credit sales.⁸³ However, the VOC sugar trade in Bandar Abbas mainly continued to reflect Batavia's aversion to credit sales. In 1755, three years before the Company's withdrawal, the Dutch director in Bandar Abbas, Schoonderwoerd, still reminded his successor Gerrit Aansorg that Bandar Abbas had to trade the Company's goods for cash or exchange them for return goods as required, but without allowing credit.⁸⁴

While gold and silver specie was extremely scarce in the Iranian market after 1730, copper coins, so far used for low-income every-day purchases, became an important currency for regional trade. This led regional governments to integrate copper money into Iran's traditional monetary system, which was based on gold and silver, by introducing official exchange rates between gold, silver and copper coins.⁸⁵ From the late 1720s, copper also featured as an important export item of the country. During the 1730s, many maritime traders resorted to copper coins and, when these were almost used up, to whatever copper ware they could find, in spite of repeated official bans on the export of copper from 1737.⁸⁶ In these circumstances, local merchants who came over to Bandar Abbas for trade began to bring with them only copper coins (*koper munt*).⁸⁷ We know little about where the copper came from, but there seem to have been many supply channels to Bandar Abbas in those days. According to the VOC, copper that the English purchased at the port in the mid-1730s came from three places: the town of Niriz near Shiraz; Qazvin; and a village called Sirhindi (Zerendi). That village is a two-day journey from Kerman where copper was mined. At the port the English minted the copper they acquired into smaller coins (*kleinder muntspecie*), into copper "cakes" (*koeken*), or into some other shapes for export.⁸⁸

When they saw this brisk trade of their rivals in copper, the VOC engaged in copper export from 1732.⁸⁹ In the latter half of the 1730s the Company began to export copper in some form as well. However, whereas Batavia ordered clean and refined (i.e. intact and unused) copper, the material from which *paysas* were made, copper of such a quality was hard to obtain in the market. The Dutch factors at Bandar Abbas had to clean (*met fenken en kloppen zuiveren*) oxidized copper material (*koperwerken*) which they procured in Bandar

⁸² NA VOC2416, letter from Bandar Abbas to Batavia, 10 December 1736, pp. 149-50.

⁸³ NA VOC2448, letter from Bandar Abbas to Batavia, 31 December 1737, p. 65.

⁸⁴ NA VOC2885 2, final report from J. van Schoonderwoerd to G. Aansorg, Bandar Abbas, 28 November 1755, p. 17.

⁸⁵ R. Matthee, W. Floor and P. Clawson, *The Monetary History of Iran from the Safavids and the Qajars* (New York: I.B. Tauris, 2013), 148.

⁸⁶ Matthee, Floor and Clawson, *The Monetary History of Iran*, 154.

⁸⁷ NA VOC2323, letter from Bandar Abbas to The Netherlands, 6 February 1734, p. 687.

⁸⁸ Idem, pp. 687-8; VOC2323, letter from Bandar Abbas to Batavia, 23 September 1734, p. 164. Iran imported Japanese copper till the late seventeenth century, when the exploitation of the copper mines in Kerman caused the discontinuation of copper imports. Much copper was also produced in the northwestern provinces of Iran such as Sabzavar and Mashhad. Matthee, Floor and Clawson, *The Monetary History of Iran*, 49.

⁸⁹ NA VOC2254, letter from Bandar Abbas to Batavia, 19 July 1732, pp. 303-4; Matthee, Floor and Clawson, *The Monetary History of Iran*, 164-5.

Abbas and brought from Bushire, although such procedures cost money.⁹⁰ In fact, copper export from Iran was not that profitable for the VOC. Dismayed at the soaring market price of copper ware due to English and French trading in 1736, the Dutch officers had no idea how their rivals could live on it. In their view the English and the French gave no due weight to the quality of the return goods they bought. Those traders exchanged their imports for insignificant products in which the Dutch were prohibited to trade. But also they accepted any sort of copper as the means of payment.⁹¹ The principal reason why the VOC persisted in what was for them an unfavourable enterprise was to prevent the English and the French from dominating the market. Though procuring profitable copper cakes was not easy, the officers commented that it would be unreasonable to back out of the trade, because even if their competitors pretended copper yielded small profits compared to other return goods, they would be the winners, since local merchants with copper would be more inclined to trade with them.⁹²

As mentioned before, from the mid-1720s, a great part of the Bandar Abbas commerce became linked with the growing market of Kerman. At Bandar Abbas there were many more merchants whose trade was directed towards Kerman trading with the VOC than there had been among the mercantile communities of Lar, Shiraz and Isfahan. This was possibly also the case with the EIC. In the 1730s those who carried out trading in Kerman wool had a prominent place in the EIC commerce, as they obtained wool in Kerman for the EIC and the EIC in turn sold imported goods to them.⁹³ In the later part of the decade the EIC also began to turn to the Kerman market in order to dispose of English woollen goods, the Company's principal import item from Europe, whenever they received no proper offer at Bandar Abbas. At the close of 1736, due to an acute scarcity of old copper and copper money (black money), wholesale merchants trading EIC woollen goods asked the factory to allow them credit of at least nine months.⁹⁴ Although regular buyers, such as Khorasani merchants, still visited Bandar Abbas and the Kerman market could receive supplies of wool via Moscow,⁹⁵ the EIC sent a trial load to Kerman the following year and instructed their resident there to procure copper and copper coins in return.⁹⁶

Dutch letters written at the time give us new insights, namely that the transit of goods from Bandar Abbas to Kerman was also linked to the private interests of EIC officials. In 1736, no buyers were to be found at the port. So the then agent of the English factory, William Cockell (1733–38), himself forwarded to Kerman a considerable amount of goods worth 9,000 *tūmāns* or 382,500 guilders.⁹⁷ More importantly, the French took advantage of the English caravan traffic, and managed also to transport their goods to Kerman.⁹⁸ In a Dutch

⁹⁰ NA VOC2448, letter from Bandar Abbas to Batavia, 30 April 1738, pp. 1803-5; Matthee, Floor and Clawson, *The Monetary History of Iran*, 156-7.

⁹¹ NA VOC2416, letter from Bandar Abbas to Batavia, 10 December 1736, pp. 209-10.

⁹² NA VOC2448, letter from Bandar Abbas to Batavia, 30 April 1738, pp. 1803-4.

⁹³ NA VOC2357 1, letter from Bandar Abbas to Batavia, 24 August 1735, p. 134.

⁹⁴ BL IOR G/29/5, 5 January 1737.

⁹⁵ *Idem*, 7 February 1737.

⁹⁶ *Idem*, 29 April 1737, 30 April 1730.

⁹⁷ NA VOC2416, letter from Bandar Abbas to Batavia, 10 December 1736, p. 83.

⁹⁸ *Idem*, p. 150.

memorandum about the slump of the Company's trade at Bandar Abbas in 1737, it was incidentally written that the English attempt to seek a better channel of trade in Kerman marked the beginning of a crucial relocation of the market for maritime goods from Bandar Abbas to Kerman, and that would become more pronounced in the following decade. As much as the Iranian authorities extorted money from impoverished local merchants, the Dutch said the English continued to dispatch massive caravans (*kafilas*) to Kerman with woollen goods (*lakenen*) and shawls (*sjaals*), as well as the same kinds of goods that the VOC traded at Bandar Abbas, including candy sugar and pepper. Meanwhile, the impoverished merchants at the port offered to buy VOC goods up to the value of 2,000 *tūmāns* on a four-month credit, but the Dutch factory could not accept those terms without any permission for credit sales from Batavia.⁹⁹

Decline: The 1740s

The 1740s has been viewed as a critical phase in the history of the trading port of Bandar Abbas. Floor argues that, after the disruption of trade in the Afghan interregnum, Nadir Shah failed to re-establish conditions that would have enabled trade at the port to recover its former level. Instead, his protracted power struggle with Arab notables on both shores of the southern Gulf forced local labour, foodstuff and essential supplies into royal service. This in turn gave Nadir himself and the administrators involved opportunities to satisfy their greed by applying extortionate terms for loaning ships and for extracting money, presents, etc., from the merchants. As a consequence, trading at Bandar Abbas was no longer profitable and the port rapidly degenerated into one restricted to local distribution.¹⁰⁰

Conversely, Th. Ricks contends that despite this upheaval caravan trade continued in southern Iran as well as maritime trade in the Persian Gulf. Trans-oceanic shipping proceeded as before into India and the Red Sea, and both the EIC and the VOC prospered. In this regard, he puts particular stress on the rise of Kerman as a grand depository of goods from Bandar Abbas to Mashhad and from Bandar Abbas to Isfahan and Shiraz. Although Kerman experienced an economic recession in the mid-1740s, Ricks claims that its market revived under the aegis of a strong local notable named Shahrukh Khan (r. 1747–58), with resettlements of Khorasani merchants in the city and the reopening of major trading routes to Mashhad and Isfahan. Kerman continued to be a major distribution centre in southern Iran till the early 1760s. Then it was replaced by Shiraz, which was supported by the Zand rulership.¹⁰¹

The impression gained from Dutch records of sugar trade at Bandar Abbas at that time is that, by 1750, Bandar Abbas was no longer a serious contender for the prime market in the Gulf, although it continued to be an important destination for traders of sugar when the

⁹⁹ NA VOC2417, letter from Bandar Abbas to Batavia, 4 April 1737, p. 3520.

¹⁰⁰ W. Floor, *The Persian Gulf: The Rise of the Gulf Arabs: The Politics of Trade on the Persian Littoral 1747–1792* (Washington, DC: Mage Publishers, 2007), 39–40, 93–4.

¹⁰¹ Th. Ricks, *Notables, Merchants, and Shaykhs of Southern Iran and Its Ports: Politics and Trade of the Persian Gulf Region, AD 1728–1789* (New Jersey: Gorgias Press, 2012), 71–3, 110–2.

economic climate permitted. A considerable part of the market was taken over by other regional markets, such as Kerman, Bushire, and Masqat.

In the early 1740s, sugar was very much in demand at Bandar Abbas. Dutch officers expressed deep depression about the commotion in Batavia's *ommelanden* in 1740 and the interruptions to sugar supplies it caused at Bandar Abbas. They noted in 1742 that, if the troubles in Batavia ended and sugar mills resumed their sugar supplies to Bandar Abbas, they could obtain much profit from it, because the turmoil had also reduced sugar supplies for their "competitors" (*medecompetiteuren*), and Iranians were suffering from a shortage of it.¹⁰² The term *medecompetiteuren* might refer to English and French traders, given the fact that one year later, the officers requested Batavia to provide them with goods as soon as possible lest the English and French private traders were to fill the market.¹⁰³ This request might indicate that other traders also posed a substantial threat to the Dutch monopoly of Javanese sugar in the Iranian market, as happened in the Surat market in the mid-1760s. At that time at Surat we know that the Dutch factory was receiving only the most meagre supplies of Javanese sugar and it was the worst sort of sugar. But the English and local ships were the largest importers of the best sorts, which were being "smuggled" in from Java by small craft through the Strait of Malacca or Bengkulu to Bombay and Surat. Thus, other traders were benefiting from dealing in the product, which had the effect of impairing sales by the Company.¹⁰⁴

The scarcer copper became, the more acute became the competition for the metal. In 1742, copper ware and *paysas* completely disappeared from Bandar Abbas.¹⁰⁵ When copper was brought in later, prices were inflated due to fast trading by the English and the French.¹⁰⁶ The Dutch factors were baffled that merchants were offering them 2,600 pounds of copper cakes at 15 ½ *maḥmūdīs* per *man*, but the factors would not accept, for they had the idea that they would lose on a deal in Coromandel, to where the item was to be exported.¹⁰⁷ It may be worth mentioning that there was some compensation for the scarcity of copper from the enormous amount of gold and silver that Nadir Shah had brought as booty from Hindustan in the last part of the 1730s. In 1742, the Bandar Abbas trade was carried out in silver coins called *nādirīs* which Nadir struck to be used alongside Thatta, Delhi and Agra rupees. However, the Dutch said the English and the French were also amassing those coins and exporting them all over India.¹⁰⁸

Such a crucial supply of copper almost dried up after 1743, when the uprising of Muhammad Taqī Khan Shirazi, one of Nadir's generals who was then in charge of the Iranian flotilla in the Gulf, threatened safe passage to Bandar Abbas. The displacement of the merchants of the port city at that time is epitomized by the departure of the *Bhansalis* (Banksallee). They were a powerful Hindu caste, leading figures specializing in commerce, among the VOC brokers at Bandar Abbas. (This subject deserves to be discussed further, and

¹⁰² NA VOC2610 1, letter from Bandar Abbas to Batavia, 31 October 1742, pp. 100-1.

¹⁰³ NA VOC2610 2, letter from Bandar Abbas to Batavia, 29 June 1743, pp. 74-5.

¹⁰⁴ NA Hoge Regering te Batavia 846, report on sugar trade at Surat, 1 March 1766, article 34.

¹⁰⁵ NA VOC2610 1, letter from Bandar Abbas to Batavia, 31 October 1742, p. 56.

¹⁰⁶ NA VOC2610 2, letter from Bandar Abbas to Batavia, 29 June 1743, p. 41.

¹⁰⁷ *Idem*, pp. 80-1.

¹⁰⁸ NA VOC2610 1, letter from Bandar Abbas to Batavia, 31 October 1742, pp. 55-6.

it will be in Chapter 5.) In May 1747, after suffering all kinds of difficulties at the hands of the authorities, many members of this mercantile community, both men and women, left the port and took shelter in Barka (Birka), a coastal town in Oman.¹⁰⁹ Probably many of them never returned. Soon afterwards the *Banians* in Bandar Abbas received business updates from their correspondents in Sind and Kutch via Barka.¹¹⁰ Writing in July 1746 the Dutch factors explained that trade at Bandar Abbas was currently at a complete standstill and merchants neither came to trade nor maintained their houses at the port. They therefore requested Batavia to allow them to transport goods to Isfahan, Kerman or somewhere else, where they could sell them for cash (*contanten*) and obtain copper ware and other profitable export items in return.¹¹¹

In the year 1747–48, the relocation of the Bandar Abbas market progressed at unprecedented speed. According to the VOC, there were four reasons why inland merchants did not come down to Bandar Abbas for trade even at peaceful times. Firstly, at Bandar Abbas the merchants had to pay more than twice as much tax (*gerechtigheden*) as at Bushire or any other place in the kingdom. Secondly, travel expenses and freight fees from Isfahan and Shiraz to Bandar Abbas cost more than those to Bushire, etc. Thirdly, the climate was extremely unhealthy in the entire kingdom. Fourthly and of principal significance, the English sent all of their woollen goods and even most of their other goods from Bandar Abbas to Kerman themselves. For other merchants it was easier and less risky to assign their goods onto English caravans, for the roads were not safe even in good times, a point confirmed by the English diary. Moreover, pack-animals were not always available at the port.¹¹² The diary relates that on 24 May 1748 a large caravan left for Kerman mainly with sugar, sugar candy, pepper, a small quantity of woollen goods and a few other trifling articles.¹¹³

At the close of the 1740s the air of stagnation was somewhat relieved when caravan traffic from inland markets, particularly from Kerman, began to return.¹¹⁴ As a consequence, the EIC discontinued transferring imported goods to Kerman.¹¹⁵ The severe interruption of the sugar supply during the turbulent times probably stimulated a greater popular appetite for it. The main target of merchants who came to the Dutch factory in 1750 was sugar, since the item was at that time very expensive in the upper country.¹¹⁶ Not surprisingly the competition for copper resumed. In 1749 the VOC trade in old copper and copper “cakes” was severely

¹⁰⁹ BL IOR G/29/7, 30 April 1747.

¹¹⁰ Idem, 2 November 1747, 10 November 1747.

¹¹¹ NA VOC2705, letter from Bandar Abbas to Batavia, 31 July 1746, p. 47.

¹¹² NA VOC2710, letter from Bandar Abbas to The Netherlands, 10 October 1748, fols. 1317r-v. In order to re-establish the Company’s trade in Iran, the Dutch factors suggested that the Company set up a new factory in Kerman and sell spices and other items there. Idem, fols. 1318r-v.

¹¹³ BL IOR G/29/7, 13 May 1748.

¹¹⁴ Idem, 17 March 1749 (from Kerman with Mashhad merchants), 17 September 1750 (from Lar).

¹¹⁵ It seems, though, that some English officials continued the enterprise on their own account. In 1752, the EIC chief, Danvers Graves, traded his private goods in Kerman through a son of the Company’s interpreter at Bandar Abbas, who was resident in Kerman at the time. Idem, 30 April 1752.

¹¹⁶ NA VOC2766, letter from Bandar Abbas to Batavia, 10 May 1750, p. 218.

hampered by English and other private traders, who had swept them away at 15 ½ *maḥmūdīs* per *man*.¹¹⁷

However, the redirection of the trade steadily advanced. The ways merchants circumvented Bandar Abbas at the turn of 1750s is vividly penned in the following English letter dated 24 February 1752:

For many years past the upcountry merchants complained greatly of the distress they are in from the oppressions of the g[overn]ment [of Bandar Abbas], which convinces us most of their families would remain under the Ho[nourable] Company's [the EIC's] protection, while themselves ventured with goods from any of the sea ports where the roads adjacent were free from robbers, and as there would be a considerable advantage accruing to any of the petty governours [*sic*] where they landed the goods bought of us, it would soon occasion great emulation among them, as everyone would be in hopes of accumulating all the profit to himself by a civil behaviour to passengers. On the contrary, were the merchants to attempt shipping their goods from this place, or land from other ports, what duties imposed by these people [the authorities of Bandar Abbas] would eat up all profits, as there is no settled p[er]centage [*sic*] but everything at the will of the custom house writers, and we are well informed fifteen, sixteen and se[ven]teen p[er]cent [*sic*] is often exacted. Under us this grievance would be remedied and by their embarking from Minnoe [Minab], Cong [Kong] or any place where no showbunder [*shāhbandar*] resides, have little more than boat hire to pay. The great difference of [-] would establish the centre of all trade in the Gulph between Muscat [Masqat] and Bussorah [Basra] at our settlement.¹¹⁸

This letter shows that, in order to avoid the imposition of a high tariff by the customs house of Bandar Abbas, inland merchants “smuggled” their goods by boat from neighbouring places where no *shāhbandar* resided, such as Minab and Kong, to Masqat. They secured the “protection” of the EIC, who continued to enjoy customs exemption at Bandar Abbas. It is also important to note that in these circumstances the governors of small ports in the Gulf vied with each other to attract traders to come to them. The Utubi tribesmen of Kuwait acted similarly; from the latter half of the eighteenth century they offered a “free port” to merchants no longer tolerating the high customs rates at Basra. This generated a significant shift of trade from Basra to Kuwait. One could argue that the Gulf market as a whole was now entering a phase of complete reformation, stimulating competition among all participants seeking economic rewards from trans-regional trade.

¹¹⁷ The Dutch also noted that the country's copper mines had been left behind for some years with no sign of recovery. NA VOC2748, letter from Bandar Abbas to Batavia, 15 April 1749, p. 260.

¹¹⁸ BL IOR G/29/7, 24 February 1752, inserted letter from Bandar Abbas to Bombay under the same date.

Rise of Masqat: The 1750s

While the power struggle was growing among the local notables, who often tried to sustain their competitive edge at the expense of the merchants, this contributed to greater trade difficulties at Bandar Abbas, though inland merchants were still interested in buying sugar at the port. In July and August 1753 merchants came over from Isfahan, Kerman and Khorasan, notwithstanding the scorching heat, to procure weighed goods from the VOC, including castor sugar, cloves, nutmeg, and cinnamon.¹¹⁹

It is probable that non-VOC suppliers of sugar also remained interested in the Bandar Abbas market. Existing lists of non-VOC shipping to Bandar Abbas for the periods from 1 September 1753 to 20 December 1754 and from 21 November 1757 to 4 February 1759 record 27 arrivals, of which six carried sugar. Of the sugar suppliers, four came from Bengal, one from Bombay, and one from Coromandel.¹²⁰ Yet, those sugar shipments were possibly destined for markets in the Upper Gulf. For instance, while a Dutch letter relates that on 4 December 1754 an English vessel called the *Queen of India* came from Bombay with a large amount of sugar, pepper, tin, etc., the EIC diary notes that this ship (they called it the *Indian Queen*) left for Bushire on 12 December after unloading woollen goods.¹²¹

Whatever the situation might have been, the VOC had no free hand to sell sugar at the port. Since considerable amounts of sugar were available in other markets in the Gulf and its interior, inland merchants did not necessarily strike a deal at Bandar Abbas. Their preoccupation at the port was whether to invest their limited fortunes in VOC sugar or EIC woollen goods. In April 1757 the EIC began to fear. They realized that, if merchants saw it more profitable to buy sugar and other goods from the VOC, they would not trade for EIC goods. The English factors therefore reduced the price of their woollen goods and thereby managed to dispose of 80,000 rupees worth.¹²²

Determined rivalry and a lack of flexibility in approaching cash shortages continued to shackle the VOC sugar trade. It was almost inevitable that the Bandar Abbas factory would agree to sell the Company's goods on credit against the wishes of Batavia. The local merchants were demanding credit for months on end, pretending that the English allowed them credit for up to 1,000 or 2,000 rupees a time. Nonetheless, the Dutch acceded to such requests only to Multani merchants, whom they believed were "rather wealthy" (*tamelijk gegoed*).¹²³ Besides, it was usual for the VOC to nail blame on other traders for placing extravagant bids for copper. In 1753, while accusing English and other traders for not

¹¹⁹ NA VOC2824, letter from J. van Schoonderwoerd at Bandar Abbas to Batavia, 28 April 1753, pp. 38-9; VOC2843, letter from Bandar Abbas to Batavia, 1 October 1753, pp. 25-6, 28-30.

¹²⁰ NA VOC2863, shipping list, Bandar Abbas, 1 September 1753–20 December 1754, p. 65; VOC2968, shipping list, Bandar Abbas, 21 November 1757–4 February 1759, pp. 27-8.

¹²¹ NA VOC2863, letter from Bandar Abbas to Batavia, 20 December 1754, p. 62; BL IOR G/29/8, 3 December 1754, 4 December 1754, 12 December 1754.

¹²² BL IOR G/29/10, 15 April 1757, inserted letter from Bandar Abbas to London under the same date.

¹²³ NA VOC2885 2, final report from Schoonderwoerd to Aansorg, Bandar Abbas, 28 November 1755, pp. 18-9.

following the principle of the market, the Dutch director Schoonderwoerd compromised on an inflated price of 17 stivers per Dutch pound. If he had not he would have lost all his buyers.¹²⁴

The fact that there was an overall cash shortage in the eighteenth century led merchants to resort more and more to barter when trading. But Batavia had a strong preference to trade for cash, and this was another disadvantage for the Company's sugar trade at Bandar Abbas. In September 1756, the factors claimed that, if the Company, like their competitors, dared to barter their goods (*bij ruiling voor negotiegoederen*), the current year's sales would increase.¹²⁵ The English were particularly good at this style of trade. Whereas it was profitable for the English to barter (*in trocque genegotieerd*) for local products such as madder, asafetida, etc., Schoonderwoerd commented that the same might not be true for the Dutch, given that the English were able to get up-to-date price lists from Bombay any time they needed them and therefore knew the actual rates for those goods at their main destination in India.¹²⁶

The eclipse of Dutch trade at Bandar Abbas also mirrored the remarkable rise of Masqat as a prime sugar market in the southern Gulf. While the pivot of the Gulf trade gradually shifted from south to north during the eighteenth century, it is well to remember the simultaneous development of commercial links between east and west.¹²⁷

The redirection of trade from Bandar Abbas to Masqat seems to have gained momentum from the mid-century onwards. From the 1740s the VOC opened up a part of the Company's sugar trade in the South and West Asian markets to Dutch private sectors, such as VOC officials, free-burghers and indigenous persons.¹²⁸ When the latter started to be active participants, however, it soon became clear that a potential threat loomed for all Dutch factories that conducted sugar trade in the regions.¹²⁹ In 1753 the Dutch factory of Bandar Abbas was obsessed with a suspicion that a Dutch arrival called *Fortuin* had been clandestinely carrying a larger amount of private sugar than was permitted and had imported much of it into Masqat on its way to Bandar Abbas.¹³⁰ Although further investigation did not support the hypothesis the factors remained concerned about any negative effects from private sugar shipments to Masqat. One year later they requested that Batavia forbid the captains

¹²⁴ NA VOC2824, letter from Schoonderwoerd at Bandar Abbas to Batavia, 28 April 1753, p. 40.

¹²⁵ NA VOC2885 3, letter from Bandar Abbas to Batavia, 8 September 1756, p. 5.

¹²⁶ NA VOC2885 2, final report from Schoonderwoerd to Aansorg, Bandar Abbas, 28 November 1755, p. 19.

¹²⁷ For a general view of such a shift, A. Das Gupta, "Introduction II: The Story," In *India and Indian Ocean: 1500–1800*, edited by A. Das Gupta and M. Pearson (Oxford: Oxford University Press, 1999), 40-1.

¹²⁸ C. Nierstrasz, *In the Shadow of the Company: The Dutch East India Company and its Servants in the Period of its Decline* (Leiden: Brill, 2012), 80-3. Bearing in mind that Dutch officers in Iran probably ran a not insignificant volume of clandestine trade alongside the Company's official dealings, it is also possible to see the VOC's privatization of some of the sugar trade as an attempt to control the private sector more strictly. B. Slot, "At the Backdoor of the Levant: Anglo-Dutch Competition in the Persian Gulf, 1623–1766," In *Friends and Rivals in the East: Studies in Anglo-Dutch Relations in the Levant from the Seventeenth to the Early Nineteenth Century*, edited by A. Hamilton, A. de Groot and M. van de Boogert (Leiden: Brill, 2000), 121.

¹²⁹ *Realia: register op de generale resolutiën van het Kasteel Batavia, 1632–1805*, edited by Bataviaasch Genootschap van Kunsten en Wetenschappen, vol. 3 (Leiden: Gualth Kolff, 1882–6), 262; NA VOC781: Kopie-Resolutie te Batavia, 31 August 1751, pp. 567-9.

¹³⁰ NA VOC2843, letter from Bandar Abbas to Batavia, 10 October 1753, pp. 55-6.

(*overheden*) of Dutch ships from visiting Masqat on their voyage to Bandar Abbas, except in a serious emergency.¹³¹

What is more important is that during the decade, Masqat became increasingly connected to Minab through local shipping. It is recorded that the governor of Bandar Abbas, Mulla Ali Shah and his customs officials were inclined to be rapacious, so that many local merchants went to Minab to find boats (*vaartuigen*), from where they crossed to Masqat. There at that time it was very easy to barter their goods for sugar.¹³²

This development of a new commercial line between Masqat and Minab made sugar trade at Bandar Abbas more difficult for the VOC. Immediately after the arrival of a Dutch ship called *Stralen* on 28 April 1757 the VOC sent for Multani merchants from the town. Yet no-one who came had any interest in imported sugar, whatever offer the Dutch made. The factors had no option but to decide to forward the ship's cargo to Masqat. The governor of Bandar Abbas interfered as the shipment began, and he sent the *shāhbandar* and those merchants to the Dutch factory, requesting the Company to store the cargo in Bandar Abbas as usual. But shipping formalities were already in process, so the Dutch made a rather outrageous condition, insisting that the merchants agree to promise to buy the entire cargo of sugar or at least a large part of it. The *shāhbandar* did not let them go. At his urgent request the merchants eventually came to an agreement that they would take the sugar in two months time, and they would pay within the same period. Soon it turned out that they were disinclined to keep their word.¹³³

It is useful to note that in the early 1760s the maritime merchants maintained an optimistic view for trade at Bandar Abbas. The EIC factors thought that, if the port government was in proper hands, Bandar Abbas would be the best place in the Gulf from which to supply woollen goods for a large part of the interior markets, particularly those at Kerman, Yazd, Astrabad (Istraband), Khorasan, and those of the Afghans and the Uzbeks.¹³⁴ However, the caravan trade was still mainly focused on the new channel to Minab. The EIC record states:

There has been no trade carried on here [Bandar Abbas] for some time past, no merchant boats as usual coming and going to this port, [and] such as formerly came here now carry on their business to and from Minoe [Minab], from whence we learn caffilas [*kafilas*, caravans] with different sorts of India goods go to Carmania [Kerman] and other places inland. In short this place seems near at an end and nothing can recover it but a change of government and good management in a governour [*sic*].¹³⁵

¹³¹ NA VOC2863, letter from J. van Schoonderwoerd at Bandar Abbas to Batavia, 20 December 1754, p. 31.

¹³² NA VOC2968 2, letter from the ship *Nieuw Nieuwen Kerk* to Batavia, 1 May 1759, p. 18.

¹³³ NA VOC2937, letter from Bandar Abbas to Batavia, 24 September 1757, p. 4; VOC2968 2, letter from the ship *Nieuw Nieuwen Kerk* to Batavia, 1 May 1759, pp. 8-10.

¹³⁴ BL IOR G/29/14, 24 December 1761.

¹³⁵ BL IOR G/29/13, 11 February 1761, inserted letter from Bandar Abbas to London under the same date. Next year, the EIC stated that Kerman was the place to which all goods that were traded at Bandar Abbas either for Khorasan, Qandahar, Mashhad, etc. should go first. BL IOR G/29/14, 20 July 1762, inserted letter from Bandar Abbas to London under the same date.

This description of the situation indicates that at the turn of the 1760s, the channel for inland commerce in the southern Iranian littoral had completely diverted from Bandar Abbas to Minab, thus making Minab the new hub for maritime trade and caravan commerce between Masqat and Kerman and other inland market towns in eastern Iran and beyond.

The few primary documents available make it difficult to draw any historical trajectory of the commercial highway between Masqat and Kerman after 1762 when the EIC closed down their factory at the port. Ricks argues that, with the rise of Shiraz under the Zand dynasty (1765–94), Kerman ended its role as a prominent political and economic centre in southeastern Iran. While admitting that trade with Kerman did not cease altogether, he contends that in the next three decades the town's population significantly diminished, and its trade both north-south and east-west decreased in volume. Towards the close of the century the trade and traffic further shifted to the north and northwest of Iran, as towns and ports in the Caspian region under the Qajars began to take the lead in the country's trans-regional trade.¹³⁶ Alongside the substantial relocation of the Kerman market to Fars and later to the Caspian, the parallel development of the Masqat-Sind connection as a new supply line to markets in Khorasan needs to be noted. In 1790 EIC officers at Basra wrote about the vigorous trade at Masqat, particularly in coffee from the Red Sea and sugar from Batavia:

The southern parts of Khurasan [Khorasan] are supplied with such foreign articles as are in demand there from Muscat by means of the Indus. And the northern traits of this province are sometimes supplied from the same place, when impediments occur to its communication with Ispan [Isfahan] or the northern and eastern parts of Hindostan [Hindustan].¹³⁷

This suggests that some of the sugar imported into Masqat in the later part of the century was reshipped to Sind, and thence carried up through the Indus River to the southern parts of Khorasan; and when the province was cut off from supplies from Isfahan and Hindustan it headed further north. Considering the consolidation of the power of the Bu Said dynasty at Masqat (1749– present) and the expansion of the Durrani authority (1747–1973) from their power base of Afghanistan to Sind at that time, it is possible to argue that this change also reflects the close relationship between shifts of sugar circulation and political vicissitudes.¹³⁸

¹³⁶ Ricks, *Notables, Merchants, and Shaykhs*, 205, 233.

¹³⁷ BL IOR P/414/51: Bombay Commercial Proceedings, report on the commerce of Arabia and Persia, S. Manesty and H. Jones, Basra, 15 August 1790, pp. 84, 125-6.

¹³⁸ It is interesting to note that, in the late 1750s, the governor of Sind was known as the son-in-law of the Bu Said king. NA VOC2937, report, W. Brahé and N. Mahué, 8 May 1757, p. 33.

Conclusion

The present chapter has examined the ways non-VOC suppliers of sugar tried to adjust to changing trade conditions at Bandar Abbas from the late Safavid period. From the evidence we have obtained, it is certain that, while protracted political instability in the southern Iranian littoral steadily made sugar import into Bandar Abbas burdensome for the suppliers, their active rechanneling of trade from clogged markets to alternative routes sustained the intensity of sugar trade in the south of the Gulf during that period to a remarkable extent.

During the Afghan occupation sugar suppliers kept away from the turbulence of the Iranian littoral and found their way into Basidu, Masqat and Mocha, although these channels were not always exempt from political commotion. Meanwhile, the nature of sugar trade at Bandar Abbas underwent crucial transformations. Soon after increasing military activities had caused the Isfahan market to malfunction, Basra took over the role and supplied needed cash for Bandar Abbas to support commerce there. The development of the Bandar Abbas commercial link with Kerman was another significant element. Whereas leading wholesale merchants of Lar, Shiraz and Isfahan almost completely vanished from Bandar Abbas, merchants from Kerman became important buyers of sugar at the port.

The EIC and English private traders, particularly EIC factors, were good at exploiting the new circumstances. While trying to form advantageous relationships with local notables through offering gifts, they not only developed their trade with Kerman but also linked it to Shiraz through Bandar Abbas and Bushire. In addition, as the export of gold and silver coins became extremely rare in Iran from the late 1720s, the English adeptly turned their attention to copper coins and exported them to India in quantity.

While trading ports in the northern Gulf such as Basra and Bushire benefited from the downfall of the Bandar Abbas market after the Afghan conquest, it is probable that competitions for sugar import into Bandar Abbas became reactivated in the 1730s. Not only did the English continue to import but the French also increased their sugar shipments to the Persian Gulf. These suppliers most likely attracted more local merchants than the VOC, because they offered cash-strapped merchants cheaper sugar and longer terms of credit; they were also more flexible in their willingness to accept copper money and copper ware in payment. From the later years of decade the English increasingly participated in the Kerman market where copper was relatively available. Their transport of imported goods to Kerman, which other traders also joined, triggered a remarkable dislocation of the Bandar Abbas market, thus exasperating the Dutch in their sugar trade.

The Bandar Abbas market went into a serious recession in the 1740s. Apart from the disorder following the revolt of Muhammad Taqi Khan in 1743, the port's high tariff made merchants search for more lucrative markets in Bushire, Kerman and Masqat. It is probable that the stabilization of the Kerman market under Shahrukh Khan's rule at the end of the decade helped facilitate the transport of goods from Bandar Abbas to Kerman for non-VOC suppliers. The decline of Bandar Abbas led to competition among traders and petty port governors, which also contributed to the greater resilience of sugar imports into the Gulf.

In the early 1750s Masqat replaced Bandar Abbas as the premier sugar market in the southern Gulf, as shown by the import of Javanese sugar into Masqat by Dutch private traders. Of prime importance in this development is the rise of Minab as a new nexus binding the growing markets of Kerman and Masqat. Inland merchants bypassed Bandar Abbas and went to Minab to cross the Gulf to Masqat. After procuring sugar at Masqat they doubled back to Minab, heading for Kerman and beyond. Although not well-documented, it is possible that after the 1760s an appreciable part of the Kerman sugar market was channelled to Bu Saidi Masqat, Sind and Durrani Afghanistan, whereas the Kerman market was mainly relocated to Fars under the Zands and the Caspian under the Qajars. In the late century, some of the sugar unloaded at Masqat was re-exported to Sind and then transported along the Indus to Khorasan.

The vigour of the sugar trade through non-VOC suppliers in the Lower Gulf and Sind after the Safavid period leads us to believe that there was a greater intensity in the sugar trade in the Upper Gulf, where probably more suppliers sought alternative channels of trade. How did they carry out sugar imports there? What did their activities reflect with regard to the reformation of the Gulf market as a whole? We will deal with these questions in the next chapter.

Chapter 4: Alternative Sugar Hubs: Basra, Bushire and Kharg

As the Bandar Abbas market was gradually declining from the close of the Safavid period, many sugar suppliers sought alternative trading places in the Upper Gulf. In Chapter 2 we showed that the VOC made sustained efforts to carry out selling Javanese sugar in Basra and Bushire, and later on Kharg Island, till their final withdrawal from the Gulf in 1766. This was in order to dispose of ever-growing sugar stocks from Batavia. Some recent studies of the Company's activities in the Gulf during that period have illuminated intermittent power struggles among local and regional powers in which the Company more often than not became embroiled, and these have pointed out how they had a critical effect on the downfall of the Company's trade and how they were an indicator of an overall crisis of the Gulf trade. However, few attempts have been made to analyse another aspect of the Company's decline, when they faced renewed competition from other sugar suppliers in the Upper Gulf. By examining the increased activities of rival suppliers with whom the VOC had to contend in Basra, Bushire and Kharg, this chapter will show the noticeable flexibility of the sugar trade in the Upper Gulf during that time and the interplay of many forces which formed and characterized it.

1. Basra (1724– c. 1753)

Basra is a port city located a little distance away from the northernmost part of the Gulf. The city and its surrounding areas, initially a semi-autonomous state, came under the jurisdiction of the Ottoman province of Baghdad in 1731. After 1750, when the *mamlūks* established their power base in Baghdad in order to become virtually independent of the Ottoman Porte, Basra was firmly placed under their control. For most of the eighteenth century, the city was administered by a governor (*mutasallim*) appointed by the ruler (*walī*) of Baghdad, a commander of the fleet (*quptān pāshā*), a customs master (*shāhbandar*), and some other officials.¹ Basra was sited at a major intersection between the Indian Ocean shipping lines and the caravan routes through the Syrian Desert, making it a traditional link for the economies of the Indian Ocean and the Middle East. Owing to its favourable access to the rivers Tigris and Euphrates to the north and to the Karun River to the west, the city also closely connected regional economic centres: Baghdad, Mosul, Shiraz, Isfahan, etc. In the period with which this chapter is concerned, three European companies set up trading posts there: the English (by 1723), the Dutch (by 1724), and the French (by 1739).

In his study of the English documentation concerned with Basra shipping, Abdullah described the period from 1724 to 1756 as a phase of relative growth for trade there. Despite repeated conflicts between the Ottoman Empire and Nadir Shah in the early 1730s and the early 1740s, and also the plagues that occasionally hit the country and that had serious impacts on trade at Basra, Abdullah claims that such disruptions were apparently temporary setbacks. Apart from the years of the power struggle, during that period the average number

¹ Th. Abdullah, *Merchants, Mamluks, and Murder: The Political Economy of Trade in Eighteenth-century Basra* (Albany: State University of New York Press, 2001), 11-3, 29-37.

of large vessels arriving at Basra was 11.² The Dutch documentation of non-VOC shipping and trade with Basra during the same period supports Abdullah's argument.

Replacement of Bandar Abbas

It is probable that in the 1720s the bulk of the trade that formerly passed through Bandar Abbas was redirected to Basra. Almost all the European and local ships were setting their course to Basra. As soon as they established a factory at the port the VOC came to realise that their merchandise had become a glut on the market.³ According to Dutch officers at Basra the total number of foreign arrivals in the financial year 1727–28 was 15: five English vessels and one French vessel from Bengal, two English private ships from Bombay, three Surat Muslim ships, one EIC ship, two Muslim crafts from Mocha, and one belonging to the French chief of Surat.⁴

By 1730 Basra had become the main trading station in the Gulf for English private traders. The Dutch noted in 1731 that the English traders were maintaining a "domicile" for their trade in the city, and that the EIC re-established a residence there in 1727; this perhaps referred to the appointment that year of the new English resident, Martin French. It was the English trade that made sales at Basra during the period from 1726–29 extremely difficult for the VOC.⁵ In fact, some English privateers who resided in Basra in those days actively engaged in importing sugar at the port. On 6 April 1725, an English ship called *Meridon* came from Bengal through Bandar Abbas with 300 packs (*pakken*) of cloths (*kleden*), Chinese candy sugar, Bengali castor sugar, pepper, etc. The ship belonged to an Englishman staying at the port named George Petty, and he instantly sold his Chinese candy sugar at 27 *maḥmūdīs* per *man* (equivalent to 25 Dutch pounds at Basra).⁶ The *Dean*, an English frigate which arrived from Bengal on 22 May 1725, was owned by another English inhabitant named James Neville. It carried 700 packs of cloths, textiles (*lijwaten*), Bengali sugar, pepper, etc., both for himself and on the account of some Armenian merchants and others.⁷ The Bombay Presidency was quick to recognize the increased private trade at Basra, and tried to benefit from it by introducing various duties such as a consulage.⁸ But their consulage duty at Basra provoked a deluge of complaints from private traders, including Petty and Neville mentioned above.⁹

² *Idem*, 49-50.

³ NA VOC2016 1, letter from Bandar Abbas to Batavia, 31 March 1724, p. 110.

⁴ NA VOC2091, letter from Basra to The Netherlands, 1 November 1728, fols. 4923r-v, 4925r.

⁵ NA VOC2253, letter from Bandar Abbas to Batavia, 15 May 1731, pp. 14-5; K.K. al-Khalifa, "Commerce and Conflict: The English East India Company Factories in the Gulf, 1700–47," (PhD diss., University of Essex, 1988), 247.

⁶ NA VOC2034, diary, Basra, 6 April 1725, 15 April 1725, pp. 235, 236.

⁷ *Idem*, 22 May 1725, p. 246.

⁸ Consulage was a duty of two per cent of the value of all private goods sold at Bandar Abbas and Basra. The EIC collected the charge from English private traders in connection with the consul service rendered by the Company. al-Khalifa, "Commerce and Conflict," 96-7, 180-1.

⁹ T. Davies "British Private Trade Network in the Arabian Seas, c. 1680– c. 1760," (PhD diss., University of Warwick, 2012), 182.

In the 1720s much of the Surat Muslim shipping that had regularly provided Bandar Abbas with sugar in the late Safavid period also turned their attention to Basra. On 10 August 1725, a vessel called *Fayd Rasani* arrived at Basra from Surat. It was registered as belonging to Muhammad Ali, the grandson and successor of a celebrated Bohra merchant of Surat named Abd al-Ghafur who had been involved in the trade of Manila sugar in Bandar Abbas in the late seventeenth century. This ship carried a variety of Surat textiles and Bengali sugar.¹⁰ There was also another Muslim arrival (*Moors schip*) called the *Fath-i Dawla* from Surat, which suggests that other mercantile communities of Surat were involved in “Muslim” sugar shipping to Basra, as in the time of the Safavids. The *Fath-i Dawla* arrived four days after the *Fayd Rasani*, with numerous packs of textiles, Bengali sugar and rice for the many Muslim merchants living in Basra.¹¹ This ship had the same name as one that received a Dutch passport at Surat for its voyage to the declared destinations of Hormuz, Kong, Basra, Mocha and Jidda on 23 March 1725. It may have been the same ship, although the issue date was rather late in the season for navigation to the Persian Gulf. The owner of the ship at the time was known to be a “heathen” (*heidens*, i.e. a non-Muslim) called Shyamalji Haridas (Sammeltje Herridas) who was resident in Surat.¹²

After the Safavid period, the French sugar trade also grew in Basra. On 27 May 1729, a ship of the French East India Company called *St. Joseph* came to Basra from Bengal laden with 500 packs of coarse textiles and certain amounts of pepper, rice, cardamom, sugar, etc.¹³ A threat to the VOC from the French trade at Basra rose from the fact that, according to the Dutch, they (and perhaps the English too) had to pay 5 to 6 per cent (and often more) import duty on both individual items and weighed goods, the French were allowed to pay 3 per cent duty on individual items and 4 ½ per cent on weighed goods, in consideration of the splendid gifts they used to present to the port authorities.¹⁴ The VOC were continuously attempting to get better treatment but it took them more than a decade to be allowed a 3 per cent duty.¹⁵ As for the EIC they apparently obtained only 5 per cent.¹⁶

Increased demand for copper

The Afghan invasion of Iran led to dysfunction in the bullion market at Isfahan. Soon afterwards Basra developed into a dependable substitute. Considerable quantities of gold and silver coins found their way to the Basra market by way of Baghdad, and many seafaring

¹⁰ NA VOC9099, diary, Basra, 10 August 1725, p. 25.

¹¹ Idem, 14 August 1725, p. 26.

¹² NA VOC9059, pass book, Surat, 12 August 1724–4 May 1725, pp. 152-3.

¹³ NA VOC2091, letter from Basra to The Netherlands, 22 July 1729, inserted shipping list, Basra, 1 November 1728–22 July 1729, fols. 4967r-v; VOC9090, diary, Basra, 27 May 1729, 11 July 1729, pp. 433, 444.

¹⁴ NA VOC2016 2, letter from Bandar Abbas to Batavia, 25 August 1724, p. 6; VOC2091, letter from Basra to The Netherlands, 22 July 1729, fol. 4967r.

¹⁵ NA VOC2610 1, letter from Bandar Abbas to Batavia, 31 October 1742, pp. 137-8.

¹⁶ We still need further facts to assess the port’s customs administration during the eighteenth century. For recent studies concerned with it, see al-Khalifa, “Commerce and Conflict,” 62; B. Slot, *The Arabs of the Gulf 1602–1784: An Alternative Approach to the Early History of the Arab Gulf States and the Arab People of the Gulf, Mainly Based on Sources of the Dutch East India Company* (Leidschendam, 1993), 288-9; Abdullah, *Merchants, Mamluks, and Murder*, 42-3.

traders participated in this emergent commercial arena.¹⁷ After establishing their factory in the city the VOC also started procuring bullion specie for export, particularly gold ducats and silver reals, but supplies were never sufficient to meet the merchants' demands.¹⁸ Competition flared up and inevitably drove up prices excessively.¹⁹ The result was the same as was witnessed in Iranian markets at the time, namely that copper rapidly grew in importance as an alternative export item. We can say that copper dominated the market by 1730. In July 1729, the Dutch factors wrote that it was unclear why the "Bengali traders" (*Bengaalse kooplieden*) so vigorously procured copper (*roodkoper*) that year, but perhaps it was because exporting copper produced less of a loss than with other poor-quality currency, and that, since these traders had been so eager for copper, merchants from the upper countries had brought large amounts into Basra.²⁰ The "Bengali traders" might include English privateers who supplied sugar for the Basra market from Bengal. An Englishman called Durley is a case in point. His ship the *Edward* arrived at Basra from Bengal on 21 February 1729, importing textiles, castor sugar, etc. Two months later it sailed away with a full cargo of old copper and Iranian copper coins (*paysas*) worth 297,500 guilders.²¹

It is difficult to know just where the copper brought to Basra came from. Some sketchy information suggests that the inland merchants now and again carried the metal to Hoveyzeh, a town in Khuzestan in southwestern Iran. There it was minted into coins for transport to Basra and Bushire. Much of the copper transferred to Hoveyzeh might be Iranian in origin, even though, according to the Dutch, Iran's mining industry had significantly diminished from overexploitation by 1740.²² Another source of copper was Russia. In the eighteenth century Russia's copper mining in the Urals grew substantially, producing coins called *kopeks* in large volume. Some of that output was sent to the markets of Shamakhi, Isfahan and Mashhad, facilitating Russian trade with Asia, and some may possibly have reached the Upper Gulf.²³ The most stable source, however, was Anatolia. During the eighteenth century, copper mined around Diyarbakir was transported by river and caravan to Mosul in Iraq, where it was smelted and moulded into "cakes". From there, the cakes were transported by boat first to Baghdad and then on to Basra for export to India. It was subjected to customs duties in all these cities. Nevertheless, Anatolian exports of copper continued throughout the eighteenth century.²⁴ At the end of the century, Olivier observed that the interior of Turkey was providing Baghdad and Basra with very few commodities except for large volume of old copper (*vieux cuivre*). Copper from Syria, Mesopotamia, Anatolia, Armenia and Kurdistan all passed through Mosul to Baghdad and Basra.²⁵

¹⁷ Every year the bullion trade at Basra began with the arrival of numerous "galleys" and boats from Baghdad with substantial amounts of bullion. NA VOC2055 2, letter from Basra to The Netherlands, 19 April 1726, p. 70.

¹⁸ NA VOC2323, final report from D. Heij to G. Gutchi, Basra, 25 May 1734, p.1415.

¹⁹ NA VOC2023, letter from Basra to The Netherlands, 22 January 1726, fol. 3349v.

²⁰ NA VOC2091, letter from Basra to The Netherlands, 22 July 1729, fol. 4967v.

²¹ Idem, inserted shipping list, Basra, 1 November 1728–22 July 1729, fol. 4967r.

²² NA VOC2546, letter from Bandar Abbas to Batavia, 31 March 1741, pp. 68-9.

²³ R. Barendse, *Men and Merchandise*, vol. 3 of *Arabian Seas 1700–1763* (Leiden: Brill, 2009), 970-1.

²⁴ Abdullah, *Merchants, Mamluks, and Murder*, 75-6.

²⁵ G.A. Olivier, *Voyage dans l'Empire Othoman, l'Égypte et la Perse* (Paris: H. Agasse, 1801–07), vol. 1, 252; vol. 4, 273. Some of the copper sent to Basra at the time was meant for Iran. Sultan bin Muhammad al-Qasimi, *Power Struggles and Trade in the Gulf 1620–1820* (Forest Row: University of Exeter Press, 1999), 173-4.

As far as English participation in the Iranian copper trade from the late 1720s is concerned, Barendse claims that supplies of Japanese copper for Indian markets, which the VOC had almost monopolized since the seventeenth century, dropped in the early eighteenth century, and English traders tried to fill the gap with Iranian copper.²⁶ Recent studies of the VOC trade of Japanese copper, however, reveal that, in spite of mounting competition, the Company's copper sales in Coromandel, Bengal and Gujarat, which were the major producers of the world-famous Indian cotton textiles, remained considerable till 1760. After that, other European companies and merchants greatly increased their imports of English and Swedish copper into the regions, thus undermining the commercial position of the VOC in the subcontinent.²⁷ These facts suggest that India's demand for copper increased substantially in the eighteenth century, which stimulated the global economy, and that this development provided an important setting into which sugar imports into the Persian Gulf were sustained after the Safavid period.

Boom

From the EIC archives Abdullah argues that Basra experienced a serious recession of trade during the period from 1733 to 1736 due to the Iranian invasion into Iraq; the situation nicely recovered later in the decade.²⁸ The Dutch records, however, provide a more positive view of the Basra market during that time, specifically for sugar.

As mentioned in Chapter 2, during the first half of the 1730s, the Dutch factory at Basra received almost no supplies of sugar. On the other hand, other suppliers, especially the English and the French, continued to serve the market. According to a Dutch list of English and French shipping with Basra during the period from 1 January 1733 to 30 April 1734, seven English vessels and two French ships appeared in the harbour. Of the English arrivals, three came from Surat (with one carrying sugar), and two from Bengal (both laden with sugar). The other two were importing coffee from Mocha. One of the French ships came from Bengal and the other from Mocha, with the first conveying castor sugar and candy sugar. The list records the total import of sugar from these vessels as 5,500 sacks (*zakken*) and 150 canisters (*canassers*).²⁹ If we assume that a sack weighed 300 Dutch pounds and a canister 290 pounds, that would amount to about 1.7 million pounds. Given the fact that even in the most successful year of 1747–48, the Dutch factory sold less than 400,000 pounds of Javanese sugar, it is certain that these other nations tried to trade as much sugar as they could in Basra at the time.³⁰ It seems that similar large quantities continued in the years that followed. The Dutch noted that eleven non-VOC ships reached the port during the period from 1 May 1734 to 25 May 1735, and four of them, all registered as English vessels, imported sugar from

²⁶ Barendse, *Men and Merchandise*, 972-6.

²⁷ R. Shimada, *The Intra-Asian Trade in Japanese Copper by the Dutch East India Company during the Eighteenth Century* (Leiden: Brill, 2006), 106-28; G. Nadri, *Eighteenth-Century Gujarat: The Dynamics of Its Political Economy, 1750–1800* (Leiden: Brill, 2009), 103-11.

²⁸ Abdullah, *Merchants, Mamluks, and Murder*, 48-9.

²⁹ NA VOC2303, letter from Basra to The Netherlands, 30 April 1734, inserted shipping list, Basra, 1 January 1733–30 April 1734, fol. 5415r.

³⁰ See Appendix 4.

Bengal and somewhere else. The total volume of their sugar cargoes was recorded as 3,600 sacks and 50 canisters, or about 1.1 million pounds.³¹ For some time the Dutch factors would have been feeling neglected and they expressed their chagrin to Batavia in June 1736, saying that they had not received a single shipment even during the great opportunities for trade in the last couple of years. Instead, English, French, Armenian and other merchants had dropped by with at least 23 ships (*schepen*), both big and small, as well as a large number of boats (*vaartuigen*), and they had picked off most of the fruits of trade.³²

In the marketplace at Basra, merchants from Iraq and elsewhere in the Middle East were important buyers of sugar. One chronic headache the VOC had with their sugar trade there was that, as soon as well-loaded English and French vessels reached the port, the merchants who came from Baghdad, Mosul, Aleppo, etc., spent their money on their imported merchandise, and thus deprived the Company of opportunities to obtain ready cash (*contanten*) and old copper ware for export.³³ In the late 1730s itinerant merchants from Baghdad, Aleppo and Greece visited Basra every year and invigorated its market by spending a considerable amount of money.³⁴ It is possible that some wealthy merchants who lived in Basra also took part in the sugar trade. In 1738 the VOC entered into a contract with a certain Basra merchant to sell him Javanese castor sugar at 13 *mahmūdīs* per *man*. When the factory was about to hand over the purchased sugar to the merchant, however, he fell seriously ill and died, so the sales contract lapsed. The VOC comforted themselves by saying it was a good thing that they had not made the delivery; otherwise it would have been very difficult to collect the payment due, since although the merchant was ostensibly rich he was in fact insolvent. He would have probably distributed any proceeds from his sales to his creditors despite his contract to pay the Company first.³⁵ Last but not least, merchants from Iran and further north greatly featured in the burgeoning trade. In 1737, some *Gorguaanse kooplieden*, which could refer either to Gorgan merchants or Georgian merchants, appeared in Isfahan from Basra and sold castor sugar at 9 ½ *mahmūdīs* per *man* (equivalent to 12 Dutch pounds in Isfahan).³⁶ Furthermore, a not insignificant amount of sugar imported into Basra was re-exported to another developing sugar outlet at Bushire by local craft. From there it went overland to Shiraz, as I shall explain below. Around a decade later Iranian merchants came to Basra from various other regional trade hubs carrying ready cash from Bandar Rig, and copper ware (*koperwerken*) from Shushtar and Dezful.³⁷

³¹ NA VOC2357 1, extract of letter from Basra to Bandar Abbas, 25 May 1735, inserted shipping list, Basra, 1 May 1734–25 May 1735, pp. 1317-9.

³² NA VOC2416, letter from Basra to Batavia, 28 June 1736, pp. 10-2.

³³ *Idem*, pp. 21-3.

³⁴ With the arrival of the merchants, the VOC sold goods including 5,232 pounds of candy sugar. NA VOC2511, letter from Basra to Bandar Abbas, 31 January 1740, pp. 1026-8.

³⁵ NA VOC2426, letter from Basra to Bandar Abbas, 30 September 1738, fols. 3608v-9r.

³⁶ NA VOC2448, letter from Isfahan to Bandar Abbas, received on 3 September 1737, pp. 1384-5.

³⁷ NA VOC2824, report on Basra and Bushire, T. von Kniphausen on the ship *het Fortuin*, 15 February 1753, pp. 63-4.

Patterns of competition

As at Bandar Abbas so also at Basra, non-VOC sugar suppliers showed a striking flexibility in adjusting to a chronic shortage of cash in the eighteenth century. For them working out deals with the price was a means to draw attention from the cash-strapped wholesale merchants. In late 1736 the VOC was reasonably optimistic of disposing of their commodities quickly. But their officers at Basra nevertheless thought that castor sugar and candy sugar would be more difficult. They said they would have to wait for the English to sell all their sugar because their prices were cheaper, and purchasers would give priority to dealing with the English.³⁸ Two years later some castor sugar sent from Batavia turned out to be wet and syrupy, and the officers had found it even more difficult to find buyers. The English and the French, even with their better quality sugar, dared to reduce their prices further still. The Dutch said they sold castor sugar (origin unspecified) at 8 ½ to 9 *maḥmūdīs* per *man*; their Chinese candy sugar “as white as glass” fetched 24 *maḥmūdīs* on credit for 3 to 6 months. They were like pirates (*buithaalders*) disposing of their booty.³⁹ In fact, in this season the VOC were selling their castor sugar at much higher prices, 11 and 13 *maḥmūdīs* per *man*, but they recorded no sales of candy sugar.⁴⁰

It is interesting to note here that from the 1730s onwards the Portuguese at Macao and English private traders became active in exporting Chinese sugar to Indian markets. Stimulated by an expansion in the cultivation of cane sugar in Guangdong Province in the late 1730s, the Portuguese embarked on a project to sell the product on the Malabar Coast, and in return they obtained pepper for the Chinese market. For the rest of the century, the Portuguese and the English regularly conveyed considerable quantities of Chinese sugar to major outlets on the western coast of India, including Surat and Cochin, places where the VOC found it difficult to sell Javanese sugar.⁴¹ Likewise on the Coromandel Coast, a major transit point for Chinese and Javanese sugar going further west, annual shipments of Chinese sugar from Macao posed a reasonable impediment to the VOC trade.⁴² As G. Souza suggests, some of the sugar sent to the Indian markets was in fact destined for the Persian Gulf. The Basra factors wrote in 1740 that English and Muslim merchants sometimes brought small boxes of “snowy-white” (*hagelwit*) candy sugar into Basra from Madras and Surat. These cargoes were reportedly carried from China by their own ships, while the English and the French most of the time imported normal (i.e. not quite as white) candy sugar and well-refined castor sugar from the Malabar Coast and Madras.⁴³

Because the VOC was reluctant to sell their goods on credit this gave their rivals a competitive edge in the marketplace at Basra. EIC officers at Basra who privately engaged in

³⁸ NA VOC2417, letter from Bandar Abbas to Batavia, 4 April 1737, pp. 3543-5.

³⁹ NA VOC2426, letter from Basra to Bandar Abbas, 30 September 1738, fols. 3607r-v.

⁴⁰ NA VOC2510, annual sales statement, Basra, 1738–39, pp. 52-3.

⁴¹ G. Souza, “Ballast Goods: Chinese Maritime Trade in Zinc and Sugar in the Seventeenth and Eighteenth Centuries,” In *Emporia, Commodities and Entrepreneurs in Asian Maritime Trade, c. 1400–1750*, edited by R. Ptak and D. Rothermund (Stuttgart: Franz Steiner Verlag, 1991), 311-3; Nadri, *Eighteenth-Century Gujarat*, 114-5.

⁴² NA VOC3164, report on sugar trade, Nagapattinam, 12 October 1766, fols. 601v-2r.

⁴³ NA VOC2546, letter from Basra to Bandar Abbas, 31 October 1740, p. 1009.

the sugar trade offered buyers a long credit of between seven and nine months, or even as much as a year.⁴⁴ In addition, when cash was hard to find in the market and credit became quite risky, the English and the French would barter for local export items, such as gum, mastic and madder, to avoid the risk of default in payments of selling prices and of interest attached to credit sales. They could then without delay set out on a return voyage. Every year English and French sugar shipments reached Basra earlier than those of the VOC, and this gave them their advantage. The Dutch factors were very aggrieved to report that others had made deals with most of the wholesale merchants before their own vessels reached port.⁴⁵

As mentioned earlier, the copper trade at Basra was geared towards Indian markets from the late 1720s. Whereas the VOC were always exporting gold and silver, including gold coins called *sjalottes* (an Ottoman name for a coin derived from Polish *zloty*), other sugar suppliers had been laboriously collecting old copper ware and sending it to Bengal and other markets in India.⁴⁶ The VOC started this new line of business in the early 1730s, but soon found it difficult to profit from it as their competitors had scraped up all the copper — the copper ware, “cakes” of copper and *paysas* — that was available in Basra. That the Dutch were sure to procure the metal from Japan might also make them hesitant to venture into the highly competitive business. Increasingly marginalized in the market, the Company’s main object became to hinder their rivals as much as they could from dominating the trade.⁴⁷

The underlying question is why the VOC insisted on cash payments. According to Abdullah, the EIC did the same in Basra, which suggests that these Companies felt the need to do this more than other sugar suppliers.⁴⁸ If that is true, the simple answer is that the Companies, who had to manage the permanent stations and workforces at Basra, could not afford to continue without immediate settlement. Perhaps a more important factor is, however, that the VOC carried their shipping and trade from as far as Batavia, while their competitors came mainly from Indian ports. It is quite probable that this geographical disadvantage made it difficult for the Company to adjust quickly to the capricious market in the Persian Gulf. But it is still not clear why rival suppliers could employ such a risky business method. In an analysis of British private trade in the western Indian Ocean in the eighteenth century, T. Davies points out that in the late 1720s and early 1730s the EIC governor of Bombay, Robert Cowan, gained appreciable profits from trade to the Gulf despite the hazardous conditions, but earned much more profit from trade with China and Bengal. He also had a substantial income accruing from offering loans and the like.⁴⁹ Whether this is also the case with the English privateers involved is unclear. However, considering the significant rise of the English economic presence throughout India and the increase in their seaborne trade towards Southeast Asia and China during the century, it is reasonable to assume that those traders

⁴⁴ NA VOC2034 1, letter from Bandar Abbas to Batavia, 15 May 1725, pp. 30-1.

⁴⁵ NA VOC2546, letter from Basra to Bandar Abbas, 31 October 1740, pp. 1009-10.

⁴⁶ NA VOC2448, letter from Bandar Abbas to Batavia, 31 December 1737, pp. 133-4.

⁴⁷ NA VOC2546, letter from Bandar Abbas to Batavia, 31 March 1741, p. 68.

⁴⁸ Abdullah, *Merchants, Mamluks, and Murder*, 91.

⁴⁹ Davies “British Private Trade Network,” 184-7, 210-17.

could to some extent balance the risk of failure in the Gulf against their more reliable and profitable markets in the east.⁵⁰

Crisis and resilience of trading network

From 1743 to 1750, Basra experienced a series of political disturbances. In 1743 Nadir Shah's armies once again crossed the border and marched to Mosul. Basra also suffered a three-month siege, and the negative impact it had on trade lingered behind till the middle of the decade.⁵¹ But until 1748 Basra had enjoyed relative stability.⁵² Towards the close of the decade Sulayman Pasha, the first *mamlūk* governor of Basra and Baghdad, increased his control over the port and its adjacent areas. But the process was not straightforward. Partly because of his harsh financial exploitation of the population of Basra, he faced serious military opposition from local notables, such as his deputy and *quptān pāshā* named Mustafa Pasha, who led a popular rebellion in 1750.⁵³ During that time many inhabitants left the city, including Armenian merchants who took refuge in Bandar Rig.⁵⁴ The increased commotion brought about a slump of non-VOC shipping to Basra in 1748–49. According to a Dutch memorandum, from April 1748 to June 1749 there were only four non-VOC (*vreemde*) arrivals (two Dutch private vessels and two English ships). Most of their imports consisted of textiles.⁵⁵ Such a reduction, which reflected to a great extent a general decline of shipping to the Gulf at the time, continued till the end of the year.⁵⁶ Given the tremendous development of sugar trade at Surat from the later years of the decade, it is possible that the instability of the Basra market at the time might have provoked a relocation of the Gulf market to Gujarat.

Yet the tide of trade turned back strongly in 1750. Despite the rebellion of the *quptān pāshā* that year, trading craft began to appear in Basra from Baghdad. Upon the arrival of the first group of merchants from Baghdad the VOC sold goods to the value of 60,003 guilders and 12 stivers (almost a quarter of the year's turnover). However, the Dutch factors noted that the Company would have gained more profit if an English ship called *Bonito* had not reached Basra from Bombay some days before the Company's vessel. The English ship, which came by way of Surat, imported a cargo of Javanese sugar by freight as well as loads of their own

⁵⁰ P.J. Marshall, "Private British Trade in the Indian Ocean before 1800," In *India and Indian Ocean: 1500–1800*, edited by A. Das Gupta and M. Pearson (Oxford: Oxford University Press, 1999), 276–300.

⁵¹ Abdullah, *Merchants, Mamluks, and Murder*, 49.

⁵² W. Floor, *The Persian Gulf: The Rise of the Gulf Arabs: The Politics of Trade on the Persian Littoral 1747–1792* (Washington, DC: Mage Publishers, 2007), 247. In late 1747, a Portuguese ship called *Santa Catharina* arrived from Bengal with various goods including textiles for the Armenians in Bengal. After delivering its cargo and acquiring silver, the ship sailed for Bengal in February 1748. When *Santa Catharina* passed by Nagapattinam, however, it was captured by the English, who thought the ship belonged to the French, with whom they were at war at that time. The English confiscated the whole shipload, which included a collection of documents written in Arabic, Persian and Ottoman Turkish. That collection is now preserved in the British Library in London and contains highly valuable information about individual merchants involved in this particular shipping and their ways of living; see G. Sood, *India and the Islamic Heartlands: An Eighteenth-century World of Circulation and Exchange* (Cambridge: Cambridge University Press, 2016).

⁵³ Floor, *The Rise of the Gulf Arabs*, 96–8.

⁵⁴ NA VOC2766, letter from Basra to Batavia, 30 June 1749, pp. 50–1.

⁵⁵ *Idem*, pp. 18–9.

⁵⁶ NA VOC2766, letter from Bandar Abbas to Batavia, 25 December 1749, pp. 86–7.

goods.⁵⁷ In the following year, 1750–51, the VOC faced an enormous supply of Bengali sugar from four English ships and a French vessel.⁵⁸ It seems that the English and the French continued to be active in shipping in the years that followed. From June to August 1752, five English ships — three from Bengal, one from Madras and one from Bombay and Surat — and two French ships, one of which came from Bengal, arrived as well as a Dutch private vessel called *de Hoop*. These suppliers were importing so many goods, more than had ever been seen before. The Dutch noted that the wholesale merchants were making very low bids, which brought the trade to a near standstill.⁵⁹

Competition for bullion for export also picked up. The 1750s saw an appreciable volume of silver rupees (probably part of Nadir Shah's booty from Hindustan) flowing into the Basra market. In 1752, however, the coins totally vanished from the market because the ships from Bengal, Coromandel and Surat that came to Basra that year had gleaned them up.⁶⁰ Under these circumstances there was an increasing interest in freight business among the Dutch personnel in Basra. They considered it more beneficial for the Company to discontinue the excessively competitive bullion trade and instead engage in transporting freight between Basra and Surat. They had become aware that the Armenian and Muslim merchants had long earned profits from trading from Surat to Basra, despite them taking extortionate risks in bottomry contracts (*bodemerij*), freight fees (*vracht*) and customs duties (*tollen*). The officers were convinced that if the Company sent a ship every year from Surat to Basra, like the English and the French, to transport goods and money for these merchants, their profit would be greater, for they believed the merchants preferred to use Dutch vessels.⁶¹

With this in mind, it is useful to note the remarkable development of the pearl trade in the Gulf in the eighteenth century. Pearls were fished from the oyster beds of Bahrain, the chief pearling centre in the Gulf. It had captured a reasonable share of the Indian market by the sixteenth century, and it is probable that there was a surge in demand for Gulf pearls in the eighteenth century. As part of his recent archaeological survey of pearling sites in Abu Dhabi R. Carter points out that in the second half of the century, while Bahrain retained its prominent position, several rival pearling centres emerged along the Arabian shore, including Kuwait, Abu Dhabi and Zubara. On account of the growing demand for pearls in overseas markets, specifically in India, Europe and America, the market value of Gulf pearls steadily increased from the late eighteenth century till the early twentieth century. Then Japan undercut its position in the global market with cultured pearl farming.⁶² In the mid-eighteenth century, Basra was a principal market for pearls that had been fished from around Bahrain in the Gulf. The booming trade towards Surat turned the freight transport of these articles into an

⁵⁷ NA VOC2766, letter from Basra to Batavia, 30 March 1750, pp. 97-8; VOC2787, annual sales statement, Basra, 1 January 1750–31 August 1750, pp. 12-3.

⁵⁸ NA VOC2804, letter from Basra to Batavia, 11 January 1752, p. 11.

⁵⁹ Davies points out the increase of consulage duties collected at Bandar Abbas and Basra after 1750. NA VOC2804, letter from Basra to Batavia, 24 August 1752, pp. 35-6; Davies "British Private Trade Network," 181-4.

⁶⁰ NA VOC2804, letter from Basra to Batavia, 24 August 1752, pp. 38-9.

⁶¹ *Idem*, p. 37.

⁶² R. Carter, "The History and Prehistory of Pearling in the Persian Gulf," *Journal of the Economic and Social History of the Orient* 48, no. 2 (2005): 139-209.

attractive investment for European ship-owning merchants. The Dutch factors wrote in 1750 that every year one or two English private ships freighted 15 to 20 thousand rupees worth of pearls for the merchants at Surat, and the clients in turn paid freight fees at the rate of 5 per cent per value. They claimed that, if the VOC invested money with the same aim, it would yield 6 to 7 per cent profit.⁶³

Seeing that Basra credited much of its prosperity from trade to the port having close connections to interior markets, the persistence of non-VOC shipping to Basra in the early 1750s reflected a flexibility of inland commercial traffic. Though they were occasionally blocked, the roads between Basra and Baghdad continued to play the role of a principal commercial axis in the region. Once the clogged passes were open many goods were transferred and traded through them.⁶⁴ The situation improved during Sulayman Pasha's rule over the region; his tenacious effort to ensure road security worked to their advantage.⁶⁵ The same seems true for caravan traffic with Iran. The protracted civil war that followed Nadir Shah's assassination often impeded the flow of goods across the border but it never precipitated a total catastrophe for trade. In February 1751 the Dutch factors were optimistic about sales for that year since "the road from Baghdad and (that) over Shushtar and Dezful to Persia" were still open. Their hope was fulfilled. From a large caravan that arrived from Iranian towns at that time the VOC succeeded in obtaining 92,000 pounds of old copper ware, which was certainly a large amount.⁶⁶ The Dutch reference to the crucial position of Shushtar in the regional traffic seems to support Rick's argument that ongoing rivalries among leading families of Khuzestan over the governorship of Shushtar was not the cause of an overall crisis of the regional economy but a rational consequence of its continuous development.⁶⁷ The route from Basra to Shiraz and Isfahan also operated, but with temporary halts.⁶⁸

However, this was also the time when there was growing concern among merchants with regard to the efficiency of trade at Basra. Going over the Company's recent poor sales, Tido Von Kniphausen, a leading officer in the Gulf, noticed with some vexation that, even though the Iranian merchants came to Basra from Bandar Rig, Shushtar and Dezful with cash and copper ware to buy the Company's goods, they had to pay a heavy customs duty (7 per cent) both on import and on export. On top of that, they faced extortion and bad treatment by Turkish government officials at the port. Arab merchants who traded with Basra also suffered much of the same kind of abuse. These merchants preferred not to go to Basra if there was some other place not far away where they could obtain the same goods. As a result, Von Kniphausen argues, Basra became nothing more than a transit port (*interpost*) from where Dutch goods were re-exported. About half of the goods sent to Basra were destined for Persia (*Perzië*), about 25 per cent for Arabia (*Arabië*), and another 25 per cent for Turkey (*Turkije*).

⁶³ NA VOC2766, letter from Basra to Batavia, 30 March 1750, pp. 96-7. Later in 1754, the VOC had an abortive plan to take over Bahrain to control its lucrative pearling activities. Floor, *The Rise of the Gulf Arabs*, Appendix I, pp. 321-31.

⁶⁴ NA VOC2804, letter from Basra to Batavia, 11 January 1752, p. 11.

⁶⁵ NA VOC2787, letter from Basra to Batavia, 10 August, 1750, p. 5.

⁶⁶ NA VOC2787, letter from Basra to Batavia, 7 February 1751, p. 23.

⁶⁷ Th. Ricks, *Notables, Merchants, and Shaykhs of Southern Iran and Its Ports: Politics and Trade of the Persian Gulf Region, AD 1728-1789* (New Jersey: Gorgias Press, 2012), 121-32.

⁶⁸ NA VOC2804, letter from Basra to Batavia, 11 January 1752, pp. 11-2.

Transport to Turkey, though, was almost impossible, because Sulayman Pasha prevented caravans from taking the desert route to Aleppo and instead forced them to use the Euphrates route through Baghdad. Whereas the land route took 25 days and was toll-free, by river it took longer than 3 months and was subject to various heavy imposts charged by the pasha.⁶⁹

Von Kniphausen did not identify the places where the goods were transferred to, but there can be almost no doubt that the Utubi ports of Kuwait and Zubara on the Arabian coast greatly benefited from this development. During the second half of the eighteenth century, the Utubi tribesmen, who had the policy of “non-tariff trade”, drew to their settlements significant portions of the goods from India and Arabia which otherwise would have gone to Basra, and they arranged caravans to convey them across the desert to Aleppo and other Ottoman markets.⁷⁰ The situation along the Iranian coast was much more complex. While Bushire kept a high profile in regional trade, several ports in the north, such as Bandar Rig, Bandar Deylam, and Bandar Ganaveh, rose impressively to threaten the position of Bushire, a development to which we shall now turn.

2. Bushire (1737– c. 1753)

The port of Bushire is located at the northern end of a low-lying peninsula projecting from the northern Iranian littoral. Although it was known as a port of some local importance by the seventeenth century one could say it remained only one of the many small ports in the Gulf, if not just a fishing village. That is until the mid-1730s, when Nadir Shah selected it as the base for his naval campaigns against Bahrain, Basra, and later Oman. Then the town acquired a more prominent role in the region.⁷¹ We do not know much about its administration during the time concerned in this study, but the main administrators seem to have been a governor (*sulṭān*) and a customs master (*shāhbandar*). More importantly, towards the middle of the century, the Madhkurs, a local Arab family supposed to be of Omani origin, had consolidated their uncontested authority at the port, and members of that family retained both these senior positions for the rest of the century.⁷² After the Safavid period, Bushire gradually developed into a major gateway for the leading regional market of Shiraz. At the port the VOC kept a trading post from 1737 till 1753. The EIC formally entered Bushire later. They established a factory there in 1763, but soon withdrew, and then returned to the port in 1776.

⁶⁹ Four years later, in 1757, the merchants would embark on a desert trip from Basra to Aleppo after buying a special pass from Sulayman Pasha. NA VOC2824, report on Basra and Bushire, Von Kniphausen on the ship *het Fortuin*, 15 February 1753, pp. 63-4; [Joan Gideon Loten], “Overlandreis van Indië naar Europa, in 1757,” *Kronyk van het historisch genootschap gevestigd te Utrecht* 16 (1860): 124-5.

⁷⁰ A. Hakima, *History of Eastern Arabia, 1750–1800: The Rise and Development of Bahrain and Kuwait* (Beirut: Khayats, 1965), 71-3.

⁷¹ For the early history of Bushire, see Floor, *The Rise of the Gulf Arabs*, 224-35.

⁷² S. Grummon, “The Rise and Fall of the Arab Shaykhdom of Būshire: 1750–1850,” (PhD diss., Johns Hopkins University, 1985), 61-73; Ricks, *Notables, Merchants, and Shaykhs*, Table 3, 120.

Connections to Basra and Masqat

The prevailing view among historians has been that Nadir Shah's use of Bushire as the stronghold of his newly-established fleet from 1734 triggered a growth of trade at the port, even though it took a few more decades for it to become the premier commercial port of Iran.⁷³ In an incipient form it came into being before the year of the revolution. According to William May, who visited Bushire in February 1729 on behalf of the EIC, in the town there were traders who had been born and had grown up there. May tried to convince them to return to Bandar Abbas for trade, but the merchants contended that they were at the time happier in Bushire than anywhere else. They saw Bandar Abbas as the last place to go since it was plagued by marauding Baluchis and an oppressive Afghan government. As for the trade at Bushire, May wrote that the port annually imported both weighed and itemized goods to a value of more than 5,000 – 6,000 *tūmāns* from Bengal by way of Basra, as well as many more products from Surat, Ghogha (Gogo), Gujarat (Guzzerat), Karachi (Duil), etc. Yet serious trade could be carried out only for immediate payment, chiefly with copper coins called *qāz* (*goz*), since gold and silver (white money) or bills of exchange were very costly there.⁷⁴

During the 1730s Bushire steadily developed into a significant market for sugar. In 1737 it was noted that sugar and iron yielded good profits there.⁷⁵ In May 1740 an English ship called *Galathia* brought into port more than 70,000 pounds of castor sugar, candy sugar, etc., together with Madras textiles on the account of several Armenians who were to transport them to Isfahan.⁷⁶ In the later part of the decade the chief merchant (*hoofdkoopman*) among the “native” merchants was called Shaykh Muhammad Rida Shushtari, a *nisba* suggesting he could have a Shushtar origin. It seems true that leading members of the Madhkurs were important merchants as well. The first Dutch resident, Schoonderwoerd, who landed at Bushire on 18 August 1737, described Shaykh Madhkur, the head of his family, as “a kind of chief merchant, who is engaged in commerce on a daily basis and who has good credit.”⁷⁷

Evidence collected from the Dutch records, however, leaves us with a different impression. It suggests that the Bushire sugar market was of secondary importance in the Upper Gulf. The VOC noted that English and French “interlopers” who had already found a glut of castor sugar, candy sugar and iron at the Basra market would drop by Bushire on their way back in order to dispose of these items.⁷⁸

It is probable that the continuing deployment of Nadir Shah's troops in the region, which tended to conscript local manpower and financial resources into royal service indiscriminately, made any direct shipping of sugar to Bushire highly precarious for sugar suppliers in general. Merchants preferred to sail with their sugar to other Gulf ports, and have some of it reshipped from there to Bushire by local craft. Shortly after his arrival, Schoonderwoerd was confronted

⁷³ Grummon, “The Rise and Fall of the Arab Shaykhdōm,” 64-5; Floor, *The Rise of the Gulf Arabs*, 235-6; X. de Planhol and Muhammad Taqī Masudiya, “Būšehr,” *Encyclopædia Iranica*, updated 21 September 2012.

⁷⁴ BL IOR G/29/5, 5 April 1729, inserted report from W. May to Bandar Abbas dated 6 April 1729.

⁷⁵ NA VOC2448, letter from Bandar Abbas to Batavia, 31 December 1737, pp. 172-3.

⁷⁶ NA VOC2511, letter from Bushire to Bandar Abbas, 16 May 1740, pp. 1106-7.

⁷⁷ Floor, *The Rise of the Gulf Arabs*, 238, 239; NA VOC2448, diary, J. van Schoonderwoerd, Bushire, pp. 1534-5. Cf. Grummon, “The Rise and Fall of the Arab Shaykhdōm,” 246-8.

⁷⁸ NA VOC2368, letter from Bandar Abbas to The Netherlands, 18 May 1737, fol. 3785r.

with the fact that the region's economy had had to bear serious financial burdens to support the naval activities. The interventionist practices of the port authorities in commerce further increased the difficulty for the Company to conduct business.⁷⁹ However, Schoonderwoerd could also see how Bushire was receiving regular supplies of commodities, particularly sugar, through Basra and Masqat. According to the journal that the Dutch agent kept in Bushire, the total number of ships that arrived into the port from 18 August 1737 to 10 April 1738 was 27. Most were local transport vessels (*vaartuig/tranki*). Nine of them brought sugar to Bushire. Besides the VOC ship called *Antonia*, another two possibly brought their sugar from outside the Gulf. A Malabar vessel which arrived from Masqat on 17 September 1737 was laden with canisters of Javanese sugar (*Bataviase suiker*), pepper and ginger; there is always the possibility that the ship had acquired the sugar at Masqat during the voyage. About one month later a Muslim ship came from Mocha with castor sugar (origin unspecified) and coffee beans. The others were all local transport craft — five from Basra and one from Masqat. The transit to Basra was particularly important. One of the Basra craft, registered as a big *tranki* (*grote torank*), was laden with 300 big canisters (*grote canassers*) of Javanese castor sugar, which would amount to 87,000 Dutch pounds.⁸⁰ This figure is striking when linked with the fact that even in their best year the annual sales of Javanese castor sugar in Bushire for the VOC did not reach 50,000 pounds.⁸¹

Pursuit of copper

Although Bushire presented itself as a modest sized sugar market during Nadir Shah's reign, it would not be going too far to say that the port contributed substantially to the regional market for export bullion. During his reign the Bushire market from time to time provided gold and silver for export to India. According to the VOC, in 1742–43 English and other private traders accepted gold ducats for a high price of 21 *mahmūdīs* per *man* (equivalent to 6 $\frac{3}{4}$ Dutch pounds in Bushire), proposing to sell them in India for 21 $\frac{1}{4}$ *mahmūdīs*.⁸² We are uncertain about where this metal came from, but since Bushire enjoyed a close commercial link to Shiraz and Isfahan, it is possible that much of it came from that part of the world. However, it is interesting to note that some maritime traders once tried to import silver coins into Bushire. In October 1742 the Dutch factors reported that Spanish reals (*Spaanse matten*) and rixdollars (*rijksdaalders*) had not been brought in by merchants from the upper countries but had happened to be imported via Masqat and Mocha, principally by other European traders. The merchants would not easily let go of their coins unless they could exchange them

⁷⁹ Floor, *The Rise of the Gulf Arabs*, 237–47.

⁸⁰ NA VOC2448, diary, Schoonderwoerd, Bushire, 18 Augustus 1737–10 April 1738, pp. 1522, 1523, 1527, 1529, 1531, 1534, 1536, 1540, 1541, 2521, 2523, 2527, 2528, 2530, 2532, 2536, 2538, 2539.

⁸¹ See Appendix 3.

⁸² NA VOC2610 2, letter from Bandar Abbas to Batavia, 29 June 1743, p. 120. Some of silver coins brought into Bushire were also re-exported to Basra where they might fetch better prices. R. Matthee, W. Floor and P. Clawson, *The Monetary History of Iran from the Safavids and the Qajars* (New York: I.B. Tauris, 2013), 154.

for profitable export items. Eventually they gave up the idea of trading their silver coins and instead reshipped them to India.⁸³

It was copper that held the prominent position in the Bushire market. As mentioned before, Bushire was relatively well-stocked with copper on account of its proximity to Hoveyzeh, to where the local merchants occasionally transferred the metal for minting. Indeed the main reason why the VOC tapped into the market was to procure copper and copper coins (*paysas*).⁸⁴ Though the focus of some other maritime traders' commitment to the Bushire market may have differed from that of the VOC, they most likely shared the same purpose. The Dutch noted that on 10 March 1740 an English ship called *Martha*, after selling most of its cargo at Masqat, came to Bushire with *Banian* merchants aboard in order to acquire copper.⁸⁵

Not surprisingly here too the VOC faced daunting challenges from their English and French rivals. In 1741 the Dutch officers in Bandar Abbas became embittered by reports on the severe decline of the Company's copper trade in Bushire. They remarked disapprovingly that, despite copper's exorbitant prices, the English and the French were incredulously eager to obtain it. In late 1740 copper *paysas* were hardly available, and for copper one had to pay 11, 12, 13 or 13 ½ *mahmūdīs per man*. The officers regretted that they had been forced to acquiesce in order not to lose the entire market to their competitors.⁸⁶ In the midst of this helplessness, which was compounded by difficulties in dealing with the port authorities, the Dutch chief at Bandar Abbas, Carel Koenad, proposed that the Bushire factory should be closed down.⁸⁷

Predominance of Iranian and Armenian merchants

Towards the close of Nadir Shah's reign Bushire, like many other parts of Iran, experienced several rebellions against his despotic sway and its market was not exempt from the consequent confusion.⁸⁸ In the broader perspective, however, the market continued to grow as it increasingly drew in the inland merchants who had so far traded at Bandar Abbas. The advantageous access that Bushire had to the markets of Shiraz and Isfahan, coupled with the higher customs duties that distressed the Bandar Abbas market, encouraged the development of Bushire on the Iranian side of the Gulf.⁸⁹

Bearing in mind that the trade at Basra was uncertain at that time, Bushire could conceivably have reached prime position in the whole Gulf market. This apparently did not happen. In August 1750 the Dutch officers at Basra wrote that, whereas a considerable part of

⁸³ NA VOC2610 2, letter from Bandar Abbas to Batavia, 29 June 1743, pp. 120-1.

⁸⁴ Floor, *The Rise of the Gulf Arabs*, 237-8.

⁸⁵ NA VOC2511, letter from Bushire to Bandar Abbas, 5 April 1740, p. 1095.

⁸⁶ NA VOC2546, letter from Bandar Abbas to Batavia, 31 March 1741, pp. 101-2. For the copper trade at Bushire, see Matthee, Floor and Clawson, *The Monetary History of Iran*, 156, 162.

⁸⁷ He argued the same for the Isfahan factory. NA VOC2584, final report from C. Koenad to S. Clement, 22 January 1742, p. 1793.

⁸⁸ Floor, *The Rise of the Gulf Arabs*, 246-7.

⁸⁹ NA VOC2710, letter from Bandar Abbas to The Netherlands, 10 October 1748, fols. 1317r-v.

the goods that they had sold at Basra were bound for Iran through Bushire, those of the same kind which they sent directly to Bushire did not find buyers there.⁹⁰ As described before, in the early 1750s Basra became a port of transit for VOC goods in the Upper Gulf, reshipping about half of them to Iran. Yet according to Von Kniphausen, Bushire was not the beneficiary this time either. The situation of Bushire was as bad as that of Basra, he said, because there merchants could not buy goods with a value of more than 100 rupees without the governor's permission. As soon as some Company goods were imported the governor prevented the merchants from buying them, and even from coming into the Dutch lodge. Then he himself or his agent checked the goods and forced the Company to sell them for prices set by him. He distributed a quarter or a third of the purchased goods among the Iranian and Armenian merchants for the same prices he had paid. The rest would go to other merchants, to whom he sold the goods for at least a 20 or 30 per cent profit. Von Kniphansen claimed that Bushire was nothing more than a transit channel for the Company's goods.⁹¹

This dim prospect for the VOC illuminates an important aspect of the Bushire trade. It reflects the favoured position of Iranians and Armenians in the marketplace and suggests that these merchants were engaged in the sugar trade. The case of an Iranian merchant called Agha Abdi is interesting in this regard. At the close of the 1730s he was known as the chief broker in Bushire for all imported Iranian commodities. While acting as broker for the commander of the Iranian flotilla Muhammad Taqi Khan he schemed to take over the brokership from the Dutch. By obtaining a royal order appointing him as broker for the VOC he made an attempt to unseat the incumbent broker, a *Banian* called Nath.⁹² By July 1743 Agha Abdi also became broker for the EIC.⁹³ Unfortunately the English records are almost silent on this merchant (the EIC had no trading post in Bushire till 1763), but the VOC left an account of how his activities spoiled their trade. With reference to the poor sales for the period from 1 September 1745 to 31 March 1746 the Bushire factors noted that, as much as the government's extortion and the commotion caused by Nadir Shah's interference in pearl fishery frustrated their business, an Armenian merchant called Mazok [?] and the English broker (*Engelse makelaar*) Agha Abdi had all the time conducted "illegal trade" (*morshandel*). Furthermore, the price of old copper had increased to as much as 18 *maḥmūdīs* per *man*.⁹⁴

An Arab ruler of Bandar Rig named Mir Nasir Waqai (d. 1754) took advantage of this situation to invite the VOC to settle on Kharg Island, an island situated about 30 miles northwest of Bushire which he owned. His proposal was sensible, offering a place to trade away from volatile politics on the coast. His invitation was attractive enough for the Dutch officers to believe that on the island the Company could have more leeway for their trade.

⁹⁰ NA VOC2787, letter from Basra to Batavia, 10 August 1750, pp. 6-8.

⁹¹ NA VOC2824, report on Basra and Bushire, Von Kniphausen on the ship *het Fortuin*, 15 February 1753, pp. 62-3.

⁹² Floor, *The Rise of the Gulf Arabs*, 242-3.

⁹³ BL IOR G/29/6, 9 July 1743.

⁹⁴ NA VOC2705, letter from Bandar Abbas to Batavia, 31 July 1746, p. 89.

Under the strong leadership of Von Kniphausen the VOC established their factory on Kharg in November 1753 and embarked on their last venture in the Gulf.⁹⁵

3. Kharg (1753–66)

Development of local shipping

From what has been said it is becoming clear that one of the major factors in the resilience of the Gulf market was brisk local shipping to and from every single point in the Gulf. On the coastlands of the Gulf many Arab and Iranian inhabitants were dependent on shipping and fishing. If a regular market was obstructed for some reason their shipping could help to find a way through an alternative avenue of trade for its merchandise. The VOC project to turn Kharg Island into a great emporium was in fact supported by their observation that the island could also benefit in this way. Von Kniphausen related:

The above-mentioned island [Kharg Island] had a very favourable location regarding that it was situated 10 miles distant from Basra, 5 miles equally away from Bushire and Bandar Rig, 12 miles from Green [Kuwait] on the Arabian Coast (from which place the great caravan leaves for Aleppo), and about 20 miles from Qatif and Bahrain where the robust pearling was going on.

Noting the merits of its fine anchoring place near the shore, he was convinced that Kharg was the best place in the Gulf to set up a factory to supply Persia, Arabia, and Turkey with goods.⁹⁶ Moreover, Kharg was inhabited by a group of skilled sailors. During the eighteenth century they were known as the best pilots for European ships sailing to Basra, where the direct channel was difficult to navigate.⁹⁷ Soon after moving into Kharg, in the winter of 1753–54, the VOC began to construct a fortress named *Mosselsteyn* (named after Jacob Mossel, the Governor General of Batavia) in the northeast corner of the island in order to improve safety and to be convenient for local ships (*inlandse vaartuigen*) stopping by for loading and unloading.⁹⁸

The VOC enterprise in Kharg had immediate consequences on the economic environment on the north of the Iranian coast, where the Company would send a large part of its goods. Of particular significance in this regard is that the ports of Bandar Rig, Bandar Deylam, and

⁹⁵ There is uncertainty if Mir Nasir ceded Kharg to the VOC altogether or not, though the High Government of Batavia was convinced of their perpetual ownership. Floor, *The Rise of the Gulf Arabs*, 112-3, 252-4. In 1752, Mir Nasir also extended an invitation to the EIC to Bandar Rig. For the EIC's contact with Bandar Rig, see Abdul Amir Amin, *British Interests in the Persian Gulf* (Leiden: Brill, 1967), 35-9.

⁹⁶ NA VOC2824, report on Basra and Bushire, Von Kniphausen on the ship *het Fortuin*, 15 February 1753, pp. 66-7.

⁹⁷ Slot, *The Arabs of the Gulf*, 15; D.T. Potts, "Kharg Island ii: History and Archeology," *Encyclopædia Iranica*, updated 20 July 2004.

⁹⁸ Floor, *The Rise of the Gulf Arabs*, 116; NA VOC2864, letter from Kharg to Batavia, 31 May 1755, pp. 47-8.

Bandar Ganaveh, as well as Bushire, all became important destinations for shipments from Kharg.

Bandar Rig, which had been a small port in the seventeenth century, began to attract more trade at the close of the Safavid period. By 1720 it was known as an active site for inland trade with Shiraz.⁹⁹ It took a crucial position in the regional trade in the mid-eighteenth century. Around 1752 the Dutch factors at Basra sensed a growth of trade at Bandar Rig, and they transferred some goods including sugar to that market.¹⁰⁰ They also entrusted some Armenian merchants from there to procure copper ware for export.¹⁰¹ Perhaps it was at about the same time that Bandar Deylam also rose in significance. By 1755 the Dutch trade at Kharg came to rely on the regular arrivals of caravans from inland to Bushire, Bandar Rig and Bandar Deylam.¹⁰²

Even though there were more Iranian merchants living in Bushire running a lively caravan trade with markets in the interior, the other ports, Bardar Rig, Bandar Deylam and Bandar Ganaveh, were as well or even better situated as Bushire to send goods upcountry. The remarkable rise of these ports in the middle of the century owed much to the rulers' efforts to connect goods shipped from Kharg with the inland traffic. As a stimulus Mir Nasir once bought goods worth 30,021 guilders and 15 stivers from the VOC with the intention of transporting them to Shiraz on his own account.¹⁰³ According to the VOC, around mid-1755, while the shaykh of Bushire charged merchants who imported goods from Kharg a 10 per cent duty, the regents of Bandar Rig, Bandar Deylam and Bandar Ganaveh advertised an appealing rate of no more than 3 per cent.¹⁰⁴

While vying with Bushire, Bandar Rig, Bandar Deylam and Bandar Ganaveh were also in direct competition. After the murder of Mir Nasir by his son Mir Muhanna in July 1754, affairs in Bandar Rig were in a state of turmoil. In 1757, Bushire also saw a flare up of hostilities among the local elite. The VOC noted that Bandar Deylam and Bandar Ganaveh began to rise by capitalizing on this situation. The regents of these places employed every means to attract merchants and caravans and to be on good terms with the Company. At the time there were some deserters from the Dutch service at Kharg who had fled to the territories of Bandar Deylam and Bandar Ganaveh. When the Company asked for their extradition the ruler of Bandar Deylam agreed to hand over one he had caught on condition that he would not be punished. The ruler of Bandar Ganaveh did the same, but unconditionally.¹⁰⁵

⁹⁹ Floor, *The Rise of the Gulf Arabs*, 106-8.

¹⁰⁰ See Chapter 2.

¹⁰¹ NA VOC2804, letter from Basra to Batavia, 11 January 1752, pp. 12-3. Because of the deterioration of trading conditions in Isfahan after the Afghan conquest, a number of Armenians who had lived in Julfa took shelter in Bandar Rig. In February 1753, some of those Armenians requested the VOC to allow them to trade under the Company's protection. NA VOC2824, translation of a letter from five Armenians of Bandar Rig to Basra, 20 February 1753, pp. 78-80.

¹⁰² NA VOC2864, letter from Kharg to Batavia, 27 February 1755, p. 38.

¹⁰³ NA VOC2864, letter from Kharg to Batavia, 31 May 1755, pp. 51-2.

¹⁰⁴ NA VOC2885 1, letter from Kharg to Batavia, 27 September 1755, pp. 6-7.

¹⁰⁵ NA VOC2885 3, letter from Kharg to Batavia, 5 August 1756, pp. 20-4.

Apart from the close connections with the northern Iranian littoral it is likely that there was regular shipping of sugar from Kharg to Basra. The Dutch records rather surprisingly contain few references to such transport, but the English documentation on the Dutch Kharg includes an intriguing note.

The Dutch at Carrack [Kharg] keep three stout gallivats [a kind of warship] by means of which none dare to insult them. They have no dispute with any one besides the shaik of Bunderick [the shaykh of Bandar Rig] and this is owing to the[ir] refusing paying the annual sum they at first agreed for the island. Their gallivats they sent to diffs. [different] ports to give convoy to such merchants as want to come and purchase goods. Carrack produces nothing but onions and was it not for its contiguous situation to Busshire [Bushire] and Bussas. [Basra], the Dutch would not be able to subsist. There are only two people on the island who may be call'd merchants, the one a Jew and the other a Persian. The former monopolizes all the sugar and spice for Bussa. [Basra] market, and the latter most of what goes into Persia. There are about one hundred European soldiers and forty seamen with some coffres [coffers].¹⁰⁶

This description suggests that the VOC sugar was usually shipped to the Basra market through a Jewish merchant in residence at Kharg. Much of the sugar sent to Basra might be destined for Baghdad given the growth of Jewish commerce along the Basra-Baghdad route in the eighteenth century.¹⁰⁷

In the latter half of the 1750s, Kharg also transshipped sugar to Mocha. Referring to two Dutch ships, to *de Marienbosch*, which tapped into the Masqat's market in 1756, and to *'t Pasgeld*, which sailed to Sind for trade in the same year, Dutch officers at Kharg complained to Batavia. They pointed out that if either of these ships had instead provided Kharg with sugar, iron and tin, etc., they could have increased their sales and profits. They continued:

In this regard, it is necessary for us to inform Your Honour that the shipping in this Gulf and the Red Sea (*de Mochase Golf*) is so actively carried out, and the costs of freight fees (*vracht*) are so small that, no matter where the Company's weighed goods are brought in, it makes little or no consequence on the sales. Namely, the merchants who continuously go back and forth by their craft (*tranquies*) appear wherever the goods are available, and transport them to various places where they expect to trade. This appears evident from the sugar and iron unloaded from *de Marienbosch* at Masqat, then transferred to Mocha. Besides, the merchants of Mocha (*Mochase kooplieden*), after making sales of their coffee at Basra, take sugar, iron, tin, and spices here [at Kharg] on their way back, after a month, and export them to Mocha. For this purpose

¹⁰⁶ BL IOR G/29/14, 24 December 1761, inserted letter from Bandar Abbas to Bombay under the same date.

¹⁰⁷ Abdullah, *Merchants, Mamluks, and Murder*, 93-5.

some of them have stored a little sugar here. Therefore, if Your Honour sends ships to Masqat or Mocha, the greatest part of the profits obtained there would wind up as a loss to our factory. The loss of the same kind will be proved by the goods imported into Sind (*Deviel en de Cust van Diewel Sindie*) to the sales at Surat and Malabar.¹⁰⁸

The intensified local shipping enabled sugar suppliers to unload their sugar virtually everywhere in the Gulf. That always posed a potential threat to the VOC, who intended to develop Kharg into the premier centre for shipping and trade. On 5 August 1756 the Dutch factors reported that English and French ships had appeared with large amounts of commodities that year, flooding not only the Basra market but also the whole Gulf market. They traded their goods on the cheap for precious stones, copper, wheat and all kinds of drugs. If this practice continued the Company feared they would not be able to sell almost anything but spices.¹⁰⁹ According to existing Dutch shipping lists, from 8 December 1755 to 5 August 1756 (the date mentioned above) Kharg saw twelve non-VOC ships arrive or pass by the island; five were supplying sugar. It merits our attention because those ships were engaged in the sugar trade in different places in the Gulf. An English vessel called *Prince George* from Bengal bound to Basra had sold sugar in Bandar Abbas before it called into Kharg on 8 December 1755. *La Moore*, a French arrival from Bengal on 26 December 1755, conveyed 600 sacks of sugar. An English ship called *Ganges*, passing the island on 24 June 1756, headed for Basra with 600 sacks of well-refined sugar (*witte suiker*). The ship was followed by *Elizabeth*, another English vessel, which had sold part of its sugar cargo in Bandar Abbas and Masqat on the way. A French craft called *Tegenepatnam* reached Kharg on 1 July 1757 with 700 packs of sugar, perhaps meant for Basra.¹¹⁰

Later Kharg was more of a transit site in the Upper Gulf. In 1764 the Dutch director, Wilhelmus Johannes Buschman, lamented that no trade was conducted on Kharg Island itself. Because all merchandise that came here was certainly to be reshipped, the Company's toll incomes were small. Goods that should have been unloaded here were actually transshipped from one boat (*vaartuig*) to the other "a little off shore, in the roadstead" (*op de buiten rede*), and then transported to wherever the buyer or owner of the goods wanted them to go.¹¹¹

Conflicts and flexibility of traffic

During the last part of the 1750s and the 1760s rivalries increased between the ruling elites of the Upper Gulf regions. The VOC and the EIC became embroiled in them, which sometimes resulted in attacks on the shipping lanes of the other's territory. Historians have identified two

¹⁰⁸ NA VOC2937, letter from Kharg to Batavia, 26 October 1757, pp. 18-9.

¹⁰⁹ NA VOC2885 3, letter from Kharg to Batavia, 5 August 1756, p. 8.

¹¹⁰ NA VOC2909, shipping list, Kharg, 8 December 1755–20 July 1756, pp. 1-8; VOC2937, shipping list, Kharg, 11 July 1756–4 August 1757, pp. 29-32.

¹¹¹ NA VOC3156, letter from W.J. Buschman at Kharg to Batavia, 30 September 1764, pp. 22-3.

Arab shaykhs, Mir Muhanna the ruler of Bandar Rig, and Shaykh Salman (d. 1767) the leader of the Banu Kab, Khuzestan, as the main players in this development.

After consolidating his power in Bandar Rig in 1758, Mir Muhanna began to attack the shipping bound for Bushire and Basra, and to harass caravan traffic from Bushire to Shiraz. In the middle of the 1760s, when the Zands of Shiraz under the strong leadership of Karim Khan (d. 1779) launched a military expedition against him, he had to abandon Bandar Rig, but soon afterwards he expelled the VOC from Kharg in order to settle there. From the new base, he continued to hinder the Basra shipping till 1769. In that year he was overthrown by his subordinates and arrested near Basra and executed by the *mutasallim* there. Around the same time the Kab, under its chief Shaykh Salman who was in control of the Dawraq plains, developed into a powerful maritime power in the Gulf. Taking advantage of the inaccessible marshy areas from Dawraq to the coast, and by playing off the Ottomans against the Zands, the Kab formed a politically semi-independent entity. Their ships also repeatedly attacked shipping lanes to Basra, and this did not abate until the late 1760s. That was when the EIC, at the request of the *mutasallim*, intervened with their navy to check the Kab as well as to secure the safety of ships to Basra from the attacks of Mir Muhanna.

Recently Floor has argued that, after Nadir Shah's reign, the centralizing states in Iran and Iraq, such as the Zands and the Ottomans (the *mamlūk* regime), were unable to impose their supremacy on the costal Arab shaykhdoms and they allowed them to attain self-assertive positions. The surge of Arab principalities on the Iranian coastland alongside those of the ports on the other side of the Gulf, such as Oman, Zubara, Kuwait, etc., led to hostilities and piracy and contributed to a growing insecurity over the Gulf. As a consequence, Gulf trade fell into overall decline.¹¹²

This is a view reminiscent of the "myth" of Arab piracy that echoes in British colonial literature on the Persian Gulf. But in fact the rise of the Gulf Arabs mostly reflects a fast-shifting development of the Gulf trade during the eighteenth century rather than its breakdown.¹¹³ In this light we should recall earlier scholarship that supports this idea. Grummon argued that it was the incontrovertible status of Bushire as the principal trading port of the region after the recession of Bandar Rig that may have driven Mir Muhanna to his "piracy" operations, for this was the only feasible economic occupation left to him.¹¹⁴ Ricks perceived the steady growth of trade from Basra to Bandar Shapur, close to Dawraq, and thence to Shiraz and Isfahan during 1753–63 as being behind the emergence of Shaykh Salman and the Kab.¹¹⁵ Abdullah plainly put it that the war between the Kab and the

¹¹² Floor, *The Rise of the Gulf Arabs*, xvii, 317-9.

¹¹³ J. Lorimer, *Gazetteer of the Persian Gulf, 'Omān, and Central Arabia*, 2 vols. (Calcutta: Office of the Superintendent Government Printing, 1908–15). al-Qasimi also supports the idea of an overall catastrophe in the eighteenth century, but he does not ascribe it to "Arab piracy" but to the political commotion in the Iranian littoral. al-Qasimi, *Power Struggles and Trade*, xi, xxxiii-xxxiv, 190-2. Cf. Idem, *The Myth of Arab Piracy* (London: Croom Helm, 1986).

¹¹⁴ Grummon, "The Rise and Fall of the Arab Shaykhdom," 89-90.

¹¹⁵ Ricks, *Notables, Merchants, and Shaykhs*, 182-3.

government of Basra was fuelled in part by the boom of Basra shipping during the period from 1766–74.¹¹⁶

It is true that during the eighteenth century the rivalries among many independent Arab shaykhdoms on both shores of the Gulf often impaired Gulf shipping. However, it is not unlikely that, when two entities or more fell into an outright conflict, there were some other seafaring groups who, not aligned with either side, made the best of their rivals' struggle to gain more traffic. The situation of 1761 is a case in point. At that time Shaykh Salman in alliance with the Utubi tribesmen of Kuwait fought the Madhkhur shaykh of Bushire named Shaykh Sadun for control of Bahrain. This war involved Basra and the Huwala Arabs (*Houlaase Arabiers*, a group of powerful sea nomads of the Lower Gulf); the former aligned itself with Bushire, and the latter split into two factions. As a consequence, almost all local shipping (*kleine vaart*) was prevented. Nevertheless, craft belonging to the inhabitants of Kharg Island remained in operation. They freely shuttled back and forth in the Gulf since both parties let them pass unmolested in view of the neutral position adopted by the VOC on this issue.¹¹⁷ The busy Kharg traffic was probably one of the main reasons for the Dutch success in sales of sugar at the beginning of the 1760s (Chapter 2).

A similar adaptability in the overland traffic taking merchandise to and from the Gulf can also be seen. Buschman once noted that the military operations inland on the Iranian side would not have had so great an impact on the trade at Kharg as on that of Bushire and Bandar Rig, for the Iranian kingdom was so “vast” (*wijdluftige uitgebreidheid*) that not all roads towards it could be stopped or barred at once.¹¹⁸ Alternative passages for the VOC sugar which he then had in mind might well have included the Iraqi routes. Some time later he wrote that, although there was still confusion in the neighbouring provinces, the roads reopened to Basra, Baghdad, and through them to Iran.¹¹⁹

Even more remarkably there was an unfaltering demand for maritime sugar inland on the Upper Gulf. In early 1763 the Euphrates route was blocked by local Arabs; commercial traffic from Basra to Baghdad, Shushtar and elsewhere ceased altogether. This was due to the war between the governor of Baghdad and Basra, Ali Pasha and the desert Arabs. On top of that, trade in the Gulf down to Masqat was at a complete standstill. Despite all this Buschman was still confident of seeing an improvement in the Company's trade. His information was that sugar had already become extremely scarce in the upper countries, and hardly anyone could obtain it even they had the money.¹²⁰

From the late 1750s Mir Muhanna's increased aggression against the Bushire-Shiraz caravan routes fostered an alliance between the Madhkurs and Karim Khan. The peace that the partnership ensured encouraged the traffic from Bushire to Shiraz.¹²¹ During the first half of the 1760s the trade further developed as Karim extended his mastery over most of the

¹¹⁶ Abdullah, *Merchants, Mamluks, and Murder*, 50-1.

¹¹⁷ NA VOC3027 2, letter from Kharg to Batavia, 22 June 1761, pp. 4-5.

¹¹⁸ NA VOC3123, letter from W.J. Buschman at Kharg to Batavia, 8 May 1763, p. 5.

¹¹⁹ NA VOC3123, letter from W.J. Buschman at Kharg to Batavia, 5 October 1763, p. 19.

¹²⁰ NA VOC3123, letter from Buschman at Kharg to Batavia, 8 May 1763, pp. 8-9.

¹²¹ Grummon, “The Rise and Fall of the Arab Shaykhdom,” 91-3.

interior of Iran, and this facilitated moves of merchants and goods through the country. Especially after February 1763, when Karim defeated his archrival Fath Ali Khan Afshar in Azerbaijan, Bushire was well-connected through Shiraz to Isfahan and even to Russia.¹²²

The vibrant market attracted the EIC, which was looking for a new outlet for English woollen manufactures on the Iranian littoral after their departure from Bandar Abbas in 1762. The EIC set up a trading post in 1763 and English trade at Bushire immediately became active. In May 1763 the Dutch at Kharg expressed a growing concern about the English, who had carried out a “crafty scheme” (*finesse*) to import not just woollen goods but also weighed goods, such as lead, tin, and notably a batch of Batavia, Cochin, and Chinese castor sugar. Once the roads would become somewhat safer the Dutch were concerned that the newly-established English factory and trade would get a firm footing and deter trade at Kharg.¹²³

In the last days of the VOC Kharg venture the Company faced vigorous English shipping to the Upper Gulf as well as the complications of conflicting interests of the local and regional notables. According to a Dutch memorandum, in the financial year of 1763–64 12 English ships came to Basra and Bushire from Bengal, Bombay and Surat, as well as 2 Muslim vessels and 2 Dutch private sloops.¹²⁴ A Dutch shipping list for the same period enumerates 6 non-VOC ships which appeared in Kharg with sugar. According to the document they all belonged to the English — 2 EIC and 4 private — and their shiploads of sugar, which consisted of Bengali, Javanese and Chinese varieties, were most probably destined for Basra and Bushire.¹²⁵

Buschman ascribed the vigour of English sugar imports particularly to the shipwreck of the VOC ship *Amstelveen* near Sawqirah, Oman, on 5 August 1763 and the resulting shortfall in the Javanese sugar supply.¹²⁶ When they heard of the disaster, he wrote, the English had brought in a considerable amount of Bengali and Javanese castor sugar as well as Cochin and Chinese candy sugar. However, the insecurity on the roads meant they had only managed to sell part of it before another VOC ship called *Lapienenburg* arrived on 14 August 1764. Some days afterwards, many caravans came to Bushire and the English began to trade their sugar for fruits (*fruitage*), kapok, and rosewater for export to Bengal. In order to attract the attention of the inland merchants back to Kharg — merchants who now that sugar was available in Bushire and Basra would not think it profitable to risk crossing the water — the Dutch reduced their rate for castor sugar to 20 guilders per *pikol* (probably equivalent to 120 Dutch pounds), 2 guilders lower than the projected price. According to Buschman, this measure was so successful that every day merchants came over to take the Company’s sugar, while the English were at a loss for what to do with theirs.¹²⁷

¹²² al-Qasimi, *Power Struggles and Trade*, 100; NA VOC3156, letter from Buschman at Kharg to Batavia, 30 September 1764, p. 36.

¹²³ NA VOC3123, letter from Buschman at Kharg to Batavia, 8 May 1763, p. 7.

¹²⁴ NA VOC3156, letter from Buschman at Kharg to Batavia, 30 September 1764, p. 27.

¹²⁵ NA VOC3156, shipping list, Kharg, 1763–64, pp. 55-60.

¹²⁶ For a brief note of the shipwreck of *Amstelveen*, see W. Floor, *The Persian Gulf, Dutch-Omani Relations: A Commercial & Political History 1651–1806* (Washington, DC: Mage Publishers, 2014), Annex 4, 217-23.

¹²⁷ NA VOC3156, letter from Buschman at Kharg to Batavia, 30 September 1764, pp. 28-30; VOC3156, annual sales statement, Kharg, 1763–64, pp. 18-19.

As they had done in Kerman the English merchants showed flexibility in pushing their way into the interior market of Shiraz. By September 1764 the English had their commission agent (*commissie*) in position in Shiraz, which caused a “noticeable drawback of the merchants going out and coming to Bushire and its inhabitants in general.” The Dutch wrote that if the English could not sell their goods at Bushire as they wanted they would send the articles to their agent by caravan on their own account, as they had done with their import of castor sugar and Cochin and Chinese candy sugar.¹²⁸

4. After the VOC’s withdrawal

For the period after the VOC’s final departure from the Gulf in 1766, I will briefly trace the trajectory of sugar shipping and trade in the region. It seems true that from 1766 to 1774 Basra played the role of the principal sugar outlet in the Upper Gulf. Abdullah shows that the shipping at the port prospered during that period, except in 1773 when a terrible plague hit Basra. In one year there were more than 25 arrivals. For this he credited increased security: the threat from Kab had diminished, Iran was suffering internal fragmentation, and there was increasing involvement by the EIC navy in policing the sea lanes. What is noteworthy in relation to sugar trade is the surge of English shipping to the port. Whereas vessels of Indian merchants, such as the Chelebi family of Surat, continued to sail to Basra, English ships dominated the shipping, especially from 1769–74.¹²⁹

The remarkable growth of the Basra shipping, which deprived Bushire of much trade, incited intense rivalry from the Zands in Shiraz. In 1769 Karim Khan appointed Mir Husayn (one of those who had ousted Mir Muhanna from Kharg) as admiral of the Gulf and allowed him to take over all Mir Muhanna’s vessels. This enabled him to begin to attack the shipping lanes to Basra. On 22 June 1771 the fleet captured *Britannia*, an English ship from Bombay laden with goods including sugar, iron, and spices belonging to the English captain William Show. They also took a country ketch flying the English flag and a craft from Masqat. They proceeded to Bahrain and sold half the goods there and at some other places on the way back to Kharg.¹³⁰

Karim’s ambition to control the sea lanes culminated in 1775 when the Zand troops crossed the border and besieged the city of Basra. The siege lasted until April 1776 when the city finally surrendered. The Iranian occupation continued till September 1778. After that the Basra trade significantly declined. Before this, the customs house of Basra had annually raised three to four thousand *tūmāns* from European ships alone, but in 1785, the amount fell

¹²⁸ This agent might have been a man called Edward Hercules. According to an EIC officer, without the permission of either Basra or Bombay, Hercules acted as the EIC ambassador in Karim’s court and conducted private trade in co-operation with Benjamin Jervis, the EIC resident at Bushire. NA VOC3156, letter from Buschman at Kharg to Batavia, 30 September 1764, p. 27; al-Qasimi, *Power Struggles and Trade*, 105, 110.

¹²⁹ Abdullah, *Merchants, Mamluks, and Murder*, 48, 50-4, 60-3.

¹³⁰ al-Qasimi, *Power Struggles and Trade*, 149-54.

to hardly more than 500 *tūmāns*. Abdullah claims that the commercial stagnation in Basra dragged on well into the nineteenth century.¹³¹

Risso says that the town that benefited most from the confusion of the Upper Gulf and the resulting recession of the Basra market was Masqat.¹³² According to an English report by Samuel Manesty and Harford Jones, two EIC officers in Basra in 1790, Basra began to decline after the 1773 plague, even though it still attracted both foreign and local vessels — English, Surat Muslim, Masqati Arab, etc. — and many wealthy inland merchants.¹³³ After the death of Karim Khan in 1779, Bushire also stagnated. Its trade was affected by the war of succession that ensued, but then it recovered a little under the rule of Jafar Khan (r. 1785–89).¹³⁴ Masqat by contrast was thriving. The report says, “Commerce is [a] never falling source of wealth and it has rendered Masqat a more rich and more flourishing sea port than any other bordering on the Persian Gulf.”¹³⁵ Whereas in the Turkish and Persian dominions, trade languished and scarcity of bullion specie increased, the merchants of Masqat conducted capital commercial enterprises and their sales and purchases were generally transacted for ready money.¹³⁶ They exported copper and large sums of gold and silver coins including German crowns and Venetian sequins every year to Surat, Bombay, the Malabar Coast and Calcutta.¹³⁷

It is possible that the disparity in tariffs between Basra and Masqat favoured the latter. According to the officers, Basra imposed duties on the import of “fine goods” and “gross goods” from sea and Baghdad: 7 ½ per cent and 8 ½ per cent respectively. It also imposed “the similar rate” on the export of goods to Aleppo and 5 ½ per cent on the maritime export of all sorts of goods. Masqat by contrast collected a 6 ½ per cent duty on all imports and provisions.¹³⁸

Whatever the facts, Masqat owed much success to its intensive trade of coffee and sugar:

The wealth derived to them [the merchants of Masqat] from the valuable importations annually made at Muscat of coffee from the ports of Hedeeda [Hodeidah] and Mocha in the Red Sea, and of sugar from Batavia are [*sic*] alone sufficient to render them rich and respectable. The importations of coffee amount to near one half of the quantity annually produced in Yemen and is sufficient for the full consumption thereof in the countries of Persia, Arabia Deserta, Mesopotamia, Coordistan [Kurdistan], Armenia, Georgia and Natolia [Anatolia] and in part to satisfy the demand for that article of luxury in Syria, Turkey in Europe, Germany, Poland, Russia and other northern kingdoms. The

¹³¹ Abdullah, *Merchants, Mamluks, and Murder*, 54-6.

¹³² P. Risso, *Oman & Muscat: An Early Modern History* (New York: St. Martin's Press, 1986), 76-7.

¹³³ BL IOR P/414/51, report on the trade of Persia and Arabia, S. Manesty and H. Jones, Basra, 15 August 1790, pp. 80-1, 91, 96-7.

¹³⁴ *Idem*, p. 120.

¹³⁵ *Idem*, p. 78.

¹³⁶ *Idem*, p. 84.

¹³⁷ *Idem*, pp. 82-3.

¹³⁸ *Idem*, pp. 84, 93.

importations of sugar are very large, and are sufficient for the supply in that indispensably necessary article of the countries of Persia, Arabia Deserta, Mesopotamia, Coordistan, Armenia, Georgia and Natolia.¹³⁹

It is known that the merchants of Masqat at the time, perhaps mostly the Arabs including the Bu Said *sulṭān*, conducted the import of Javanese sugar from the ports on the western coast of India such as Surat, Bombay and Cochin. The report also relates that important sugar suppliers were ships belonging to European nations, specifically to the Dutch and the French.¹⁴⁰ Actually in 1777 the High Government of Batavia allowed Dutch private traders to resume the export of Javanese sugar to Masqat. According to Floor, this practice continued till 1796.¹⁴¹

More to the point, however, is the ever-growing Arab shipping which passed through Masqat to many other trade routes in surrounding countries. Goods were sent in dhows, dinghys and square-rigged vessels belonging to the Arabs, according to the English records. Commercial intercourse between Masqat and the Red Sea and the Persian Gulf carried on.¹⁴²

Every year the Arabs of Masqat sailed to Hodeidah and Mocha with a variety of goods, including candy sugar, and they brought back rich cargoes of coffee and considerable quantities of Venetian sequins and German crowns.¹⁴³ As suggested in the previous chapter, it is likely that Masqat also regularly transferred some sugar to Sind, and thence along the Indus to the southern parts of Khorasan.¹⁴⁴ Whereas Basra and Bushire, where the EIC kept their factories, could count on sugar supplies from English shipping, it seems true that these places also received regular shipments of sugar from Masqat. Bushire certainly received considerable amounts of sugar from Masqat, according to the officers' report: "[t]he commercial intercourse which subsists between Bushire and Muscat by boats affords large importations to the latter of sugar, sugar candy, spices of various sorts, coffee, metals of different sort[s] and a variety of different petty articles." Because at the time Bengali ships were troubled by the heavy duties imposed by Basra and preferred to unload their cargoes at Bushire for transit to Basra, Baghdad and Aleppo, it is reasonable to suppose that some of the sugar cargoes sent to Bushire was bound for Basra.¹⁴⁵ Last but not least, the Utubis of Kuwait and Zubara, who had by then expanded their control to Bahrain, vigorously conducted freight trade between Masqat and the ports on the Arabian Peninsula. Their vessels and boats carried sugar from Masqat to the major commercial nodes of the area, such as Kuwait, Bahrain, Zubara and Qatif.¹⁴⁶

¹³⁹ *Idem*, p. 84.

¹⁴⁰ *Idem*, pp. 82-3, 123.

¹⁴¹ Floor, *Dutch-Omani Relations*, 161-7.

¹⁴² BL IOR P/414/51, report on the trade of Persia and Arabia, Manesty and Jones, Basra, 15 August 1790, p. 82.

¹⁴³ *Idem*, pp. 83-4.

¹⁴⁴ *Idem*, pp. 125-6.

¹⁴⁵ *Idem*, p. 123.

¹⁴⁶ *Idem*, pp. 86-90.

The Dutch and French shipping decreased in the late 1790s because of the Anglo-French war (1793–1802). In 1796 the EIC forced the Bu Saids to agree to deny the French as well as the Dutch, their ally, access to the port. Yet the recession was offset by ever more shipping by the Masqati merchants, especially the Bu Said *sultān*. In order to obtain sugar they sailed as far away as Calcutta and Batavia.¹⁴⁷

In 1800 John Malcolm, an EIC officer at Bushire, noted that India's trade to Arabia (Basra, Bahrain, etc.) was much more considerable than to Persia. India's exports including sugar came via Masqat and were traded for dates from Basra, pearls from the Arabian shores, European gold, silver lace from Aleppo, and copper from Diyarbakir. Most of these items also passed through Masqat to India.¹⁴⁸

Conclusion

The evidence of the prevailing trade of non-VOC sugar suppliers as documented by the Dutch in their northern settlements of Basra, Bushire and Kharg marks the sad epilogue for the end of the Company's long commercial history in the Persian Gulf. While some recent studies reassert the VOC decline as an element of an overall disaster in the Gulf economy, the narrative appears not dissimilar to the captivating saga of the realignment of the trans-regional trade through the Gulf.¹⁴⁹

In the 1720s the bulk of the sugar trade that had passed through Bandar Abbas during the late Safavid period was being channelled to Basra, as ships belonging to the English, the Muslim merchants of Surat and the French increasingly veered there. Despite the Iranian invasion of Iraq during the first half of the 1730s trade at Basra boomed. There was an intensified shipping to the port by non-VOC sugar suppliers, especially the English and the French. They brought in large cargoes of Bengali and Chinese sugar (and later Javanese sugar) from Indian ports. The political instability that overshadowed Basra during most of the 1740s stalled the market. By the close of the decade, however, it picked up significantly as the English and the French increased their shipping. The flexible nature of inland commercial traffic radiating from Basra also contributed to the resilience of trade at the port.

The rationale behind such a redirection was the rise of Basra as an alternative market for exporting bullion to Isfahan. Of critical importance is the remarkable rise of copper as an alternative to gold and silver. By 1730, while gold and silver specie became extremely scarce, the so-called "Bengali traders" involved with English privateers became eager to obtain copper in return for maritime goods including sugar, so that the inland merchants began to provide copper to the Basra market. Throughout the eighteenth century Basra reckoned on a steady supply of Anatolian copper. More importantly, the substantial expansion of India's

¹⁴⁷ Risso, *Oman & Muscat*, 195-6, 198; Floor, *Dutch-Omani Relations*, 167-9.

¹⁴⁸ J.A. Saldanha, *The Persian Gulf Précis*, vol. 1 (Gerrards Cross: Archive Editions, 1986), 445 (Appendix H: Report on trade between Persia and India, J. Malcolm, Bushire, 26 February 1800).

¹⁴⁹ Slot, *The Arabs of the Gulf*; al-Qasimi, *Power Struggles and Trade*; Floor, *The Persian Gulf: The Rise of the Gulf Arabs*.

copper market during the century underpinned the sugar trade at Basra. From the middle of the century pearling on the Arabian shore grew significantly on account of an increased demand for Gulf pearls in overseas markets, particularly at Surat. As a result pearls also became a valuable export item for the maritime traders to select.

At Basra the itinerant merchants of Iraq, the Middle East and Greece as well as Iran, were important buyers of sugar. The English and French suppliers presented a particular menace to the VOC since, like in Bandar Abbas, they offered their sugar to the merchants at cheap prices and on long credit terms, and adroitly accepted copper for export to India. That sugar production in Guangdong Province also evolved for the South and West Asian markets, and from the late 1730s further added to the momentum.

Compared to that of Basra, the sugar market at Bushire was of a modest size, as many suppliers unloaded Bushire-bound sugar in Basra and Masqat. Nevertheless, Bushire presented itself as a major market for copper owing to its proximity to the mint town of Hoveyzeh, the place where the inland merchants would transfer the mineral for minting. In the marketplace of Bushire the Iranian and Armenian merchants held dominant positions. The EIC took advantage of their Iranian broker to steal an edge over the Dutch there.

As far as the flexibility of sugar trade in the eighteenth century Gulf is concerned a crucial factor is the local shipping by inhabitants of the Gulf coast, primarily the Arabs, which developed impressively from the mid-century. In the early 1750s most of the VOC goods sent to Basra were reshipped to both shores of the Upper Gulf to circumvent the port's high tariff. After the Dutch settled in Kharg Island in 1753, Bandar Rig, Bandar Deylam and Bandar Ganaveh on the northern Iranian littoral rose by attracting sugar shipments from Kharg for transport to Shiraz, while competing with Bushire. Kharg also regularly sent sugar to Basra and Mocha. Such ubiquitous shipping enabled other suppliers to unload their sugar virtually everywhere in the Gulf, thus posing a threat to the VOC who intended to concentrate local navigation at Kharg.

While some recent scholars consider the increased hostilities among the coastal Arabs after Nadir Shah's reign as detrimental to the Gulf economy, their mutual rivalry rather brought about incessant shifts of trading channels as the parties vied for control. At the turn of the 1760s, when serious power struggles occurred among the Arab notables hindering each other's shipping, Kharg gained more traffic in sugar because the VOC took a neutral position on this issue. Mir Muhanna's challenge to Bushire shipping and caravan traffic in the late 1750s and the 1760s fostered an alliance against Bandar Rig between the Madhkurs and Karim Khan which encouraged the Bushire trade to Shiraz. After the establishment of the EIC factory at Bushire in 1763 the English began trading there. They imported considerable amounts of Bengali, Javanese and Chinese sugar into Bushire, and occasionally transferred it to Shiraz where they supported their own agent.

After the VOC retreat in 1766 Basra became the principal sugar outlet in the Gulf and there was a marked increase of English shipping to the port. The Zand occupation during 1774–78, however, caused a severe diminution in trade. Meanwhile, Masqat attracted enormous shipments of coffee and sugar and significant supplies of copper and gold and

silver specie, thus initiating a noticeable shift of the Gulf trade back to the south. The Dutch and the French besides the Masqati merchants imported substantial quantities of sugar (some of which must have been Javanese) into Masqat. From there much of it was conveyed on countless Arab craft to the Upper Gulf, to the Red Sea, and to Sind.

There was an intensification of the competition for sugar imports in the Upper Gulf after the Safavid period. This reflected the notable endurance and flexibility of trade by non-VOC suppliers, and the increased commitment of local Arab shipping to the sugar trade. Both catered for the unflagging demand for sugar from people from towns in West Asia. The relationships between the suppliers, distributors and consumers of sugar was not merely governed by the law of supply and demand but was defined by a spectrum of forces that laid down broader economic constraints. We have noted especially India's strong demand for gold, silver, and above all copper, which was an eighteenth-century catalyst for growth in global commerce.

This all relied on the role of local merchants who worked on behalf of many maritime traders. They featured as a crucial link between regional and global economies by trading imported sugar for profitable goods for the return voyage, principally precious metals. Who were these merchants? How were they involved in the sugar trade? How did the successful ones involve themselves in these changing trading situations over a period of time? We will deal with these questions in the following chapters.

Chapter 5: Company Brokers

The endurance we have noted that the sugar suppliers and distributors displayed in the Persian Gulf during the eighteenth century mirrored West Asia's persistent demand for sugar on the one hand and India's status as an unfailing magnet for precious metals on the other. For a better understanding of sugar's crucial link with bullion the present chapter will throw light on local merchants of the time who were involved in trading VOC Javanese sugar for gold and silver specie as the Company's brokers. Despite its profound importance few surveys have been done of the collaboration between those particular merchants and the Company. In the 1970s Steensgaard proposed the institutionalist concept of Asian "pedlars" in contrast to the modernized European "companies". Since then both the scholars who have tried to restore an appropriate regard to the vitality of the Asian merchants and those who have criticized the structural advantage of the European companies generally have agreed that in Safavid Iran the relationship between the companies and other merchants was basically one of outright competition. They have paid only glancing attention to the interactions between them. By illuminating the relationship between the VOC and their brokers, as well as the various factors cementing or risking this relationship, this chapter aims to describe the socioeconomic arena of the brokers into which large amounts of Javanese sugar flowed from the late seventeenth century till the end of the Safavid dynasty (1722).

1. The VOC's brokers

During their entire enterprise in Safavid Iran, the VOC utilized many local people, as brokers (*makelaar*), interpreters (*tolk*), Persian secretaries (*Persiaanse schrijver*), wine makers (*wijnmaker*), wool collectors (*wolinzaamler*), messengers (*loper*), and in some other capacities. For the most part the Company kept two brokers at Bandar Abbas, a principal (*eerste makelaar*) and a second one (*tweede/co-makelaar*). They also had two interpreters and two Persian secretaries, one at Bandar Abbas and another at Isfahan, where they had another broker.¹ They stationed a wine maker at Shiraz and a wool collector at Kerman to procure wine and wool. In the late Safavid period, however, those who were primarily in charge of selling the Company's sugar and securing specie were the brokers at Bandar Abbas and Isfahan.

Bandar Abbas: The Rawal family

It is well-known that the mercantile sector of Iran in the Safavid period comprised, as it did in many other parts of the world, a multitude of merchant groups who conducted business on the basis of what is described as "family firms", or family or extended family ties. The merchants

¹ In the early 1710s when the VOC tapped into the Basra market, they used a broker and an interpreter there too. NA VOC1747 2, letter from Bandar Abbas to Batavia, 22 August 1707, p. 37.

who served the VOC as brokers at Bandar Abbas belonged to one particular family called Rawal (Rauwel).

It is likely that the Rawal family settled in the town of Bandar Abbas around the start of the 1630s, and their involvement in the VOC trade commenced soon afterwards. According to a Dutch memorandum in 1632, a *Banian* called “Rawel” did business with the Company; and to one in February 1638, a “Rauwel”, presumably the same man, was known as the Company’s broker.²

At the turn of the eighteenth century Tokidas (Toquidas), the head of the Rawal family at Bandar Abbas, acted as the VOC principal broker, with his younger brother Coridas as co-broker (Appendix 10). Tokidas was in the Company’s service from the 1670s.³ After the death of Coridas on 19 January 1702 his single son and heir Kishendas (Kissendas) succeeded to his father’s position at the age of 28. The VOC described both Tokidas and Kishendas as solvent enough to carry out what the brokership required.⁴ The Company deemed Tokidas as indispensable for their commerce. Five years later, on 26 February 1707, when Kishendas died leaving no son, Tokidas made a request for his brother Bonidas to replace his late nephew as second broker. The Dutch factors readily granted his request since otherwise they were afraid that they would not be able to keep Tokidas happy. Tokidas held his prominent status until his death on 30 June 1712. Then his eldest son Nath (Natta), 22 years of age, took over his post. Around four months later Bonidas also died; then as before his eldest son Dharmdas (Darmdas), who was aged over 40, replaced him.⁵

Because of the lack of source materials originating from the merchant family it has not been possible to know their ethnic identity. The VOC, on the other hand, usually called their brokers, both at Bandar Abbas and Isfahan, “*Banians*” (*Benjaan*).⁶ Questions remain as to the actual significance of their terminology. According to *Hobson-Jobson*, the term *Banians* found in the European accounts refers to Hindu traders, specifically from the province of Gujarat, but the term is also often applied to Hindus in general.⁷ Qaisar claims that the majority of *Banians* in Bandar Abbas came from Sind. Concerning the brokers who worked in Bandar Abbas, Basra and Bandar Rig in the first half of the seventeenth century, he relates that they were mostly Hindus, and many of them were connected to powerful merchant families who served the EIC as brokers in Agra, Gujarat, Sind, etc.⁸ Matthee sees the *Banians* in Safavid Iran as Gujarati Hindus, and thinks that most of the brokers of the European

² H. Kern associates “Rauwel” with the Indian names Rāhil and Rāhoel, and also with abbreviated forms of Rawidatta and Rawigoepa. H. Dunlop, *Bronnen tot de geschiedenis der Oostindische compagnie in Perzië* (The Hague: Martinus Nijhoff, 1930), 460, 643; C. Speelman, *Journal der reis van den gezant der O.I. Compagnie Joan Cunaeus naar Perzië in 1651–1652*, edited by A. Hotz (Amsterdam: Johannes Müller, 1908), 332.

³ NA VOC1779, final report from F. Castelijm to W. Backer Jacobsz, Bandar Abbas, 1 May 1709, p. 434.

⁴ NA VOC1667, letter from Bandar Abbas to Batavia, 27 January 1702, pp. 36-7.

⁵ NA VOC1802, letter from Bandar Abbas to The Netherlands, 22 October 1712, fols. 2165r-v; VOC1747 1, letter from Bandar Abbas to Batavia, 4 April 1707, pp. 412-4.

⁶ The word *Banian* stems from the Sanskrit *vanik*, which means a merchant and trade.

⁷ H. Yule and A. Burnell, *Hobson-Jobson: A Glossary of Colloquial Anglo-Indian Words and Phrases, and of Kindred Terms, Etymological, Historical, Geographical and Discursive*, first published in 1886 (Hertfordshire: Wordsworth Editions Ltd, 1996), 63-4.

⁸ A. Qaisar, “The Role of Brokers in Medieval India,” *The Indian Historical Review* 1, no. 2 (1974): 224-5.

companies were *Banians*.⁹ But Dale suggests that the *Banians* recorded in contemporary documents might be “Multani” merchants. According to him most merchants from India who ran businesses in Iran in the Safavid period came from Multan, Pakistan, and consisted largely of Punjabi Hindus of the *Khatris* caste and Afghan or Pashtun Muslims.¹⁰ Floor seems to agree with this idea when he says that most “Indians” in Safavid Iran were of Multani origin and that besides attending to their own businesses, they acted as brokers and moneylenders for foreign merchants, including the VOC and the EIC. He also says that the Dutch used the term *Banian* to refer to Hindu merchants from India, especially from Gujarat.¹¹

It is true that the VOC once described their brokers in the Rawal family as “the Company’s *Khatris* or heathen brokers” (*’s Comp[anie]s Ketteris, of heidense makelaars*).¹² I have, however, the impression that, at least as far as the Dutch wording is concerned, both “*Banians*” and “*Khatris*” are generic terms applicable to any merchant with economic, social or religious affiliations to India. The Company more generally referred to their Isfahan broker as “the Company’s Indian broker” (*’s Comp[anie]s Indiaanse makelaar*).¹³

Amidst a mass of information there is a Dutch report from 2 August 1693 which offers a valuable insight into the origin of the Rawal family. It says that in July of the same year the Dutch factory encountered a little trouble with the governor of Bandar Abbas, who was pressing them for money. He went as far as to demand tributes from “every group of *Banians*” (*ieder soort of kaste van de Benjanen*). First of all the ruler turned to a caste called “*Bangsalties*”, the one to which the Dutch considered their brokers belonged. The brokers were rather prominent in the community, so he pressed one of them, Coridas, to make his caste assent to whatever was demanded of them. But Coridas turned this down cold, claiming that he was a Company servant and therefore free from any obligation of the kind. This reply made the governor so angry that he beat him with a stick several times and then arrested him. The Dutch immediately sent their interpreter to the governor to reclaim the broker and get compensation for the harassment.¹⁴ This record clearly highlights two facts: first, that the broker family belonged to one of the “*Banian* castes” of Bandar Abbas called “*Bangsalties*”; and second, that the brokers were leading figures of the community.

The word “*Bangsalties*” possibly denotes a commercial caste from Kutch called *Bhansali*. The early history of this community is rather obscure, but at the turn of the twentieth century the *Bhansali* were known as a caste of husbandmen, shopkeepers and traders.¹⁵ An

⁹ R. Matthee, “Merchants in Safavid Iran: Participants and Perceptions,” *Journal of Early Modern History* 4, no. 3 (2000): 246-7.

¹⁰ S. Dale, *Indian Merchants and Eurasian Trade, 1600–1750* (Cambridge: Cambridge University, 1994), 55-64.

¹¹ W. Floor, *The Economy of Safavid Persia* (Wiesbaden: Reichert Verlag, 2000), 21, 24; Idem, *The Persian Gulf, Dutch-Omani Relations: A Commercial & Political History 1651–1806* (Washington, DC: Mage Publishers, 2014), 148.

¹² NAVOC1913, secret letter from J.J. Ketelaar at Bandar Abbas to Batavia, 1 April 1718, p. 450.

¹³ By the word “*Khatris*”, the Dutch might mean Indian merchants, specifically those who rendered brokering services. NA VOC1802, letter from Isfahan to some merchants at Bandar Abbas, 3–4 December 1712, fols. 2258v-9r.

¹⁴ NA VOC1559, letter from Bandar Abbas to Batavia, 2 August 1693, fols. 721r-2r.

¹⁵ H. Fischer-Tiné, *Shyamji Krishnavarma: Sanskrit, Sociology and Anti-Imperialism* (New Delhi: Routledge, 2014), 3.

ethnographical survey by the Bombay Presidency of British India in 1901 states that the *Bhansali* (also called *Vegnus*) numbered 15,774 members — 8,112 men and 7,662 women — principally inhabiting Kutch, Kathiawar and Sind. The report notes that they were generally labourers.¹⁶

While away from their homeland these foreign brokers must have felt inclined from time to time to return. On 14 August 1700 the Safavid authorities once again locked Coridas up, this time claiming that he had poisoned a “heathen woman” (*heidense vrouwmens*). Despite strong protest from the VOC his detention continued till 18 August when he promised the court he would pay them a large sum of money. On returning to the factory Coridas complained with much annoyance that if he was robbed of money every year like this he would love to return to his country.¹⁷ Such an enduring attachment to home is reminiscent of C. Markovits’s concept of a “circulation society”, arising from his historical inquiry into the global networks of Hindu traders of Shikarpur and Hyderabad. Questioning the feasibility of the broadly-applied category of “diaspora”, which connotes an imaginary or real physical separation from one’s homeland, he argues that the Sindi merchants, while also geographically dispersed from the eighteenth century onwards, formed resilient networks connecting their hometowns with many places of business abroad. Through these networks, personnel, credit facilities, information and goods were regularly in circulation, which ensured a socioeconomic coherence for those involved.¹⁸

In this connection it may be useful to describe Bandar Abbas as a “home” for the brokers. Whereas the merchants of Shikarpur, and to a lesser extent those of Hyderabad, toiled in scattered colonies as unmarried men or with wives and children left back home, it was not unusual for the Rawals of Bandar Abbas to bring their wives with them.¹⁹ In April 1737 Uttamchand (Ottumtjent), the then principal broker at Bandar Abbas, took leave to go to Bombay to collect (*afhalen*) his fiancée. This turned out to be a tragic decision; he left but died in Bombay later that year.²⁰ According to the EIC, in May 1747 all the “*Multani Banians*” (*Multanee Banyans*) and many of the “*Bhansalis*” (*Banksallee caste*) at Bandar Abbas took refuge in Barka, Oman. The *Bhansalis* also evacuated most of their wives there. Few people remained in town except those belonging to the EIC and the VOC.²¹ Apparently many, perhaps most, of the Dutch brokers had grown up in Bandar Abbas. When the Dutch appointed Nath and Dharmdas as their brokers they noted that they had known both of them well since their childhood.²²

Nath the principal broker died on 25 April 1713, less than a year after his appointment. Reflecting on the extremely valuable service that Nath’s father Tokidas had rendered to the

¹⁶ R. Enthoven, *The Tribes and Castes of Bombay*, first published in 1920 (Delhi: Cosmo Publications, 1975), 113.

¹⁷ NA VOC1650, letter from Bandar Abbas to Batavia, 11 December 1700, pp. 11-2.

¹⁸ C. Markovits, *The Global World of Indian Merchants, 1750–1947: Traders of Sind from Bukhara to Panama* (Cambridge: Cambridge University Press, 2000), 4-5, 24-31.

¹⁹ *Idem*, 265-76.

²⁰ NA VOC2417, letter from Bandar Abbas to Batavia, 4 April 1737, pp. 3540-1; VOC2448, letter from Bandar Abbas to Batavia, 31 December 1737, p. 151.

²¹ BL IOR G/29/7, 30 April 1747.

²² NA VOC1802, letter from Bandar Abbas to The Netherlands, 22 October 1712, fol. 2165r.

Company the Dutch factors intended to find a successor among his sons. But the oldest candidate was only 15 years old. They therefore decided to ask Bhagwandas (Bouwendas) to support his brother Dharmdas to be co-broker. His appointment had to be slightly delayed because of the fact that Nath had died so suddenly. There was a rumour circulating in town that he must have been poisoned and the port government was interested to investigate.²³ This may imply that there was some dispute among the family members for the Dutch brokership.

However, the brothers Dharmdas and Bowendas did not live up to expectation. The VOC factors wrote in January 1719 that the brokers had worked somewhat carelessly and had not observed their instructions well. Therefore they had to turn to Uttamchand and Ishwardas (Issourdas), sons of Tokidas, for sales of textiles and cloths; the VOC described Tokidas's sons as "active young men" (*wakkere jongelingen*).²⁴

More importantly, during most of the 1710s the Isfahan broker Khemchand Mathuradas (Kimtjent Matturadas) stayed at Bandar Abbas and played a crucial role in the Company's trade at the port. In May 1712 the Dutch officials wrote that thanks to his involvement the sale of the Company goods had doubled. They therefore asked permission from Batavia to bestow a costly robe of honour (*eer kleed*, i.e. a *khil'a*) on Khemchand and also robes on the brokers and the interpreter at Bandar Abbas.²⁵ Five years later, the Dutch ambassador Ketelaar also recommended that the factory use Khemchand to assist Dharmdas and Bhagwandas. He wrote that the former brokers had often advanced money to the Company, but that Dharmdas and Bhagwandas were heavily indebted to them (197,694 guilders 5 stivers 8 pennies, as of 8 March 1717). Therefore, beside these two "very languid" (*zeer lusteloos*) fellows the factory should employ Khemchand, a "reasonable and diligent man" (*redelijke en ijverige man*) who was known to possess immense capital and was therefore trustworthy. Ketelaar added that Dharmdas and Bhagwandas would not oppose his employment since Khemchand was not an "outsider" (*vreemdeling*) but one of the many local servants of the Company.²⁶

Despite causing the Company much doubt about his financial reliability Dharmdas had a prominent status in the mercantile society of Bandar Abbas. The VOC stated in May 1719 that the port authorities were disregarding the royal edict to secure exemption of capitation tax (*jizya*) for the Company-affiliated "*Banians*" (*Banjaanse natie*) in Bandar Abbas and Bandar Kong. Instead by force they tried to impose it on Dharmdas and "the other heads of the *Banian castes*" (*de andere hoofden van de Benjaanse kastes*).²⁷ This statement suggests that Dharmdas was at the time the head of the *Bhansali* caste in Bandar Abbas.

On 12 March 1719 Bhagwandas died. Dharmdas requested that someone close to him — such as Uttamchand and Ishwardas the sons of Tokidas, or his brother Bilbilerdas — should be the one to support him in his duties. The VOC selected the "vigilant young men" (*vigilante jongelingen*) Uttamchand and Ishwardas as co-brokers. This appointment seems to have helped the line of Tokidas regain some of its former clout. Although Uttamchand and

²³ NA VOC1843 1, letter from Bandar Abbas to Batavia, 22 June 1713, pp. 291-2.

²⁴ NA VOC1928, letter from Bandar Abbas to Batavia, 30 January 1719, p. 141.

²⁵ NA VOC1829, letter from Bandar Abbas to Batavia, 23 May 1712, pp. 66-7.

²⁶ NA VOC1897, instruction from J.J. Ketelaar to Bandar Abbas, 8 March 1717, pp. 175-9.

²⁷ NA VOC1947, letter from Bandar Abbas to The Netherlands, 25 May 1719, pp. 69-70.

Ishwardas were already old enough, the Dutch knew that the estate of Tokidas was still under Dharmdas's supervision. In spite of the Company's repeated orders, he had not transferred even a penny of it. Yet the new brokers would be able to square accounts with Dharmdas soon, for both sides had agreed with each other to co-ordinate their capital into one fund so that it would be more convenient for the Company to deal with.²⁸ Dharmdas passed away on 3 April 1721 on the eve of the Afghan conquest of Iran.²⁹

Isfahan: The family of Khemchand

For the last two decades of the Safavid period, the VOC used the above-mentioned Khemchand Mathuradas as their broker at Isfahan. He was appointed around 1701 and held that office until his death on 17 August 1723.³⁰ Like the Rawal family in Bandar Abbas the family of Khemchand had an inheritable right to the Dutch brokership in Isfahan.

While the Isfahan brokers principally stayed in the capital to prop up the Company's commerce there, it seems true that their "home" was also in Bandar Abbas. In late 1710, Khemchand asked permission from the Company to absent himself from Isfahan for a while in order to travel to Bandar Abbas to get married. The Dutch noted that he wanted to do this to stay in high esteem among "his people" (*zijn natie*) in the town.³¹ After he left for Bandar Abbas his clerks (*bedienden*) in Isfahan deputized for him.³² When Khemchand died (possibly in Bandar Abbas) the post was passed on to a son of his brother in residence in Isfahan named Hemraj Jethmalani (Heemraadje Jedmelanie). The VOC made his successor, Hemraj, and also Bishendas Jethmalani (Wissendas Jedmelanie), another nephew of Khemchand who at the time lived in Bandar Abbas, assume responsibility for his debt to the Company.³³

The Isfahan brokers were usually called "*Banians*", but this tells us no more about their actual ethnicity or native country. Our preliminary research suggests here that they were also Hindus who had a close socioeconomic tie with Sind. The career of a *Banian* clerk of Khemchand named Naga Nath is a case in point. According to a Dutch letter dated 18 May 1737 Nath used to serve Khemchand in Isfahan. After that for about 12 years he stayed in Bandar Abbas and then in Sind (Diu). He was at the time of the letter back in Bandar Abbas staying with the first descendant of Khemchand, Hemraj Jethmalani (*tegenwoordig wederom in loco zich onthouden hebbende bij des eerste nazaat Heemraeds Jedmelanie*). This implies that the family of brokers formed part of the highly mobile mercantile society with its axes in Isfahan, Bandar Abbas and Sind.³⁴

²⁸ NA VOC1928, letter from Bandar Abbas to Batavia, 20 March 1719, pp. 269-70.

²⁹ NA VOC1964, letter from Bandar Abbas to Batavia, 5 April 1721, pp. 360-1.

³⁰ NA VOC1667, letter from Isfahan to Bandar Abbas, 6 August 1701, pp. 349-50; VOC2016 1, letter from Bandar Abbas to Batavia, 1 November 1723, pp. 29-30.

³¹ NA VOC1785, letter from Bandar Abbas to Batavia, 12 December 1710, fol. 482v.

³² NA VOC1812, letter from Bandar Abbas to Batavia, 26 February 1711, p. 24.

³³ NA VOC2016 1, letter from Bandar Abbas to Batavia, 1 November 1723, pp. 29-30.

³⁴ The report also notes that Nath was hated by "the whole family of Khemchand" (*nagelaten familie van Kiemtjent in zijn geheel*) and encountered trouble due to their accusations. NA VOC2368, letter from Bandar

2. Brokers as individual merchants

Safavid Iran was an Islamic culture that banned usury by its Muslim subjects. But the task of changing currency and providing credit was crucial for trade, so this tended to be consigned to religious minorities. The Hindu merchants were adept in handling coinage and accounting and held an esteemed position in this particular sector of the economy during the late Safavid period, acting as money changers (*ṣarrāf*), simple bankers, or brokers (*dallāl*).³⁵ In the Dutch records the Rawals and the family of Khemchand also primarily appear as merchants proficient in brokering and transferring and changing money, a subject to which I shall return later.

Even so, it is well to remember that there were many other Hindu merchants in Safavid Iran as well as the Company's brokers who traded regular commodities for their own account, functioning as what may be called wholesalers (*tājir*).³⁶ There is scattered evidence to show that the brokers of the Rawal family sold sugar for the Company and at the same time engaged in trade on their own behalf. As described in Chapter 3, the brokers Uttamchand and Ishwardas were bankrupted after the Afghan invasion of Iran. During the upheaval, most of the Company's direct debtors, and the indirect ones for whom Uttamchand and Ishwardas stood surety, were killed, were ruined or were forced to run away. All the unsettled debts then fell on the shoulders of the brothers.³⁷ In order to improve the brokers' liquidity, in July 1725 the Dutch factory of Bandar Abbas shipped 117,543 Dutch pounds of the brokers' own sugar alongside 288,853 pounds of the Company's to Masqat for trade. Ishwardas participated in this project as broker together with his "Banian secretary" (*Benjaanse schrijver*) Kalyan (Kaliaan) and another servant (*dienaar*).³⁸ Around the same time the VOC utilized the Basra market for the same purpose. The goods remaining in the Basra factory in the financial year 1724–25 included ones belonging to the brokers — 65,132 pounds of castor sugar and 24,999 pounds of zinc (*spialter*) — which had been sent from Bandar Abbas.³⁹

The Isfahan broker Khemchand was an important wholesaler of VOC merchandise. In 1700–01 Khemchand, who was at the time in Isfahan and using his agent (*wakīl/volmacht*) in Bandar Abbas named Natawaskan, placed an order with the Company for 10,000 *tūmāns* worth of goods. Since he knew the Dutch would not sell desirable items unless wholesale merchants took ones in low demand as well he agreed to the condition, but requested that the factors add the least popular goods to his quota on a proportional basis, like they did for "other major merchants" (*andere zware kooplui*). He also requested that his first payment

Abbas to The Netherlands, 18 May 1737, fol. 3783v. Cf. VOC2448, resolution, Bandar Abbas, 30 April 1737, pp. 289-302; Idem, 26 May 1737, pp. 364-8.

³⁵ Matthee, "Merchants in Safavid Iran," 247. For the Persian classification of merchants in Safavid Iran, see M. Keyvani, *Artisans and Guild Life in the Later Safavid Period: Contributions to the Social-economic History* (Berlin: Klaus Schwarz Verlag, 1982), 215-58.

³⁶ Dale, *Indian Merchants and Eurasian Trade*, 72-3; Matthee, "Merchants in Safavid Iran," 247-8; Floor, *The Economy of Safavid Persia*, 25.

³⁷ NA VOC2168, letter from Bandar Abbas to Batavia, 13 April 1730, p. 48.

³⁸ NA VOC2034 2, instruction from P. 't Lam at Bandar Abbas to B. Lispensier, 15 June 1725, pp. 341, 343-4.

³⁹ It seems that this attempt failed. Two years later, the Bandar Abbas factory sequestered the brokers' sugar and zinc into the Company's treasury. NA VOC2023, letter from Basra to The Netherlands, 22 January 1726, fol. 3349r; VOC2105, letter from Bandar Abbas to Batavia, 1 April 1728, p. 273.

should be deferred for seven months, and then that four or five bills of exchange be drawn on him unless the Company happened to receive silk from the Safavid court. If they did, his debt would be cleared, inasmuch as he would cover the cost of receiving the royal silk, debiting the sum to the Company's account. Khemchand had a particular interest in buying cloth (*kleden*) in these circumstances.⁴⁰

Our knowledge of the brokers' commitment to overseas trade is very limited. We may assume that the Rawal brokers were land-based merchants mainly engaged in buying goods imported by the VOC in Bandar Abbas. Adriaan Verdonk, the Dutch director of Bandar Abbas, stressed the credibility of the brokers Tokidas and Coridas when he wrote in 1696:

For the Company's brokers are so wealthy and established that one does not have to be afraid of bankruptcy or loss, all the more because they conduct no foreign or overseas business (*geen buitenlandse of overzeese negotie*). They even advanced money to the Company many times as may be seen in the accounting books.⁴¹

He thereby suggests that the maritime trade in those days was fraught with high risk but probably offered the chance of high profits.

We should also consider the possibility that Khemchand was involved with exporting bullion from Iran. His prolonged stay in Bandar Abbas provided a useful clue about this, for it was the time, the turn of the 1710s, when he became embroiled in a dispute between the VOC director of Bandar Abbas, Willem Backer Jacobsz, and the chief of Isfahan, Pieter Macaré, who was his deputy. This internal feud seemingly related to the officers' private trade, and developed into a serious diplomatic conflict between the VOC and the Safavids. Macaré, who had been unseated by his colleague Adriaan van Biesum, resorted to the desperate measure of appealing to the court for support. Probably in order to have this matter taken seriously Macaré informed the government that the Company was engaged in the export of goods, especially gold ducats, without paying the required customs duty, cashing in on their right to free transport.⁴² Sultan Husayn immediately prohibited the VOC from exporting from Isfahan without inspections and charged a toll of $3/5$ *maḥmūdī* per piece of ducat.⁴³ In co-operation with Macaré the authorities also detained the VOC local staff — Khemchand's agents and the interpreters — to investigate whether they had been exploiting the Dutch prerogative for their own traffic.⁴⁴ Khemchand was on the list of the top suspects, but he stayed on in Bandar Abbas waiting for the uproar in the capital to subside. According to the inquiry made by the VOC in 1717–18 Khemchand was blameless, at least according to an inspection of his accounts. Yet there remained some lingering concern on the part of the Dutch. Ketelaar, who

⁴⁰ NA VOC1667, letter from Isfahan to Bandar Abbas, 6 August 1701, pp. 349-51.

⁴¹ NA VOC1582, final report from A. Verdonk to A. Berganje, Bandar Abbas, 15 May 1696, p. 158.

⁴² W. Floor, "Dutch Relations with the Persian Gulf," In *The Persian Gulf in History*, edited by L.G. Potter (New York: Palgrave Macmillan, 2009), 247.

⁴³ NA VOC1843 1, letter from Bandar Abbas to Batavia, 15 March 1713, pp. 20, 21.

⁴⁴ NA VOC1818, letter from the suburb of Isfahan to The Netherlands, 12 January 1713, fols. 391v-4v.

had supervised the enquiry, recognized that Khemchand could not have survived without conducting some trade apart from his brokerage services, so he strongly recommended him not to take advantage of the Company's privileges and to avoid any more complaints coming from the court; he reminded him to "Render unto Caesar the things that are Caesar's" (*de keizer geven, dat keizers is*).⁴⁵

Khemchand probably neither owned nor rented ships for trade on the high seas. No reference to such an involvement can be found in the Dutch lists of non-VOC shipping with Bandar Abbas during the late Safavid period. But people with no claim to a ship had plenty of opportunities to find a suitable freighter in the port whenever they wanted.⁴⁶ It is tempting to argue that such "non-investment" in oceangoing ships was a general practice among the merchants of Bandar Abbas. The port city of Bandar Abbas under the Safavids accommodated multiple mercantile communities. The Indians — *Banians* and *Multanis* — were perhaps the most numerous. Besides them there were the Iranians, the Armenians, the Jews, the Arabs and others. Given the fact that Bandar Abbas was a principal hub of the Indian Ocean shipping in those days, some merchants might have possessed or facilitated ships for maritime trade. In the Dutch documents, however, it is uncommon to find evidence for such a level of engagement. What there is is an abundance of evidence that the Arabs in the neighbouring port of Bandar Kong were actively running sailing enterprises. The Dutch shipping records of Bandar Abbas and Surat covering the first two decades of the eighteenth century regularly mention vessels plying between Bandar Kong and Surat, and many of them are registered as assets of Arab merchants from Bandar Kong, including Abd al-Shaykh and his agent Ali b. Sultan.⁴⁷

In this respect Bandar Abbas stands in stark contrast to the port of Surat, where a great number of local ship-owners, especially Muslim entrepreneurs, orchestrated long-distance maritime trade as well as coastal shipping. The brokers of Surat offer a case in point. According to Nadri, almost all the brokers who served English and Dutch Companies in Surat during the seventeenth and eighteenth centuries were rich local merchants and mainly conducted large-scale inland trade, as were the Rawals and Khemchand. Furthermore, they certainly expanded their business along the Indian Ocean rim and some of them invested their capital in ships. Kishandas, a *Banian* merchant who acted as the VOC broker from 1659–86 and whose family retained the post until the end of the Company's operation in Surat, ran his maritime trade with his own ships. Mancherji Khurshedji, a Parsi broker of the VOC, was known for his shipping prowess in the second half of the eighteenth century, a time of relative

⁴⁵ Much in the same vein, Ketelaar admonished the Isfahan interpreter Francois Sahid. NA VOC1913, report from J.J. Ketelaar at Bandar Abbas to Batavia, 31 March 1718, pp. 486-7.

⁴⁶ See Chapter 3.

⁴⁷ For instance, NA VOC1694, shipping list, Bandar Abbas, 14 December 1703–24 May 1704, pp. 347-8 (Abd al-Shaykh); VOC1746, shipping list, Surat, 12 February 1706–25 March 1707, p. 263 (Ali b. Sultan). For Persian and Arab merchants in Surat in late Safavid time, see A. Das Gupta, *Indian Merchant and the Decline of Surat, c. 1700–1750*, first published in 1979 (New Delhi: Manohar Publishers, 1994), 75-6.

decline for the once prevalent Muslim shipping. His trading vessels regularly sailed to Siam and Batavia.⁴⁸

3. Company and family firm

Around four decades ago, the Danish historian Steensgaard described Asian merchants as “pedlars”. Emphasizing the crucial importance of the unpredictability of the market and the capriciousness of protection costs in early modern Asia, he argued that the Asian market had been one of ill-informed and poorly-capitalized itinerant merchants, and none of them was able to preside over the trade in any individual market or commodity. He contended that the advent of the European companies in the seventeenth century marked a “revolution” in the Asian trade. The companies with their institutionalized lines of business and disposable forces, surmounted innate uncertainties, and thus increasingly gained the upper hand in the market.⁴⁹ A number of scholars have since questioned the proposed vulnerability of Asian merchants, exploring various aspects of the trading world of Asian merchants in order to appreciate their commercial achievements and to comprehend their setbacks. Scholars of the Asian mercantile communities in Safavid Iran, specifically the Indians and the Armenians, have stressed that, despite volatile markets, the Asian “pedlars” carried on robust commerce in competition with the European “companies”. For those scholars the institutional dimension of the family is vital to understanding the vigour of these mercantile societies. They argue that while geographically expanding the communities evolved profoundly intricate communication networks and legal and financial devices. These were based on the relationships of family and kin and extended family ties, to such degrees that they could cope with the unexpected developments in the market.⁵⁰

The VOC archives provide a treasure-trove of information that testifies to the importance of the activities of Asian family firms in the commerce of Safavid Iran. They show that most of the Company’s local agents were members of well-established local merchant families. During the late Safavid period, besides the Rawals and the family of Khemchand, the Busskens (written as Buffkens), apparently a Dutch family local to the area, developed a

⁴⁸ G. Nadri, “The Maritime Merchants of Surat: A Long-term Perspective,” *Journal of the Economic and Social History of the Orient* 50, no. 2-3 (2007): 241, 247-8; Idem, “Commercial World of Mancherji Khurshedji and the Dutch East India Company: A Study of Mutual Relationships,” *Modern Asian Studies* 41, no. 2 (2007): 329-30. There has been a long debate on the identification of the word *Banians* and their status in Surat in the eighteenth century. Among others, see L. Subramanian, “The Eighteenth-Century Social Order in Surat: A Reply and an Excursus on the Riots of 1788 and 1795,” *Modern Asian Studies* 25, no. 2 (1991): 321-65.

⁴⁹ N. Steensgaard, *The Asian Trade Revolution of the Seventeenth Century: The East India Companies and the Decline of the Caravan Trade* (Chicago: The University of Chicago Press, 1974).

⁵⁰ Dale, *Indian Merchants and Eurasian Trade*, 112-27; S. Levi, *The Indian Diaspora in Central Asia and Its Trade, 1550–1900* (Leiden: Brill, 2002), 180-222; E. Herzig, “The Armenian Merchants of New Julfa, Isfahan: A Study in Pre-modern Asian Trade,” (PhD diss., University of Oxford, 1991), 153-272; I. McCabe, *The Shah’s Silk for Europe’s Silver: The Eurasian Trade of the Julfa Armenians in Safavid Iran and India (1530–1750)* (Atlanta: Scholars Press, 1999), 199-239; S. Aslanian, *From the Indian Ocean to the Mediterranean: The Global Trade Networks of Armenian Merchants from New Julfa* (Berkeley: University of California Press, 2011), 86-201.

strong presence as interpreters at Bandar Abbas and as wine makers at Shiraz.⁵¹ An Armenian merchant family called Sahid (or Sarhad or Said) were the interpreters at Isfahan. Those who served the Dutch as wool collectors in Kerman were also Armenians related to each other. This was a frequent occurrence and may not be just a question of coincidence.

Another way of looking at the relationship between the Company and the family firms is to see these different institutions as compatible with each other in terms of risk management. This can be seen in the relationship between the VOC and the Rawals and Khemchand. For the VOC keeping the brokership in the hands of one particular merchant family provided a safety net for their investment. If one broker died leaving behind money due to the Company (as was always the case), it would have been very difficult if not entirely unrealistic for the Company to persuade someone outside the family to take over that debt. But when there were those from the same family for whom their brokerage services to the Dutch was a “family business” they would be more likely to accept the financial burden, even if reluctantly. The VOC were aware that they would be more likely to recover such a debt if the candidates to be selected as brokers were heirs of their predecessor. At the appointment of Nath and Dharmdas, the Bandar Abbas factory noted that these men were the legitimate heirs (*erfgenamen*) of the previously deceased brokers Tokidas and Bonidas, and that they had in fact assured the Company that they would repay the debts of their predecessors.⁵² Dutch officers preferred to choose the brokers from among those whom they had long known in the interests of protecting their own financial security. To substantiate the trustworthiness of Nath and Dharmdas they wrote that both of them had grown up frequenting the Company lodge since their childhood (*onder het dagelijks frequenteren van 's Comp[anie]s huis tot die jaren gekomen*).⁵³ Some time later the officers endorsed Bhagwandas for the same reason (*van jongs af aan 's Comp[anie]s huys groot geworden*).⁵⁴

What did the brokers gain in return? During the period under consideration many of the local personnel received a fixed salary from the VOC on a permanent basis. The interpreters, for example, earned a salary (*gagie*) and a special allowance (*kostgeld*) on a monthly basis. As of 1706 the Isfahan interpreter Francois Sahid received a monthly salary of 112 *maḥmūdīs* alongside 45 *maḥmūdīs* as a subsidy for his service to the court.⁵⁵ The wine maker Joseph Busskens, when he was nominated as interpreter at Bandar Abbas in 1712, agreed a similar pay scale: a stipend of 100 *maḥmūdīs* and an allowance of 42 *maḥmūdīs*.⁵⁶ The brokers were not on the payroll, however. Their principal earnings were commission fees from trading between the Dutch and local merchants (*makelaardij*). At Bandar Abbas the brokers generally

⁵¹ It is likely that this family had settled in Iran by the middle of the seventeenth century. Speelman mentioned a Dutchman named Huybert Busskens who served the Safavid king as a diamond cutter (*diamantslijper*). Speelman, *Journal der reis*, 133; W. Floor, “Dutch-Persian Relations,” *Encyclopedia Iranica*, updated 27 February 2013.

⁵² NA VOC1802, letter from Bandar Abbas to The Netherlands, 22 October 1712, fols. 2165r-v.

⁵³ *Idem*, fol. 2165r.

⁵⁴ NA VOC1843 1, letter from Bandar Abbas to Batavia, 22 June 1713, pp. 291-2.

⁵⁵ NA VOC1732, letter from Bandar Abbas to Batavia, 31 January 1706, pp. 302-4.

⁵⁶ Seven years later, however, Busskens requested that his salary be adjusted up to 130 *maḥmūdīs*, the amount that the former interpreter and his forefather Marcus Varijn enjoyed, which the Company granted. NA VOC1829, letter from Bandar Abbas to Batavia, 23 May 1712, p. 63; VOC1947, letter from Bandar Abbas to Batavia, 25 November 1719, p. 9.

received from the Company one percent of the total value from the sale of the Company's merchandise, and different rates according to the commodity from the wholesalers.⁵⁷ The Isfahan broker likewise collected commission from the procurement of export bullion, particularly gold ducats.⁵⁸ We have seen above that the income from brokerage might be insufficient for the agents to maintain their households, yet we should not ignore the possibility that they might have gained extra revenues by falsifying accounts with the VOC regarding the sale or purchase value of commission goods. If brokers at Bandar Abbas after closing a sale reported a total value that was lower than what they actually received, it would reduce their remuneration for their services but generate an extra hidden income for them. If an Isfahan broker notified the Dutch of a higher rate for gold ducats than the real market price he would gain more brokerage fees than he should have done. Ketelaar commented that even if the Isfahan agents always enjoyed such "a secret brokerage" (*een stille makelaardij*) it was difficult for the Company to figure it out, because they could easily submit false account books and hide away the genuine ones.⁵⁹

We can see that the brokers were working in an uncertain commercial environment, beset with a fear of sudden and total ruin. It was an important reassurance for them that the VOC provided a platform to safeguard their interests in times of crisis (*protectie/maintenu*). Of particular importance in this respect was the "protection" from governmental interference. In early modern Iran if a merchant died without an heir the state had a claim to all his estate. In practice this gave the authorities an excuse "legally" to confiscate the merchants' resources. Kishendas died without a son in February 1707, and the king's merchant Mirza Murtada, who was at the time in Bandar Abbas (see Chapter 1), claimed he had no heir and ordered the governor to confiscate his goods; they were by then in the hands of his uncles, the brokers Tokidas and Bonidas. The governor seized the brokers along with their sons and two of their secretaries, sealed up their houses, and took possession of the property. It was, according to him, worth 15,000 *tūmāns* or 637,500 guilders.⁶⁰ In this situation, the VOC represented the brokers as their advocate. They lodged strong protests in the court. In Bandar Abbas they gathered evidence from various prominent people — the *shāhbandar*, the English, the *qāḍī* (*geestelijke rechter*), etc. — to testify that Kishendas had left a widow, a daughter (who died soon afterwards) and his mother. They argued that these were "reasonable heirs according to their laws" (*volgens haar wetten gerechtige erfgenamen*).⁶¹ Such a determined intervention led to the court interrogating Mirza Murtada and releasing all the captives in April 1708.⁶² Even though the seized property was not returned the Company continued lobbying for compensation until the following year.⁶³

⁵⁷ NA VOC1999, final report from J. Oets to J. de Croeze, Bandar Abbas, 15 November 1722, p. 269.

⁵⁸ NA VOC1913, report from Ketelaar at Bandar Abbas to Batavia, 31 March 1718, pp. 503-4.

⁵⁹ *Idem*.

⁶⁰ NA VOC1737, edict from Sultan Husayn to the governor of Bandar Abbas, etc., March 1708, fols. 24r-v; VOC1763, letter from Bandar Abbas to Batavia, 1 April 1708, p. 421.

⁶¹ NA VOC1737, edict from Sultan Husayn to the governor of Bandar Abbas, etc., March 1708, fol. 24r; VOC1763, letter from Bandar Abbas to The Netherlands, 15 March 1708, p. 439; *Idem*, letter from Bandar Abbas to Batavia, 1 April 1708, p. 424.

⁶² *Idem*, p. 425; VOC1779, letter from Bandar Abbas to The Netherlands, 31 August 1708, p. 69.

⁶³ NA VOC1779, letter from Bandar Abbas to The Netherlands, 6 March 1709, pp. 486-7.

The VOC would also offer their protection in cases of commercial disputes. In his handover report the director of Bandar Abbas, Frans Castelijn, directed that the factory should also fully protect the Company brokers from extortion by other merchants. Since the brokers were regarded as men of means, he pointed out that unsuccessful local merchants tended to pester them for money.⁶⁴ As a matter of fact, the brokers were surrounded by a crowd of “jealous enemies” (*misguntige vijanden*) watching for an opportunity to pounce.⁶⁵ In these circumstances, the brokers would treat as much as they could of their own wealth as belonging to the VOC so that it would figure as a part of the Company’s “impregnable” assets. In August 1701 the Isfahan factors reported that the newly-appointed broker Khemchand, who initially intended to invest a sum of 6,000 *tūmāns* with the Company, had now increased the capital to 16,000 *tūmāns*. By doing this, they noted, he would be clearly protected under “the Company’s shadow” (*schaduw van d’ Comp[anie]*) and not have to fear the “crafty enterprise of the Muslim merchants” (*listige onderneming van de Moorse coopluiden*).⁶⁶

We do not know the terms and conditions of the VOC “protection”, but apparently it was applied to the whole family of the firms of brokers. In mid-1728, when Mirza Zahid Ali, the *shāhbandar* of Bandar Abbas under Afghan rule, demanded a large quota of tribute from the *Bhansali* caste, the brokers Uttamchand and Ishwardas took shelter themselves in the Dutch factory together with other members of the community, consisting of their family, servants and dependants.⁶⁷

Furthermore, the VOC secured for their brokers royal favours not enjoyed by ordinary merchants, such as exemption from *jizya*, etc. At a coronation or a change of regime, when all former privileges became invalid, the Company did not fail to have those of their agents reconfirmed.⁶⁸ What deserves our attention is that the exemption of *jizya* was not only conferred on the brokers but also on some other members of their family in their firms. A royal edict issued in early 1730 stipulated that the brokers and their adherents, 17 in number, should be exempted from the tax.⁶⁹ How crucial for the longevity of the Rawals this particular prerogative was is clearly demonstrated by a Dutch memorandum of 24 August 1735. It stated that Uttamchand and Ishwardas told the factors of their serious problems because the number of members of their family was much more than 17, and those unprotected were exposed to increasing exactions from the regents. They asked for permission to let the unlisted members leave Bandar Abbas to another place of the Company’s operation (*’s Comp[anie]s district*) or to their homeland together with Ishwardas.⁷⁰

While the brokers’ families were already distinguished in merchant circles to begin with, there is no doubt that their association with the VOC significantly helped maintain their

⁶⁴ NA VOC1779, final report from Castelijn to Backer Jacobsz, Bandar Abbas, 1 May 1709, p. 437.

⁶⁵ NA VOC1897, instruction from Ketelaar to Bandar Abbas, 8 March 1717, p. 178.

⁶⁶ NA VOC1667, letter from Isfahan to Batavia, 21 August 1701, p. 279.

⁶⁷ W. Floor, *The Afghan Occupation of Safavid Persia 1721–1729* (Paris: Association pour l’Avancement des Études iraniennes, 1998), 324-31.

⁶⁸ F.W. Stapel (ed.), *Corpus diplomaticum*, vol. 5 (The Hague: Martinus Nijhoff, 1935), 82 (Article 6).

⁶⁹ *Idem*.

⁷⁰ NA VOC2357 1, letter from Bandar Abbas to Batavia, 24 August 1735, pp. 383-6.

credit. When Kishendas died the Bandar Abbas factory sent a condolence gift of local neckerchiefs (*shāls*) to his family who were observing the customary time of mourning. The real purpose was, however, to publicize to the general population that the Company would still back the Rawals. Otherwise, the factors said, their loss would almost inevitably decrease the family's credibility.⁷¹

In Safavid Iran, it was commonplace for one's superior, especially the king, to present a robe of honour (*khil'a*) to a subordinate to show his special favour. In a political environment the conferment of a *khil'a* was a public mark confirming the recipient in his post as much as his loyalty.⁷² The VOC made the best use of this tradition to display their close association with the brokers. In the year 1696–97, for instance, the factors at Bandar Abbas presented *khil'as* to Tokidas and Coridas on board the *Princeland*, the Company ship anchoring in the harbour at the time. Then they led the brokers ashore to the factory where they handed over a letter of credentials sent from the Governor General of Batavia, Willem van Outhoorn, in the presence of many local merchants. After that crowds of people from various Asian nations came to greet the brokers and were all treated according to the local custom.⁷³

4. Merchants and the state

The historiography of the Indian Ocean has generated a lively debate about merchant-state relations in early modern times. Those who set this trend were the historians of the Indian subcontinent. It was traditionally thought that in Mughal India merchants were so prone to suffer arbitrary exploitations by the ruling elites that the country's economic development was threatened.⁷⁴ Since the 1970s this idea has been much discussed, and conclusive evidence shows that the merchants were by no means lifeless creatures. They could and did cope with the oppression either by boycotting trade, appealing to a higher authority or moving away.⁷⁵ On the vitality of the merchants, M. Pearson calls attention to what he considers social segregation between maritime merchants and rulers. Major states that he thinks were entirely land-based in terms of both revenues and ethos were not especially interested in the activities of merchants, and the merchants were not correspondingly interested in them. Benefitting from this mutual aloofness, the merchants maintained a certain degree of autonomy.⁷⁶ Scholars, including K. Leonard, F. Perlin, S. Subrahmanyam and C. Bayly, by contrast underline the amount of social mobility there was in early modern India. They contend that as

⁷¹ NA VOC1747 1, letter from Bandar Abbas to Batavia, 4 April 1707, pp. 412-3.

⁷² W. Floor, "Kil'at," *Encyclopædia Iranica*, updated 15 July 2009.

⁷³ NA VOC1598 1, letter from Bandar Abbas to Batavia, 31 March 1697, pp. 59-60.

⁷⁴ W. Moreland, *From Akbar to Aurangzeb: A Study in Indian Economic History* (London: MacMillan, 1923); I. Habib, "Potentialities of Capitalistic Development in the Economy of Mughal India," *The Journal of Economic History* 29, no.1 (1969): 32-78. Although the scholarship did not dismiss the fact that the coastal aristocracy regularly sponsored maritime trade, that was perceived rather as a hallmark of the dominance of the political elite over the mercantile sector. J. van Leur, *Indonesian Trade and Society: Essays in Asian Social and Economic History* (The Hague: W. van Hoeve Publishers, 1967).

⁷⁵ Among others, see Das Gupta, *Indian Merchant and the Decline of Surat*.

⁷⁶ M. Pearson, "India and the Indian Ocean in the Sixteenth Century," In *India and Indian Ocean: 1500–1800*, edited by A. Das Gupta and M. Pearson, first published in 1987 (Oxford: Oxford University Press, 1999), 71-93.

the state's commercialization progressed merchants formed an integral part of the state structure as creditors, revenue farmers, treasurers, etc.⁷⁷

Since the 1990s a number of substantial studies have scrutinized different aspects of the relationships between merchants and the political elite in Safavid Iran. Though working separately, these studies make a common case for a considerable level of social fluidity in Safavid Iran. The court could make decrees or monopolize trade for some export commodities — slaves, horses, raw silk, pearls, wine, etc. — and kings and bureaucratic elites would become actively engaged in trade, either by themselves or through factors as proxies. More importantly, many merchants, specifically Armenian, were in close contact with the government. Some, with ready cash at their disposal served as creditors, mint masters or trading agents (*malik al-tujjār*), and others as commercial envoys or financial advisors.⁷⁸ But Floor and Matthee remind us that those cases never led to harmonious or constant structural interdependence. Floor maintains that commercial activities by the ruling elite were purely for fiscal efficiency and consumption and that they were inclined to burden the country's population.⁷⁹ Matthee casts light on the inequality in the power distribution between the two realms, pointing out that merchants could not break into the core circles of the government; they were made up chiefly of ranks of tribes and recruited slave regiments.⁸⁰ He thinks that politics and economy were fundamentally different arenas but “overlapped” and “negotiated”.⁸¹

Scattered information about the relationships between the VOC brokers and the ruling elite seems to support Matthee's contestation. A Dutch letter of 30 November 1706 provides us with a critical clue as to this point. It relates that the second broker of Bandar Abbas, Kishendas, currently held “the post of the town broker” (*het stadsmakelaarschap*). This office belonged to the port government (*dat ambt of die bediening van de stad of de gemeente*) and was meant to help the merchants with trade and to provide each trader with a man capable of serving him as a broker.⁸² Afterwards, however, things went wrong. The

⁷⁷ K. Leonard, “The ‘Great Firm’ Theory of the Decline of the Mughal Empire,” *Comparative Studies in Society and History* 21, no. 2 (1979): 151-67; F. Perlin, “The Precolonial Indian State in History and Epistemology: A Reconstruction of Social Formation in the Western Deccan from the Fifteenth to the Early Nineteenth Century,” In *The Study of the State*, edited by H. Claessen and P. Skalnik (The Hague: Mouton Publishers, 1981), 275-302; S. Subrahmanyam and C. Bayly, “Portfolio Capitalists and the Political Economy of Early Modern India,” *The Indian Economic and Social History Review* 25, no. 4 (1988): 401-24.

⁷⁸ R. Matthee, “Politics and Trade in Late Safavid Iran: Commercial Crisis and Government Reaction under Shah Solayman (1666–1694),” (PhD diss., University of California Los Angeles, 1991); Idem, *The Politics of Trade in Safavid Iran: Silk for Silver, 1600–1730* (Cambridge: Cambridge University Press, 1999); Idem, “Merchants in Safavid Iran”; R. Klein, “Trade in the Safavid Port City Bandar Abbas and the Persian Gulf (ca. 1600–1680): A Study of Selected Aspects,” (PhD diss., University of London, 1993–94), 67-115; W. Floor, *The Economy of Safavid Persia*, 27-64; Idem, *A Political and Economic History of Five Port Cities 1500–1730* (Washington DC: Mage Publishers, 2006), 237-322, 429-77.

⁷⁹ He also notes that the economy of Safavid Iran was mainly agrarian. Floor, *The Economy of Safavid Persia*, 27, 56; Idem, *A Political and Economic History*, 312. Cf. M. Pearson, “Merchants and States,” In *The Political Economy of Merchant Empires*, edited by J. Tracy (Cambridge: Cambridge University Press, 1991), 100.

⁸⁰ Matthee, “Merchants in Safavid Iran,” 260.

⁸¹ Matthee, *The Politics of Trade in Safavid Iran*, 7-9, 63, 73-4, 89.

⁸² No reference to this post is found in Persian literature on the Safavid administration. NA VOC1747 1, letter from Bandar Abbas to Batavia, 30 November 1706, p. 34; V. Minorsky (tr.), *Tadhkirat al-mulūk: A Manual of Şafavid Administration (circa 1137/1725)* (Cambridge: Gibb Memorial Trust, 1943); Mirza Rafia (Muhammad Rafi Ansari), *Mirzā Rafī'a's Dastūr al-mulūk: A Manual of Later Şafavid Administration*, translated by M.

shāhbandar expressed his disfavour of Kishendas, claiming it should always be himself who gave the post to someone he liked. Moreover, the governor insisted that before the king conferred this office on Kishendas Muslims (*Moor of Mohammedaan*) had always occupied it, and that he was authorized to decide whether to give it to a Muslim or to let it stay in the hands of Kishendas. The VOC intervened. By acting as a mediator between these interest groups (*door ons tussenspreken*), the Company managed to put forward a solution: Kishendas would stay in this post on the condition that he paid 30 ducats to the governor. The Dutch advised Kishendas and the other broker Tokidas to behave themselves not only to the *shāhbandar* and other port officials but also to the court in order to prevent further agitation.⁸³ This description suggests that in Safavid Iran, specifically in the royal port of Bandar Abbas, the different interests of local merchants and those of bureaucratic elites routinely mingled with one another.

We should not overlook another important fact, that the VOC effectively backed their brokers' participation in the governmental environment. Though this fact is not well-documented, I suggest that if it had not been for the Company the brokers would not have been able to remain in their precarious positions. We may consider another issue, which surfaced the following year when Kishendas died. The VOC reported that after his death the town brokership was taken over by a *Banian* called Kishordas (Kissiourdas). Even though the Dutch thought this office was more of an appointment of prestige (*aanzien*) than an income source, they decided to secure it for the Rawals, whose status had been harmed by the issue of Kishendas's inheritance. By obtaining an imperial order as well as an approval from the *shāhbandar* and other officials, the VOC successfully removed Kishordas and installed Tokidas's son Nath in the position. The factors wrote that this would ensure a prestigious reputation for the whole broker family living in the Gulf countries.⁸⁴

5. Services

The brokers provided the VOC with numerous commercial facilities. Brokers acted as intermediaries to link with buyers or sellers on a commission basis; they arranged monetary transfers, management of factories, co-ordination of shipments, supply of market information, etc. Brokers also arranged for the Company to give customary presents to influential state officials and local merchants.⁸⁵ In addition, on occasions they acted as delegates of the Dutch to the state authorities, but that was a role rather beyond their usual functions.⁸⁶ It principally

Marcinkowski, (Kuala Lumpur: International Institute of Islamic Thought and Civilization, 2002). There was a "town broker" in Basra. The officer inspected the general trade and collected a 7 per mille duty on sales by private traders. Qaisar notes that there were state-appointed brokers at commercial centres in India as well. BL IOR G/29/19, letter from Basra to London, 22 February 1736, fol. 31r; Qaisar, "The Role of Brokers in Medieval India," 226. For a comparative study of brokers in the Indian Ocean, see M. Pearson, "Brokers in Western Indian Port Cities Their Role in Serving Foreign Merchants," *Modern Asian Studies* 22, no. 3 (1988): 455-72.

⁸³ NA VOC1747 1, letter from Bandar Abbas to Batavia, 30 November 1706, pp. 34-6.

⁸⁴ NA VOC1798 2, letter from Bandar Abbas to Batavia, 1 August 1710, p. 9.

⁸⁵ NA VOC1802, letter from Bandar Abbas to The Netherlands, 22 October 1712, fol. 2164v. For the practice of gift-giving in Bandar Abbas, see Floor, *A Political and Economic History*, 306-9.

⁸⁶ M. Haneda, "Les compagnies des Indes Orientales et les interprètes de Bandar 'Abbās," *Eurasian Studies* 1-2 (2006): 175-93.

fell to the interpreters to do that, for they were known to have special skills in negotiation, with a familiarity in speaking the local languages and varied connections to bureaucratic elites.⁸⁷ Although all of these functions helped the VOC conduct active enterprises in Safavid Iran, here I shall focus on those more directly related to their trade in sugar for bullion.

Trade at Bandar Abbas

The trading season opened around October, at the start of the northeast monsoon and the lessening heat, in Bandar Abbas. As oceangoing ships came into port with merchandise merchants travelled there from inland market towns such as Lar, Shiraz, Isfahan, Kerman, etc. For suppliers the key to a season's successful prosperity was the information they had accumulated beforehand. Through their business correspondents they would update themselves on current conditions in the market so that they could be sure of lucrative sales when they arrived. For the VOC, the brokers at Bandar Abbas were the most important informants. They were not only familiar with the market but also with the population's favourite products, and they regularly advised the Company what items should be brought in in the following year.⁸⁸

In the late Safavid period the major trading partners of the VOC in Bandar Abbas were rich Muslim merchants of Shiraz. At the turn of the eighteenth century the most prominent of them were two Shiraz merchants named Hajji Karbalai and Hajji Yusuf. The former became a leading merchant in Iran in the late 1670s after having inherited enormous wealth from his brother.⁸⁹ The deaths of both merchants in 1697–98 led to inheritance issues.⁹⁰ The next season the heirs of Hajji Yusuf sent an agent to the Dutch factory, but it was another merchant from Shiraz named Hajji Nabi who began to dominate the scene from this time.⁹¹ Using his nephew and business partner Hajji Abd al-Jani, Hajji Nabi purchased more from the Dutch than any other merchant during the first decade of the century. After his death Hajji Abd al-Jani succeeded to his prominent station until he died around 1715.⁹² After that two Shiraz brothers named Hajji Abd al-Rida and Hajji Abd al-Wahab were the main merchants.⁹³ According to the Dutch the former had traded with them since his great-grandfather's time.⁹⁴

⁸⁷ The Bandar Abbas interpreter Joseph Busskens was, according to the Dutch, not only fluent in Armenian and Persian but also could speak Turkish, Portuguese and French well. NA VOC1829, letter from Bandar Abbas to Batavia, 23 May 1712, p. 63.

⁸⁸ NA VOC1694, letter from Bandar Abbas to Batavia, 20 August 1703, p. 22 (chintz); Chapter 1 of this study for the country's sugar consumption.

⁸⁹ Klein, "Trade in the Safavid Port City," 103.

⁹⁰ NA VOC1611 1, letter from Bandar Abbas to Batavia, 31 March 1698, p. 89.

⁹¹ NA VOC1603, letter from Bandar Abbas to Batavia, 1 July 1699, fols. 1862r-v; Matthee, "Merchants in Safavid Iran," 254.

⁹² NA VOC1848, letter from Bandar Abbas to Batavia, 13 April 1715, fol. 2352v.

⁹³ NA VOC1999, final report from Oets to de Croeze, Bandar Abbas, 15 November 1722, p. 260.

⁹⁴ NA VOC1897, letter from various Shiraz merchants including Hajji Abd al-Rida to J.J. Ketelaar, received on 6 December 1716, p. 347. Hajji Abd al-Wahab was based on Isfahan. VOC1856, letter from Bandar Abbas to The Netherlands, 23 April 1714, p. 133.

Matthee emphasizes that, like the Armenians and *Banians*, the other merchant communities conducted their business enterprises on the basis of family ties, and it is probable that kith-and-kin was also a factor of general significance.⁹⁵ Apart from being a principal merchant of Shiraz Hajji Nabi was the head of a business association which aimed to corner the trade with the VOC. The association comprised his family members and fellow merchants. When he died in March 1711 Dutch officials reported that his heirs and close friends had rearranged their investments into one fund with which they would continue the business with the Company.⁹⁶ Those merchants harboured a strong sense of their entitlement to trade with the VOC. In a letter to Batavia in March 1712 various Muslim merchants from Shiraz and Lar wrote with much chagrin that over the last couple of years the Dutch officials at Bandar Abbas had broken with the “old custom”, by which the Company would supply all imported goods through them. They asserted that without notifying them of the total amount of the imported merchandise the officials had embezzled the best part of it and sold it to the *Banian* and Armenian merchants. This had caused them a great financial loss as well as a bad reputation with the Company. They requested that Batavia restore the old channel of trade by ordering the factors not to sell goods to anyone else but them or the *Banian* brokers.⁹⁷ This episode suggests that those Muslim entrepreneurs and the Bandar Abbas brokers formed one interest group.

Powerful wholesalers in the upper countries were accustomed to sending agents (*gevolmachtigden/factoor*s) to Bandar Abbas to purchase imported goods. As seen in the case of Hajji Nabi and Hajji Abd al-Jani, family ties were an important consideration for agents. Agents were contracted according to how much money they could spend for their clients. In 1700–01 the Dutch wrote with some disappointment that for that year the capital a factor sent by Hajji Nabi was restricted to was only 5,000 *tūmāns*, implying that it was usually more.⁹⁸

Negotiations often began when agents of the Muslim merchants came to the Dutch factory. There the Rawals (and Khemchand when he was in town) acted as brokers in the sense that the word is conventionally understood; they facilitated transactions between two parties by correlating their different interests. The collective attitude of the Muslim merchants made them appear like “conspirators” (*complotteerden*) against the VOC. The Dutch officials who kept abreast (at least in their view) with all the haggling and squabbling often complained that the merchants would bargain as a group to get prices down. The Dutch response would be a threat to send their merchandise to Isfahan, where most of it was destined.⁹⁹ In the back of their mind, however, the VOC had some sympathy for their business partners, considering the various taxes they were subjected to in Bandar Abbas and all along the way to the capital. They therefore aimed to trade in such a manner that the principal buyers also earned some profit despite their costly expenditure, so that they could come back

⁹⁵ Matthee, “Merchants in Safavid Iran,” 253–4.

⁹⁶ NA VOC1829, letter from Bandar Abbas to The Netherlands, 17 July 1711, pp. 116–7, 126.

⁹⁷ Ketelaar denied the asserted corruption. NA VOC1818, petition from various merchants from Shiraz and Lar to Batavia, March 1712, fols. 285r–8r; VOC1913, report from Ketelaar at Bandar Abbas to Batavia, 31 March 1718, pp. 483–5.

⁹⁸ NA VOC1667, letter from Bandar Abbas to Batavia, 27 January 1702, pp. 5, 15.

⁹⁹ NA VOC1559, letter from Bandar Abbas to Batavia, 2 August 1693, fols. 749v–50r.

for trade every year.¹⁰⁰ The local merchants also thought of Bandar Kong as an alternative marketplace in those days.¹⁰¹

The fact that the Dutch factors were “present” in these talks between their brokers and the wholesalers interestingly contrasts with what happened at Surat. In his recent essay Nadri argues that, as far as the sale of the VOC merchandise in Surat in the second half of the eighteenth century was concerned, the broker Mancherji Khurshedji acted rather as a “merchandise-farmer”; he bought for trade the imported goods, paying the Company agreed prices. The Company hardly cared about when, where or for how much he then sold these goods to other merchants.¹⁰²

During the reign of Sultan Husayn large-scale trade was conducted mainly in silver coins called *maḥmūdīs*.¹⁰³ Like many other local currencies, however, *maḥmūdīs* were chronically scarce. The Dutch were therefore obliged to sell their merchandise on credit, accepting payment by bills, though they did everything they could to receive an immediate cash payment. Around 1710 it was not unusual to allow credit if longer than eight months to principal wholesalers. The VOC once extended Hajji Abd al-Jani credit for as long as twenty months.¹⁰⁴ The brokers at Bandar Abbas stood surety for the buyers and the Company debited the brokers for the outstanding money in their books.¹⁰⁵

Although some Muslim merchants from Shiraz formed a strong business league, they were not always able to control the market and faced challenges from other local merchants. The year 1716–17 gives a valuable insight into such a situation. In May 1717 factors sent by the merchant association that season negotiated with the VOC to buy weighed goods, especially sugar. Their proposals failed, however, because their bid was too low and they did not agree an immediate payment. On July 10th the frustrated agents left Bandar Abbas with a group of merchants without taking leave of the Dutch. Even though some merchants were still in town they had no intention to trade with the Company, for they had agreed with the agents not to. To avoid no sales the Dutch officials ordered Dharmdas and Bhagwandas to persuade the merchants remaining to come forward. Some time later the brokers brought some Lar and Shiraz merchants to the factory, and the Company managed to sell some commodities, including sugar, to some *Banians* in the group on a three-month credit. One of the agents named Hajji Husayn received this news while on his way to Isfahan, where he had clients residing at the time. He became furious, saying that when he reached the capital he would take measures to make those involved pay for it. His clients actually obstructed the Company’s trade thereafter, but unsuccessfully. They then changed their mind and tried to restore their relationship with the Dutch by discharging Hajji Husayn after placing all the blame on him.¹⁰⁶ This incident shows that there was strenuous competition among the local

¹⁰⁰ NA VOC1779, final report from Castelijm to Backer Jacobsz, Bandar Abbas, pp. 424-5.

¹⁰¹ NA VOC1571, letter from Bandar Abbas to Batavia, 24 June 1695, p. 92; VOC1598 2, letter from Bandar Abbas to Batavia, 31 August 1697, p. 10.

¹⁰² Nadri, “Commercial World of Mancherji Khurshedji,” 321-6.

¹⁰³ Floor, *The Economy of Safavid Persia*, 84.

¹⁰⁴ NA VOC1829, letter from Bandar Abbas to Batavia, 23 May 1712, p. 26.

¹⁰⁵ NA VOC1582, final report from Verdonk to Berganje, Bandar Abbas, 15 May 1696, pp. 157-8.

¹⁰⁶ NA VOC1913, letter from Bandar Abbas to Batavia, 31 December 1717, pp. 3-9, 14-7.

merchants to trade with the VOC. The brokers also took this into account so that the Company could steadily import Javanese sugar into Bandar Abbas.

Monetary transfer

While importing a variety of commodities from South Asia and Southeast Asia, the VOC exported items such as bullion from Europe, and Kerman wool, Shiraz wine, etc., from late Safavid Iran. Most desirable was the gold specie as gold ducats, vital to finance the Company's intra-Asian trade during that time.¹⁰⁷ At the turn of the eighteenth century a mass of acquired gold ducats was sent to Colombo in Ceylon and thence to Malabar or Coromandel according to the demand.¹⁰⁸

The main market for specie export was northwestern Iran, centred on Isfahan, to where various European coins were brought from the Mediterranean coast or Russia. In the Isfahan market those coins were usually exchanged for *maḥmūdīs*. Therefore the VOC needed to transfer the *maḥmūdīs* they had acquired to Isfahan to procure gold ducats. The brokers played a crucial role in facilitating this process.

As mentioned above, the Company usually sold their items on credit and the brokers at Bandar Abbas guaranteed the payment. No account books survive, so we have to assume that the brokers were registered as the "buyers" of the goods in the Company's books. In any case, the Dutch kept a watchful eye on the solvency of the brokers. When Dharmdas and Bhagwandas fell behind in their payment Batavia ordered Bandar Abbas to collect as much unsettled money as they could and to leave the agents with only subsistence money.¹⁰⁹

The brokers were supposed to repay the "debt" by providing the Company with various financial services. They co-ordinated remittances to Isfahan and Kerman by money draft, they purveyed necessities to the Bandar Abbas factory and to Dutch ships in the harbour preparing for their return voyage, and regularly sent Company presents to state officials in the Gulf regions.¹¹⁰

For remittances to Isfahan the brokers usually saw to it that merchants who bought goods from the Dutch on credit at Bandar Abbas wrote cheques for payment in Isfahan, so that the factory there could receive needed cash. The VOC initially directed the brokers to accept such cheques only from the principal merchants of Shiraz, those they thought solvent enough to guarantee the transfer. This helped those merchants consolidate their position in the trade with the Dutch. In 1710, however, the Company gave the brokers more tolerance in this regard, for there were sometimes other merchants who were better placed financially and could settle

¹⁰⁷ E. Jacobs, *Merchant in Asia: The Trade of the Dutch East India Company during the Eighteenth Century* (Leiden: CNWS Publications, 2006), 158-64.

¹⁰⁸ NA VOC1582, final report from Verdonk to Berganje, Bandar Abbas, 15 May 1696, p. 165. For the critical position of Ceylon in the VOC's intra-Asian trade, see Jacobs, *Merchant in Asia*, 43-6.

¹⁰⁹ NA VOC1897, instruction from Ketelaar to Bandar Abbas, 8 March 1717, pp. 175-7.

¹¹⁰ NA VOC1904, letter from Bandar Abbas to Batavia, 7 November 1718, fols. 2357r-v; VOC1913, letter from Bandar Abbas to Batavia, 30 May 1718, p. 262.

remittances more smoothly.¹¹¹ Apart from the solvency of the wholesalers, the brokers were required to know if they were well enough connected with the Isfahan market to transfer money. In November 1718 the Dutch expressed some annoyance about such transactions. In the previous financial year the Bandar Abbas factory had sold some precious spices (cloves, nutmeg and cinnamon) but the Isfahan factory had not received the bills for the proceeds, because the purchasers were not regular trading partners from Lar, Shiraz or Bandar Abbas but came from Kerman and surrounding areas. Because they had no commercial agents (*factoors*) in Isfahan they could not issue the expected bills there.¹¹²

If a bill sent to Isfahan was not accepted for some reason then the Bandar Abbas brokers were responsible for the outstanding money. In the summer of 1715 a Muslim merchant of Bandar Abbas named Agha Masum drew a bill on another Muslim merchant staying in Isfahan named Hajji Mahmud. Yet Hajji Mahmud refused to cash it for the VOC because Agha Masum owed some money to him. Then the cheque was sent back to Bandar Abbas and the factors debited the brokers for the amount overdue, because “they always stood surety for all the unsettled money for the Company” (*zij in alle gevallen voor 's Comp[anie]s uitstaande penn[ingen] haar als borgen interponeren*).¹¹³

Trade at Isfahan

Isfahan was the largest depository for commodities to be exported from Safavid Iran. Not only was European bullion brought in, but diverse local products — nuts, dried fruits, asafetida, gums, madder, etc. — were available in the market.¹¹⁴

The bullion trade at Isfahan was highly competitive. While the financially-pressed government often cornered the market for themselves, there were many merchants (Hindus, Armenians, Muslims, and English) active in the export of gold and silver coins to India. On top of that, pilgrims to Mecca and to Karbala from among the country's Muslim population would collect considerable amounts of bullion from the market.¹¹⁵

From the end of the seventeenth century European gold ducats became extremely scarce in Isfahan. Therefore the VOC had to look out for alternative coins, such as the “Moorish gold ducat” (*goude Moren*) which was struck in the Ottoman realm, Persian silver ‘*abbāsīs*, etc.¹¹⁶ The market, however, witnessed a remarkable increase in the inflow of silver towards the end of the Safavid period. The Dutch noted in 1719 that the merchants from upcountry had found

¹¹¹ NA VOC1798 1, letter from Bandar Abbas to Batavia, 1 June 1710, pp. 400-2.

¹¹² The Kerman merchants, though, brought gold specie with them. NAVOC1904, letter from Bandar Abbas to Batavia, 7 November 1718, fols. 2367v-8r.

¹¹³ NA VOC1897, letter from Bandar Abbas to Batavia, 30 November 1716, pp. 7-8.

¹¹⁴ According to the Dutch, the Armenian and Muslim merchants were active in exporting those items to Surat, though they might obtain them directly from the producing regions. NA VOC1650, letter from Bandar Abbas to Batavia, 11 December 1700, p. 3 (the Armenians); VOC1614, letter from Bandar Abbas to Batavia, 31 May 1700, fol. 1131r (the Muslims).

¹¹⁵ R. Matthee, W. Floor and P. Clawson, *The Monetary History of Iran from the Safavids and the Qajars* (New York: I.B. Tauris, 2013), 58-62.

¹¹⁶ Idem, 71-7; NA VOC1812, letter from Bandar Abbas to Batavia, 26 February 1711, pp. 27-8.

trading in silver more lucrative than in gold, so they mainly arrived with silver coins, such as Spanish reals of eight, and lion dollars (*Leeuwendaalders*).¹¹⁷

The Isfahan broker Khemchand had the crucial task of fulfilling all these conditions when collecting profitable export coins for the Company. The Isfahan resident Macaré stated that without the broker the Company could not obtain gold ducats.¹¹⁸ Khemchand used numerous agents and servants, all of them with the same Indian connection, to complete his task. These are their names as listed: Madhu (Madoe), Lichcharam (Litsjeram), Bishendas, Girdil, Nath, Sujaram (Sjoram), Madhudas (Madoudas), Odoudas and Hetsjeram. The name Bishendas might refer to the agent Bishendas Jethmalani. When Khemchand was away from town during the 1710s these agents worked in his place.¹¹⁹ Acquired bullion was packed up in the capital and sent by caravan to Bandar Abbas for shipment to South Asia as well as to Batavia.

Conclusion

The present chapter has examined various dimensions of the relationship between the VOC and their brokers in Iran from the end of the seventeenth century to the end of the Safavid dynasty. It has illuminated how that relationship functioned as a major conduit through which Javanese sugar increasingly entered the Iranian market and in return a large amount of bullion was dispatched during that time.

Those who acted as the Dutch brokers during the late Safavid period were from two *Banian* merchant families: the Rawals and the family of Khemchand. The former was the broker at Bandar Abbas, and the latter at Isfahan. The Rawals belonged to a Hindu caste called the *Bhansali*. While both families clung to their homeland (seemingly Kutch and Sind), in Bandar Abbas they established important enclaves so that they could feel “at home” by being accompanied by female and young family members.

The brokers were well-established merchants. Besides possessing excellent skills in monetary transactions, a distinctive feature of the *Banians* in Safavid Iran, they were known for their engagement in wholesaling the Company’s merchandise. The Rawals were apparently land-based merchants with their trade mainly focused on inland markets; Khemchand was more versatile, for he also had some commitments to export bullion. We find no evidence for either of them investing capital in oceangoing trading vessels.

Historians have paid much attention to the critical instability of the market in Safavid Iran. There both the European “companies” and the Asian “family firms” had to cope with uncertainties while also competing with each other. A study of their relationship, however, shows that that uncertainty gave opportunities to these different commercial institutions to bind closely together for their mutual advantage. For the VOC the notion that keeping a

¹¹⁷ NA VOC1928, letter from Bandar Abbas to Batavia, 30 January 1719, p. 150.

¹¹⁸ NA VOC1768, postscript from P. Macaré at Isfahan to Batavia, sent on 15 October 1710, fol. 2054r.

¹¹⁹ NA VOC1785, report on ducat trade in Isfahan, 7 August 1711, fol. 432r; VOC1818, letter from the suburb of Isfahan to The Netherlands, 12 January 1713, fols. 391v-3r.

brokership in the hands of one merchant family was more important than having their investments dispersed. The brokers, apprehensive of attacks by the ruling elite and rival merchants, sought associations with the Dutch, who would offer them a platform to safeguard their wealth and businesses. With strong backing from the VOC, the Rawals were able to surmount the “boundary” between commerce *per se* and their involvement in the port administration.

Almost all enterprises the Company undertook in late Safavid Iran were achieved through their brokers. One of the most important — trading Javanese sugar for gold — is an elegant monument of such collaboration. At Bandar Abbas the brokers acted as intermediaries between the Dutch and leading wholesalers from Shiraz and Lar and, to a lesser extent, those of Bandar Abbas, thereby facilitating the import of Javanese sugar into Iran. The Company usually sold their merchandise on credit and the brokers provided security for the later payment.

Since Isfahan was a major bullion market the Bandar Abbas factory needed to transfer sales proceeds to the Isfahan factory. The brokers accomplished this by taking advantage of the commercial network of wholesalers who bought the Company’s goods on credit at Bandar Abbas. They made the merchants settle accounts by drawing bills on business associates at the capital so that the Dutch factory there could receive the necessary cash. If a cheque was declined for payment the brokers were responsible for collecting any unsettled money.

In the marketplace of Isfahan, despite ferocious challenges from competitors both local and foreign, the Isfahan broker Khemchand and his agents and servants managed to obtain gold ducats and some other exportable coins for the Company. When Khemchand was absent a number of his agents took over the task and continued to promote the VOC intra-Asian trade until the end of the Safavid period.

A question that has yet to be answered is what became of the noted relationship between the VOC and the brokers during the period following the Afghan conquest. Although the Company’s trade significantly declined, they made continuous efforts to adjust to changing trading conditions in the Gulf and its neighbouring countries until their final retreat in 1766. How were the brokers involved in the development? We shall explore this point in our last chapter.

Chapter 6: Persisting Commercial Middle Ground

During late Safavid period, the solid collaboration between the VOC and their *Banian* brokers at Bandar Abbas and Isfahan stimulated the import of Javanese sugar into the Iranian market and the reverse flow of gold and silver coins to India. As has been discussed, however, the Afghan revolution in 1722 marked the beginning of a radical transformation of the trans-regional trade once the central nerve — i.e. Bandar Abbas and Isfahan — had been significantly damaged. Numerous alternative channels began to emerge in the Persian Gulf and adjacent countries where maritime merchants could trade sugar for exportable bullion. Until their final withdrawal from the Gulf in 1766 the VOC enlisted various local agents to adjust to the changed commercial environment. We shall now examine how the relationships between the Company and these agents were conducted and what insights they provide into the resilience of the trade.

1. Bandar Abbas

The bankruptcy of the Rawals: the Afghan interregnum (1722–30)

The Rawal family, who served the VOC as Bandar Abbas brokers during the Safavid period, faced a serious financial crisis after the Afghan invasion. In the last days of the Safavid period major wholesale merchants who purchased goods from the Dutch at Bandar Abbas drew cheques on their business partners in Isfahan, as was customary, and these were payable to the Dutch factory there. The Bandar Abbas brokers Uttamchand and Ishwardas guaranteed the settlement. The extreme havoc caused by the Afghan intrusion, however, resulted in the ruin of many rich merchants in Isfahan involved in these monetary transfers. The recipients of those bills were killed, financially destroyed or moved away. Consequently all the responsibility for the unsettled money fell upon the brokers.¹ On top of that the brokers suffered terribly from pillaging by the Baluchi nomads in southeastern Iran, who repeatedly intruded into Bandar Abbas and exploited the political turmoil that engulfed the littoral in the 1720s.²

In earlier times the brokers would improve their liquidity by selling their own commodities at Bandar Abbas. But now they could not, as most of the wholesale merchants who had traded at the port headed to Basra.³ Besides, Hajji Abd al-Rida, one of the main trading partners of the VOC, died in 1722.⁴ It was not until 1730 that Hajji Abd al-Wahab, another principal wholesaler and brother of Abd al-Rida, sent the Company a letter requesting permission to restart the old trading enterprise. This did not materialize, since by then his economic power had totally declined, and soon afterwards he died.⁵

¹ NA VOC2168, letter from Bandar Abbas to Batavia, 13 April 1730, p. 48.

² NA VOC2016 2, separate letter from P. 't Lam at Bandar Abbas to Batavia, 25 August 1724, p. 48.

³ NA VOC1999, letter from Bandar Abbas to Batavia, 30 April 1723, pp. 419-21.

⁴ NA VOC1999, final report from J. Oets to J. de Croeze, Bandar Abbas, 15 November 1722, p. 260.

⁵ NA VOC2253, letter from Bandar Abbas to Batavia, 15 May 1731, pp. 121-3; VOC2254, letter from Bandar Abbas to Batavia, 19 July 1732, p. 595; VOC2322 1, letter from Bandar Abbas to Batavia, 30 September 1733,

The VOC became alarmed by the looming bankruptcy of Uttamchand and Ishwardas, and so took two measures. First, they tried to hold the brokers' capital as collateral. In March 1724, the Dutch head of Bandar Abbas, Pieter 't Lam, wrote that in order to reduce the debt of the agents not only had he confiscated the assets that they had managed to save from marauding Baluchis at the Dutch factory but he had also searched for any cash and gold that they might have hidden in their houses or elsewhere.⁶ Second, the VOC tried to facilitate the brokers' private trade. As described before, the Company arranged for the brokers to transport their private sugar to Masqat in 1724, and to Basra in the later part of the decade. It seems that these attempts had an adverse effect. The trade at Masqat turned out to be detrimental to their agents, the Dutch commented, because it occasioned much expenditure for transshipping cargoes as well as serious damage to the sugar after being housed in a hot cabin.⁷ By 1727, Uttamchand and Ishwardas became so desolate that they claimed to have no means to sustain their big family.⁸

From the second half of the 1720s onwards the brokers asked the VOC to discharge them from the enormous debt arising from the lost Isfahan bills. At a meeting held at the Dutch factory on 23 August 1726 Uttamchand and Ishwardas requested permission for one of them to go to Batavia to tell the High Government about the misery they were in and to beg them to relieve them of the responsibility for the debt. According to the Dutch their debt amounted to 150,598 guilders 15 stivers. The factory did not grant their request but earnestly asked Batavia to show special favour on this issue, saying that these fellows were so desperate that if no adequate measures were applied it would be almost impossible for them to continue to serve the Company.⁹

While the fortune of the brokers was rapidly waning, we note that some of the people who had served the Rawal firm began to play a bigger role in supporting the VOC commerce. Uttamchand and Ishwardas, who were still young (around 20 years old when they were appointed as co-brokers of Dharmdas in 1719), received much assistance from their experienced clerks. In November 1722 the Dutch director, Jan Oets, wrote that the brokers were quite good at trade for their age, for they were helped especially by their "chief servant" (*opperste of eerste dienaar*) named Monsjeterdas. Monsjeterdas was probably not related to the brokers. Oets continued that this man was trustworthy and had some special experience, for he had earlier acted as the Company's broker at Basra. Oets said the factory should keep him on hand.¹⁰ Five months later, when much of the Bandar Abbas trade was being redirected to Basra, the Bandar Abbas factory directed a *Banian* servant of the brokers to collect information on the Basra market through his business correspondents there.¹¹ That *Banian* servant was very probably Monsjeterdas.

fol. 108v. Cf. W. Floor, *The Rise and Fall of Nader Shah: Dutch East India Company Reports, 1730–47* (Washington, DC: Mage Publishers, 2009), 220-1.

⁶ NA VOC2016 1, separate letter from P. 't Lam at Bandar Abbas to Batavia, 31 March 1724, pp. 121-2.

⁷ NA VOC2034 2, letter from Bandar Abbas to Batavia, 20 September 1725, pp. 38-9.

⁸ NA VOC2042, letter from Bandar Abbas to The Netherlands, 16 June 1727, fol. 3946v.

⁹ NA VOC2055 2, letter from Bandar Abbas to Batavia, 10 September 1726, pp. 9-11.

¹⁰ NA VOC1999, final report from Oets to de Croeze, Bandar Abbas, 15 November 1722, p. 269.

¹¹ NA VOC1999, letter from Bandar Abbas to Batavia, 30 April 1723, p. 421.

It is also worth mentioning that around the same time an Armenian family who had acted as VOC wool collectors at Kerman were involved with the Dutch service at Bandar Abbas. At the turn of the eighteenth century the Company established a permanent agency in Kerman for the procurement of wool and hired two Armenian brothers in Julfa, Isfahan, named Mardiros (Martiroes) and Mourad (Mouraet). After both merchants died in the early 1710s, a son of Mardiros named Hovhaness (Auwanees) took over the post and remained there till 1747. In that year he died a cruel death during Nadir Shah's punitive campaign in the region.¹²

The family of Hovhaness acted as the Company's interpreters at Bandar Abbas in the aftermath of the Afghan invasion. In March 1720, when the interpreter Joseph Busskens died, the Bandar Abbas factory wanted the Sahids, another Julfa Armenian family who had been the interpreters for the Dutch at Isfahan during the late Safavid period, to take care of the port (Appendix 11). However, the best candidate was Elias Sahid. He had long supported his elderly father Francois as second interpreter at Isfahan, but he could not leave the capital. Francois died in February 1721 and Elias immediately succeeded to this position.¹³ In early 1722 the factory appointed another son of the late Francois named Joseph.¹⁴ Yet due to increased road insecurity he could not leave Isfahan. Therefore in July 1723 Bandar Abbas asked a brother of Hovhaness resident in Kerman named Khatchadour (Ghodjatoer) to work as a provisional interpreter.¹⁵

Khatchadour played a key role in propping up the Company's trade at the port. During the abrupt downfall of the brokers, 't Lam wrote in 1725 that he had relied on the provisional interpreter Khatchadour to continue the Company's business. He suggested that Batavia should confirm him as a broker as well, saying that he was competent as a broker and as an interpreter.¹⁶

In the later part of the decade, however, serious illness prevented Khatchadour from working properly. The factory nominated Joseph Sahid and his brother David as interpreters, asking either one of them to come down to do the task. Before David appeared in Bandar Abbas in July 1730 Khatchadour's father-in-law Minas acted as a temporary interpreter.¹⁷ The Dutch records contain no evidence that the Hovhaness family served Bandar Abbas in later times, but their influence can be inferred from the fact that in 1741 Hovhaness used David's brother and successor Ibrahim as his business agent (*volmacht*) at the port.¹⁸

¹² R. Matthee, "The East India Company Trade in Kerman Wool, 1658–1730," In *Etudes safavides*, edited by J. Calmard (Paris: Institute Français de Recherche en Iran, 1993), 366, 377, 378; NA VOC1779, final report from F. Castelijns to W. Backer Jacobsz, Bandar Abbas, 1 May 1709, p. 409.

¹³ Meanwhile, Bandar Abbas used the Persian secretary there named Mulla Muhammad Shah as a provisional interpreter and after his death, an Armenian called Aphlataer. NA VOC1964, letter from Bandar Abbas to Batavia, 15 February 1721, pp. 70-1; VOC1964, letter from Bandar Abbas to Batavia, 5 April 1721, pp. 359-60.

¹⁴ Joseph Sahid could speak and write Dutch, French and Portuguese as well as Persian and Armenian. NA VOC1999, final report from Oets to de Croeze, Bandar Abbas, 15 November 1722, pp. 295-6.

¹⁵ NA VOC2016 1, letter from Bandar Abbas to Batavia, 1 November 1723, pp. 28-9.

¹⁶ NA VOC2034 1, letter from Bandar Abbas to Batavia, 15 May 1725, pp. 12-3, 18.

¹⁷ NA VOC2168, letter from Bandar Abbas to Batavia, 13 April 1730, pp. 79-80; VOC2253, letter from Bandar Abbas to Batavia, 15 May 1731, pp. 111-2.

¹⁸ NA VOC2511, letter from Bandar Abbas to Batavia, 31 July 1741, p. 138.

Collapse of the brokers with the VOC: Nadir Shah's rule (1730–47)

After Iran restored some composure under the control of Nadir Shah the VOC resumed regular imports. But their trade at Bandar Abbas never returned to its former level and suffered throughout Nadir Shah's period of control. The Dutch archives for this period show a great degree of correlation between the fate of the Company and that of their much cherished collaboration with the brokers during the preceding years.

Partnership in crisis

The dysfunction of the bullion market at Isfahan and the concurrent recession experienced by the powerful wholesalers from Shiraz caused a significant decline to the commercial network on which the monetary transfers from Bandar Abbas to Isfahan and the reverse flows of gold and silver specie depended. It is interesting that these unfavourable conditions made Bandar Abbas become something closer to a "trading" port in the true sense of that word: a port where commodities were exchanged. It was not unusual for merchants who appeared in Bandar Abbas after the Afghan conquest to offer exportable bullion, especially copper coins, for imported items.

Because of the instability that lingered over the Bandar Abbas market, however, those merchants (mostly arriving from or via Kerman) were highly adaptable. Only when the market appeared to pick up would they come up with some money and immediately purchase goods (often partially on credit) so that they could leave the precarious environment as soon as possible. Such a hectic manner of trade gave maritime suppliers little time to deliberate on whether those to whom they were selling merchandise were solvent or not. The VOC brokers stood security for such uncertain deals. If a buyer turned out to be insolvent then they had to compensate for the loss from their brokerage income.¹⁹ The brokers were also responsible for collecting profitable types of copper coinage and copper goods.²⁰

Despite continuously rearranging their services the brokers' commercial clout became a mere shadow of its former self. In 1733 the Dutch factors reported with much alarm that no merchants would trust them with money, since the creditworthiness of the brokers had considerably decreased.²¹ Extortion perpetrated by the local bureaucratic elite increased to finance Nadir Shah's naval activities in the Gulf from the middle of the 1730s onwards, which added to the despondency of the brokers.²²

During the late Safavid period the VOC had given the Rawals the brokership of Bandar Abbas and various associated perquisites, including protection. The brokers in turn took responsibility for most of the Company's investment so that the Company could carry out their commerce. In Nadir Shah's time, however, the ailing family disliked that old partnership

¹⁹ NA VOC2584, final report from C. Koenad to S. Clement, 22 January 1742, pp. 1845-8.

²⁰ NA VOC2448, letter from Bandar Abbas to Batavia, 30 April 1738, pp. 1804-5.

²¹ NA VOC2322 1, letter from Bandar Abbas to Batavia, 30 September 1733, fols. 108v-9r.

²² For a recent analysis of the government's interference with trade at Bandar Abbas during Nadir Shah's time, see Floor, *The Rise and Fall of Nader Shah*, 226-31.

unless the Company was willing to discharge them from the debt arising from the lost Isfahan bills. When Ishwardas died on 19 July 1736 the factory tried to find a successor among his brothers, but no one came forward because of the burden of the bills. The other broker, Uttamchand, requested relief from the persistent liability. About two months later two brothers of Uttamchand, named Kumarchand (Koemertjent) and Abchand (Abtjent) who were aged 31 and 30 respectively, applied for the vacant position (Appendix 10). The Dutch offered them the position on condition that the merchants accepted responsibility for the debt. But they insisted they would not take responsibility for any part of it. After many fruitless arguments the Dutch compromised. They appointed Kumarchand and Abchand as co-brokers with Uttamchand and then conferred a customary present of neckerchiefs on all of them and their secretary (*secretaris*) as a sign of the Company's special favour.²³

From this time on it became usual for the VOC to ask many members of the Rawal firm to share the heavy debt of the Isfahan bills. The factory kept asking Kumarchand and Abchand to take on some of the obligation and in the end the new brokers acquiesced.²⁴ As mentioned in the previous chapter, Uttamchand left for Bombay to pick up his wife in April 1737 but died there. When he departed the Dutch persuaded the other brokers, Kumarchand and Abchand, another brother named Bishambardas (Wisschermerdas) who was about 25 years of age, and their bookkeeper (*boekhouder*) Babu (Baboe), to undertake the liabilities as well as all business relating to the brokershship of Bandar Abbas.²⁵ In February 1738, at the request of Kumarchand and Abchand, the VOC officially added Bishambardas, who had so far served them well, to the brokershship. Thereby they made it clear that he also stood security for the brokers' debt, which then amounted to 226,882 guilders 17 stivers, including a sum of 106,058 guilders 6 stivers 8 pennies for the Isfahan bills.²⁶

However, the Rawal firm became inoperative towards the end of Nadir Shah's reign. Although in 1743–44 the brokers' debt had been reduced to 169,029 guilders 11 stivers, the Dutch noted that those "bankrupts" had not only petitioned for discharge from the whole obligation but also for permission to move to another Dutch factory with their family.²⁷ After the death of Bishambardas, on 30 September 1745 Bandar Abbas convened a board that included the remaining brokers, Kumarchand and Abchand together with Ishwardas, who was the heir of the brokers' late secretary. There the Dutch factors reminded the brokers of their overdue debt and Ishwardas of his father's debt to the Company, and demanded that they square all accounts promptly. Yet these merchants could not comply at all because they were being severely pressed for tribute exacted by the Persian authorities in the Gulf regions at the time. This shocked the Company into adding extra surety by involving another brother of the brokers named Thakurdas (Tackourdas) as co-broker.²⁸

In May 1747 the mercantile community of Bandar Abbas had virtually disappeared. All the *Multani Banians* and many of the *Bhansalis* to which the Rawals belonged had taken

²³ NA VOC2416, letter from Bandar Abbas to Batavia, 10 December 1736, pp. 248-52.

²⁴ NA VOC2417, letter from Bandar Abbas to Batavia, 4 April 1737, pp. 3539-40.

²⁵ *Idem*, p. 3541.

²⁶ NA VOC2448, letter from Bandar Abbas to Batavia, 30 April 1738, pp. 1831-2.

²⁷ NA VOC2655, letter from Bandar Abbas to Batavia, 10 January 1745, p. 66.

²⁸ NA VOC2705, letter from Bandar Abbas to Batavia, 31 July 1746, pp. 53-5.

shelter in the port of Barka in Oman. The *Bhansalis* had evacuated most of their wives there. As a result, there remained very few people in Bandar Abbas except those affiliated with the European Companies.²⁹

The EIC's flexibility

At this time during Nadir Shah's rule the EIC also experienced a serious crisis in their relationship with their local broker at Bandar Abbas, but their response to it contrasted remarkably to that of the VOC.

The EIC like the VOC utilized many local people to conduct business in Iran. During the late Safavid period the EIC kept one broker, one interpreter (*linguist*) and one Persian secretary (*writer*) at Bandar Abbas, and one broker and one interpreter at Isfahan. They had posted some agents in Shiraz to obtain wine and in Kerman to obtain wool. The broker Chittor (Chittorah) at Bandar Abbas was a pivotal figure, providing seamless backing for the Company's trading enterprises.

Chittor was most probably of Indian origin. He lived with male and female family members in the port.³⁰ As the EIC broker he basically acted as an intermediary linking potential buyers of goods belonging to the English — both belonging officially to the Company and also to private traders — with the English lodge and facilitating transactions on a commission basis.³¹ In addition he offered a variety of financial services, including factory management and money transfers and exchange, while also occasionally acting as the delegate for the English to the port authorities.³²

Like the VOC, the EIC would safeguard a broker's resources. In 1709 the Company strongly protested against the behaviour of the port government. They claimed that they had ignored a court order to capture criminals who in the year before had broken into Chittor's house in Issin, a neighbouring village, and that they had neglected to make good the broker's losses. The English even appealed to a higher authority at Lar by sending copies of these orders there.³³

After the death of Chittor in September 1725 his son Kishorji (Kessourji) succeeded to his position.³⁴ In spite of the deteriorating trading conditions in Bandar Abbas during the Afghan occupation Kishorji continued to mediate between the English and local wholesale

²⁹ BL IOR G/29/7, 30 April 1747.

³⁰ He died leaving three daughters behind. BL IOR G/29/5, 27 April 1730.

³¹ C. Lockyer, *An Account of the Trade in India* (London: Samuel Crouch, 1711), 225-6.

³² BL IOR G/29/2, 6 November 1708 (paying monthly expenses), 24 August 1709 (collecting the EIC's share of customs revenues of Bandar Abbas), 20 February 1710 (arranging bills for Kerman), 23 June 1710 (negotiating with the port government); Lockyer, *An Account of the Trade in India*, 226-7 (exchanging coins).

³³ BL IOR G/29/2, 22 or 24 July 1710.

³⁴ BL IOR G/29/18, letter from Basra to London, 22 December 1725, fol. 42v.

merchants.³⁵ When no buyers were found he undertook the trade of unsold articles at agreed prices.³⁶ His time of service, though, did not last long, as he died in September 1729.³⁷

The brokership was then passed on to a *Banian* named Shankar (Sankar). Shankar had been involved in the EIC trade, specifically that of Kerman wool, from earlier times and no doubt had had transactions with Kishorji.³⁸ It seems that he was not related to the broker family. When Kishorji passed away he left only three sisters remaining in Bandar Abbas.³⁹ Shankar also established a business colony-cum-home in Bandar Abbas.⁴⁰ He conducted private trade with the growing market at Masqat as his dinghy plied between Bandar Abbas and Masqat where he kept an agent.⁴¹

In this highly uncertain commercial environment Shankar still provided the EIC with a similar set of services to the one offered by his predecessors. He even added the important function of co-ordinating shipments of copper to Bombay.⁴² However, the partnership somewhat unexpectedly broke up on 15 October 1739, when the broker asked for permission to resign:

Sankhar waiting on the [EIC] agent this morning, hinted some suspicions of the Hon[ourable] Company's having given orders to discharge him from the brokership, as they had refused to let him have the last year's cloth, tho' so small a quantity and his debt to them lessened within a trifle. Complaining also of his sufferings from the government who under the distinction of being our broker, he said, and with the notion of his prodigious gettings, had taken from him at times, as he cou[ld] make appear by his books, to the amount of above four thousand tomands [*tūmāns*], besides obliging him to trust them great sums other ways, all which as a private merchant he sho[ul]d have been exempted from. [...] and informed that the decline in trade of late and the little prospect he saw of its reviving whereby he might be encouraged to sit under these hardships, but on the contrary new ones approaching which his present circumstances would not allow him to submit to, with other reasons, but principally that of the Ho[nourable] Company's denying him their credit as before determined him to take our leave for his resigning, after he had collected his debts and cleaned off the remainder of what he owed the Hon[ourable] Company.⁴³

³⁵ BL IOR G/29/5, 6 February 1729.

³⁶ BL IOR G/29/3, 9 January 1727.

³⁷ BL IOR G/29/5, 12 September 1729.

³⁸ In 1727, the EIC already called him broker. *Idem*, 5 July 1727, 20 May 1729 (his accounts with the Company's secretary and Kerman wool merchant called Qasim).

³⁹ *Idem*, 27 April 1730.

⁴⁰ *Idem*, 7 January 1737 (his son's wedding).

⁴¹ *Idem*, 30 August 1736; G/29/6, 13 November 1740.

⁴² *Idem*, 15 May 1738.

⁴³ *Idem*, 4 October 1739.

Shankar mentioned two reasons for his resignation. First, he suffered from persistent extortion from the ruling elite who targeted him because of his distinguished status as the EIC broker. His loss, which he claimed amounted to more than 4,000 *tūmāns*, made it no longer feasible for him to continue his business in Bandar Abbas, where the market had significantly declined in those days. Second and more importantly, Shankar had a strong suspicion that the Company might discharge him from trading their merchandise.

His suspicion that the EIC might not trust him any more seems justifiable. The Bandar Abbas factory with no hesitation allowed him to leave on that same day, although they promised to keep protecting him until he recovered his investments from the port government and the English officials and others. They also allowed him to retain the status of Company broker for that purpose.⁴⁴ What is more intriguing, however, is that the English factors then suspended the brokering and took over most of the work that Shankar had so far undertaken.⁴⁵ In October 1742 the factors wrote about the deal in woollen goods they had recently made with the Persian authorities:

This is the inconvenience of dealing with these government people, tho' unavoidable. Formerly indeed when the broker was [in good?] circumstances, they used to direct themselves to him so that [they] did not appear to the Company, but the matter being changed [and] they nevertheless expecting to be obliged in their wants, we are applied to. But as yet we have been able to keep on tolerable terms and either by assignments on the Banians or other means secured the money, tho' we have been some time out of it. The Dutch are fair to submit to the like [...] but they have been so ill-treated that they have, as some of their heads confessed, a debt outstanding of above one thousand tomands from the government.⁴⁶

Why did the EIC stop using a broker at Bandar Abbas? One possibility is that they could not find any capable merchant in the port at the time. But perhaps a more important setting to be considered is that from the second half of the 1730s the EIC increasingly redirected their trade from Bandar Abbas to the burgeoning market of Kerman. As argued in Chapter 3, from early 1737 the EIC and many associated merchants, most of them EIC officers, regularly forwarded imported goods to Kerman, including English woollen products, sugar and pepper, where they could be traded for copper ware and copper coins.

The English entrusted the new venture to their representatives in Kerman. In 1695 the EIC set up a permanent trading station in Kerman before the VOC and commissioned the Julfa Armenians to purchase Kerman wool.⁴⁷ However, during Nadir Shah's rule the EIC deployed

⁴⁴ *Idem*, 4 October 1739, 14 December 1740.

⁴⁵ Shankar at times helped the Company's trade of woollen goods until around mid-1742. *Idem*, 28 April 1742 (his last brokerage service).

⁴⁶ *Idem*, 20 October 1742.

⁴⁷ Matthee, "The East India Company Trade in Kerman Wool," 365.

one English officer at a time there: William Cordeaux (1732–33), Nathaniel Whitwell (1733–36), Henry Savage (1736–46), and Danvers Graves (1746–47). They also took advantage of various merchants who were presumably Zoroastrian: these included Ziyabakhsh (Seawax), who served the Company as broker and secretary for most of this period; his son-in-law Isfandiyar (Espondior); Shahryar (Sharyar); and Mahmud, who was possibly a Muslim and acted as interpreter (*linguist*). From April 1737, when the Bandar Abbas factory explicitly ordered Savage, its resident, to sell transferred woollen goods and acquire copper in return, the fully-fledged Kerman agency vigorously collected copper as well as wool. This went on until early in 1747, when mounting financial exploitation of the region by Nadir Shah made the project ineffectual and Graves left the town. The English documentation of Bandar Abbas for that period contains many references to Kerman caravans arriving with wool and exportable bullion, chiefly copper (“lump copper” and “old copper”), though probably not all the loads belonged to the English.⁴⁸

It should be noted that the VOC also kept a local wool collector in Kerman and had a plan to develop the local agency into a permanent factory around the same time.⁴⁹ That plan came to nothing. The suspension of the EIC brokership at Bandar Abbas during Nadir Shah’s reign therefore indicates that the English had a higher level of flexibility in responding to the relocation of the market to Kerman than the VOC. In other words, we can say that the Dutch made more effort to shore up existing channels of trade in order to manage the unstable situation.

Although our knowledge is still rudimentary we can suggest that in the third and fourth decades of the eighteenth century the English enterprisingly explored new business frameworks for manipulating local intermediaries across the northern Indian Ocean, while the Dutch tended to foster the old foundation. Nadri has pointed out that in Surat from the late 1730s the EIC reined in the power of their broker by defining and redefining his position and by changing the nomenclature of his title from broker to *wakīl* and then to *marfatida*. By contrast the VOC and their brokers deepened their interdependency over the course of the century.⁵⁰ In Bengal both Companies had long struggled to restrain the authority of their brokers, who were rich merchants and played a critical role in managing Company investments in export commodities. Yet the EIC abolished the office in 1741 and then engaged local merchants as *gomastas* to procure export articles, while the VOC retained the status quo however unwillingly.⁵¹ Considering that the English from this time on increasingly

⁴⁸ For instance, BL IOR G/29/6, 24 September 1737, 13 January 1738, 3 December 1739, 22 September 1743, 16 September 1745; G/29/7, 24 September 1746, 10 January 1747. Nadir Shah also sent from Kerman to Bandar Abbas a large caravan loaded with copper, asafetida, etc. for export to India. Idem, 18 February 1747.

⁴⁹ NA VOC2710, letter from Bandar Abbas to The Netherlands, 10 October 1748, fols. 1318r-v.

⁵⁰ G. Nadri, “Commercial World of Mancherji Khurshedji and the Dutch East India Company: A Study of Mutual Relationships,” *Modern Asian Studies* 41, no. 2 (2007): 342. Cf. A. Das Gupta, “The Broker at Mughal Surat, c. 1740,” *Revista de cultura* 13-14 (1991): 173-80.

⁵¹ S. Chaudhury, *From Prosperity to Decline: Eighteenth Century Bengal* (New Delhi: Manohar Publishers, 1995), 47-65, 93-108.

outscored the Dutch in all these places — the Persian Gulf, Surat and Bengal — it is telling to highlight such a difference of attitude as a crucial trigger point.⁵²

Erosion of the Rawal firm: 1747–59

Thanks to a series of petitions sent to Batavia the Bandar Abbas brokers Kumarchand, Abchand and Thakurdas were finally discharged from the debt for the Isfahan bills in 1752–53. Their situation in no way improved, however. Even after their debt was written off the “poor people” owed the Company the large sum of 97,972 guilders 10 stivers. The factory seized five houses and a garden belonging to them, but these properties turned out to have little or no value because of their bad condition.⁵³

Whereas the twilight of the broker family marks an irreversible decline in the Bandar Abbas trade it is intriguing to note that some countervailing forces in the marketplace remained. First of all, the EIC reactivated the brokership at Bandar Abbas at the close of the 1740s. During this time the factory used three *Banians*, called Chiballah, Parwana (Parwana), and Keemah.⁵⁴ These merchants might have belonged to the *Bhansali* caste in the port, as the English factors were afraid that their agents, despite their status as Company servants, would be forced to pay a heavy tax to the authorities on behalf of the “wretchedly poor” community.⁵⁵ The brokers promoted sales of Company goods in Bandar Abbas while driving up the Company’s investments in Kerman wool by arranging cheques for money transfers to and from Kerman. There Mahmud the interpreter, mentioned previously, remained in service.⁵⁶ Due to there being so few cash-laden merchants remittances became extremely difficult by the mid-1750s. That was when Bandar Abbas began to send the needed cash to Kerman by caravan.⁵⁷

The principal servants of the VOC brokers were also noticeably active. In his final report, the Dutch director Schoonderwoerd wrote that it was not the brokers but their servants that had actually handled the Company’s business in Bandar Abbas during his term (1745–55). Since the current brokers Abchand and Thakurdas were raised in luxury and had not learned how to do the required services well, he said, he had been able to manage his duty with special help from the brokers’ secretary (*schrijver*) Ishwardas. Ishwardas always stood

⁵² A number of scholars have scrutinized the role of local intermediaries in the making of the British empire in India during the eighteenth century. Among others, see L. Subramanian, *Indigenous Capital and Imperial Expansion: Bombay, Surat, and the West Coast* (Delhi: Oxford University Press, 1996); S. Neild-Basu, “The Dubashes of Madras,” *Modern Asian Studies* 18, no. 1 (1984): 1-31; P.J. Marshall, “Masters and Banians in Eighteenth-Century Calcutta,” In *The Age of Partnership: Europeans in Asia before Dominion*, edited by B. Kling and M. Pearson (Honolulu: University Press of Hawaii, 1979), 191-213. For the case of the nineteenth-century Persian Gulf, see J. Onley, *The Arabian Frontier of the British Raj: Merchants, Rulers, and the British in the Nineteenth-Century Gulf* (Oxford: Oxford University Press, 2007).

⁵³ NA VOC2843, letter from J. van Schoonderwoerd at Bandar Abbas to Batavia, 1 October 1753, p. 18; VOC2885 2, final report from J. van Schoonderwoerd to D. Aansorg, 28 November 1755, p. 15.

⁵⁴ BL IOR G/29/7, 13 September 1750 (Chiballah), 23 June 1752 (Parwana and Keemah). Parwana died by June 1761. BL IOR G/29/13, 25 June 1761.

⁵⁵ BL IOR G/29/9, 5 November 1755.

⁵⁶ BL IOR G/29/8, 13 August 1754; 20 October 1754.

⁵⁷ BL IOR G/29/9, 3 September 1755.

security for the Company's transactions as he was "rather rich (*tamelijk gegoed*)". The man had in fact died not long before this report, and his brother Dwarkadas (Duarkardas) had succeeded to the role.⁵⁸

David Busskens, the son of the aforementioned Joseph Busskens, is another interesting example of this. David had a vital role in the VOC enterprises in Iran after the Safavid period. In 1730–31 the Company employed him as assistant (*assistent*), the lowest rank in the Dutch hierarchy in Persia, to help the newly-appointed Isfahan chief Mattheus van Leijpsigh together with the Isfahan interpreters. For this service the Company agreed to pay him 10 guilders every month on a three-year contract.⁵⁹ In 1737, when the VOC embarked on a new venture at Bushrie, they installed David to perform an interpreting service there.⁶⁰ About three years later he was back in Isfahan to act as the second-in-command. After the Dutch personnel withdrew from the city in 1746 he and the Isfahan interpreters looked after the Company's properties they had left behind.⁶¹

In early 1753, when the Bandar Abbas interpreter David Sahid (on his second stint beginning 1751) passed away, the VOC appointed David Busskens, who had conveniently arrived from Isfahan, as his successor.⁶² Then the factory asked him to act as broker as well. Touching on the recent loss of Kumarchand, Schoonderwoerd reported that the remaining brokers were "incapable" and "untrustworthy", and therefore it was advisable to add David into the brokering service. As an incentive Schoonderwoerd offered him a special privilege: the right to collect an additional 0.5 per cent commission on top of the usual one per cent.⁶³

In the last days of their operation in Bandar Abbas the VOC formed the impression that the catastrophic fall of the Rawals was actually occasioned by the Ishwardas family and David Busskens. In the last report that the Dutch officials submitted to Batavia they expressed their utmost chagrin about the brokers Abchand and Thakurdas. Those men had been solvent at the departure of the former director Schoonderwoerd at the end of 1755, but when a few years later the Dutch asked them to pay further dues the requested payment never turned up. To the greater embarrassment of the officers they felt that this had happened even though the brokers had not been the victims of extortion nor had they suffered bankruptcy in recent years. According to Abchand and Thakurdas, the reason for their insolvency was that their servants (*dienaars*) Ishwardas and Dwarkadas, to whom they had consigned all the work, had involved

⁵⁸ NA VOC2885 2, final report from Schoonderwoerd to Aansorg, 28 November 1755, p. 25.

⁵⁹ The VOC established a formal hierarchy for their operation in Persia in the eighteenth century. The director (*directeur*, later *gezaghebber*) or head officer held the status of senior merchant (*opperkoopman*). He was followed in descending order of rank by a merchant (*koopman*), a junior merchant (*onderkoopman*), a bookkeeper (*boekhouder*), and finally an assistant (*assistent*). NA VOC2253, letter from Bandar Abbas to Batavia, 15 May 1731, pp. 118-9; W. Floor, *The Afghan Occupation of Safavid Persia 1721–1729* (Paris: Association pour l'Avancement des Études iraniennes, 1998), 8-9; Idem, *The Rise and Fall of Nader Shah*, xiii-xvi.

⁶⁰ NA VOC2448, resolution, Bandar Abbas, 21 June 1737, p. 443.

⁶¹ NA VOC2584, letter from Bushire to Bandar Abbas, pp. 1544-5; Floor, *The Rise and Fall of Nader Shah*, 88, 99, 175.

⁶² For the second term, David Sahid could not work well due to his age and obesity (*zwaarlijvigheid*). NA VOC2787, letter from J. van Schoonderwoerd at Bandar Abbas to Batavia, 17 February 1751, p. 41; VOC2824, letter from J. van Schoonderwoerd at Bandar Abbas to Batavia, 8 February 1753, pp. 22-3.

⁶³ Idem, p. 23.

David Busskens in their business, and that they had put too much trust in him, and that together they had lost the money. This could have been a mere excuse, but the Dutch officials were nevertheless convinced.⁶⁴ “It is a real pity,” they said, “that those who formerly had such a considerable wealth have to live so miserably, and even more so because they would not be able to pay off their debt to the Company, for what we have written about the way their money has been stolen from time to time is only partially reported (*de wijs op welk zij het van tijd tot tijd zijn kwijtgemaakt vooral gedeeltelijk is terneder gesteld*).”⁶⁵ The activities of all these merchants suggest that some of the vigour of the merchant world of Bandar Abbas in the late Safavid period was sustained in the late 1750s.

In 1763, four years after the Dutch retreat, Batavia received a letter from the Company’s brokers at Bandar Abbas (*makelaars van de Edele Comp[agnie] in de negorij Abasi*) named “Takardas” and “Kordas” asking for permanent protection so that they could maintain some esteem among the local merchants. The first named broker may have actually been Thakurdas.⁶⁶

2. Isfahan

In August 1723, soon after the Afghan conquest, the Isfahan broker Khemchand died, and his nephew Hemraj Jethmalani took over as broker. In the upheaval following the revolution, however, the bullion market in Isfahan crumbled, which made it impossible for the broker to procure any gold ducat that was requested.⁶⁷

The re-establishment of Persian rule by Nadir Shah did not change the general situation. No substantial inflows of money returned, though the VOC occasionally collected gold and silver coins from there.⁶⁸ Under these circumstances the Isfahan broker was no longer the money merchant he used to be. His main task was now limited to providing the factory with its necessary financial obligations, such as the payment of salaries to the workforce.⁶⁹ To stress how critical Hemraj was for the upkeep of the Isfahan factory Bandar Abbas reported that, in order to deter a total crash of Isfahan, they had made sure to repay their debt to him, thereby keeping him incentivized in their service.⁷⁰

Over the course of the 1730s it became extremely difficult for the VOC to continue the Isfahan enterprise. The highly-sophisticated banking network by which Bandar Abbas had consistently supported Isfahan during the late Safavid period had virtually disappeared. In

⁶⁴ NA VOC2968, letter from the ship *Nieuw Nieuwen Kerk* to Batavia, 1 May 1759, pp. 6-7.

⁶⁵ *Idem*, p. 20.

⁶⁶ NA VOC3092 1, translation of a Persian letter from Takardas and Kordas to Batavia, received on 1 March 1763, pp. 57-8.

⁶⁷ NA VOC2253, final report from N. Schorer to M. van Leijpsigh, Isfahan, 1 October 1730, pp. 660-1.

⁶⁸ NA VOC2390, letter from Bandar Abbas to Batavia, 19 March 1736, p. 13.

⁶⁹ NA VOC2254, letter from Bandar Abbas to Batavia, 19 July 1732, pp. 451-2; VOC2356, letter from Bandar Abbas to Batavia, 9 November 1734, p. 30.

⁷⁰ NA VOC2322 1, letter from Bandar Abbas to Batavia, 30 September 1733, fol. 51r.

addition, the continuous fiscal exploitation by the authorities repressed the merchant societies in Isfahan, so that one after the other they left for alternative places of trade.⁷¹

In order to improve the situation Bandar Abbas at times sent some of the imported goods traded for cash to Isfahan by caravan. One such caravan under the supervision of the Dutch officials Joris Brand and Isaac de Crane took the route over Yazd in the early summer of 1737. The usual track through Fars was blocked by Nadir Shah's military operations, so they had to push through unfamiliar highlands with few known decent caravanserais. They were conveying goods worth 12,336 guilders 17 stivers and 8 pennies to Isfahan.⁷²

In Isfahan some of these goods were traded for needed money. The rest was denoted as presents for the ruling elite, etc. For trading the factory used Hemraj's brother Bishendas as a substitute broker (*substituut makelaar*), as Hemraj had retreated to Bandar Abbas.⁷³ Knowing that he was in competition with the Armenians, the *Banians* and other local merchants who came with goods purchased from the English and French at Bandar Abbas, Bishendas managed to sell various articles, including Javanese castor sugar and candy sugar, usually on credit for three or four months. He received one per cent of the total value from the Company.⁷⁴ This agency lasted until the departure of the Dutch staff in 1746.

3. Basra

Banian connections

In the 1720s Basra gradually made up for the failing bullion centre at Isfahan that had become inoperative over time. Basra was also absorbing much of the sugar trade in Bandar Abbas. The structural change in the trans-regional trade underpinned the prompt establishment of a permanent trading post in Basra by the VOC in 1723–24. How did they connect with the new commercial environment?

According to Abdullah, in the eighteenth century the market in Basra was one of various mercantile societies built on networks of family, clan, tribe, birthplace, or ethnicity. The Muslim merchants (Sunni and Shiite) were the most powerful, and the Turkish family of the Chelebis held a prominent presence among them. Among the non-Muslims the Armenians were the richest, followed by the Jews, who during the second half of the century thrived in comparison to the Armenians. These different merchant communities were involved with different trading routes: the Chelebis were mainly involved in the maritime trade with India,

⁷¹ For a detailed description of the city during Nadir Shah's time, see Floor, *The Rise and Fall of Nader Shah*, 1-99.

⁷² NA VOC2448, letter from Bandar Abbas to Isfahan, 7 May 1737, pp. 1199-200.

⁷³ NA VOC2610 1, letter from Bandar Abbas to Batavia, 31 October 1742, pp. 182-3.

⁷⁴ NA VOC2448, price list, Isfahan, 6 August 1737, pp. 1580-3; VOC2610 2, annual sales statement, Isfahan, 1741–42, pp. 62-3.

especially Surat; the Armenians in the caravan traffic with Aleppo; and the Jews in the river trade with Baghdad.⁷⁵

We may add to Abdullah's list the "Indian" merchants. The Englishman Julius Griffiths, when he visited Basra in 1786, saw that the population there consisted of "a mixture of Christians, Jews, Arabians, and Indians," all of them conducting commerce, and that the Jews and the Indians seemed to be engrossed in trading jewels and precious metals and in money exchange, while the Armenians and other Christian sects (not distinguished from each other in the record above) conducted general import and export.⁷⁶

When the VOC launched their new enterprise they aligned themselves with this "Indian" sector. The Company initially planned to install a *Banian* merchant called Munshi (Monsje), who was then in Bandar Abbas as the Basra broker (*makelaar*). However, on 18 October 1723 when he was about to leave for Basra he was found strangled outside the town. After months of searching the Bandar Abbas factory finally found another experienced *Banian* named Mulchand (Moeltjent), and they immediately sent him to Basra in February 1724.⁷⁷ Little is known about Mulchand's early career, but there is no doubt that he was closely associated with, if not a member of, the firm of the Isfahan broker Hemraj. Sources show that his brother named Sandaldas (Sendeldas) was a principal agent of Hemraj at Isfahan.⁷⁸ Settled in the city of Basra with his family members (six in total), Mulchand formed an indispensable part of the *Banian* society there.⁷⁹ In July 1725 the port authorities arrested him, charging him because all the *Banians* in the city were complaining about him. As a result the Company was obliged to pay more than 300 *tūmāns* in ransom. The Dutch officers wrote with unusual annoyance that the port government had made a big mistake, for the *Banians* would have paid the ransom money if the Company had not.⁸⁰

Our source materials contain few clues as to where exactly these *Banian* merchants came from. Mulchand, by having an association with the Hemraj firm, may have had a Sindi genealogy. Then there is Tolaram (Tollaram), a man who served the VOC as *ṣarrāf* (money changer) in 1742–43. In April 1743 he took leave for Surat because he had recently received a considerable inheritance from his relative in Hindustan.⁸¹

Mulchand undertook trade in imported Company goods with merchants coming from the eastern Mediterranean, Iraq and Iran as well as those at Basra. As in Bandar Abbas and

⁷⁵ Sood emphasizes the crucial value of family, especially the father-son relationship, in this commercial environment. Th. Abdullah, *Merchants, Mamluks, and Murder: The Political Economy of Trade in Eighteenth-century Basra* (Albany: State University of New York Press, 2001), 83-98; G. Sood, *India and the Islamic Heartlands: An Eighteenth-century World of Circulation and Exchange* (Cambridge: Cambridge University Press, 2016).

⁷⁶ J. Griffiths, *Travels in Europe, Asia Minor and Arabia* (London: T. Cadell and W. Davies, 1805), 390.

⁷⁷ NA VOC2016 1, letter from Bandar Abbas to Batavia, 31 March 1724, p. 70.

⁷⁸ NA VOC2357 1, resolution, Bandar Abbas, 21 March 1735, pp. 683-4; VOC2511, letter from Isfahan to Bandar Abbas, 4 July 1740, pp. 944-5.

⁷⁹ NA VOC2476, resolution, Bandar Abbas, 16 February 1739, p. 502.

⁸⁰ NA VOC2023, extract letter from Basra, 8 October 1725, fols. 3342v-3r.

⁸¹ NA VOC2610 1, letter from Bandar Abbas to Batavia, 31 October 1742, p.133; VOC2610 2, letter from Bandar Abbas to Batavia, 29 June 1743, pp. 202-3. Sood suggests that a *Banian* merchant called "Manbūr" who acted as a broker (*dallāl*) in Basra in the late 1740s was from Gujarat. Sood, *India and the Islamic Heartlands*, 112.

Isfahan the commission was fixed at one per cent. Usually, it seems, the broker traded the goods for local coins and then exchanged them for exportable gold and silver specie. For that procedure to be successful the VOC directed him to hire a *ṣarrāf* from his brokerage income.⁸² Since the Company did not employ an interpreter (*tolk*) at Basra till the late 1730s, the broker would act as their delegate to the authorities alongside the Dutch personnel, some of whom were familiar with the vernacular languages.⁸³

During the period 1723–34 Basra sold about 0.7 million pounds of sugar (castor and candy) through Mulchand to supplement the plummeting trade at Bandar Abbas; during that time it stood at nearly 1.8 million pounds.⁸⁴ However, the partnership came to an abrupt end in 1735 when it was discovered that Mulchand was embezzling Company funds. “There was nothing ever so disheartening,” a message from Basra to Bandar Abbas in May 1735 declared, “as the confession that the Company’s broker Mulchand made after receiving the news of the former chief Dames Heij [in Bandar Abbas].” The broker admitted that “he had spent the Company’s cash entrusted him to settle Mr. Heij’s debt [to him], and as a result became unable to effectuate the order to send it to Gamron [Bandar Abbas], while apologizing for having caused the disaster, with many lamentable and clamorous expressions.”⁸⁵

The Basra officials seem to have felt some sympathy for Mulchand, at least at first. The same report relates that since the establishment of the factory in 1724 Mulchand had performed satisfactorily. He had always been the receiver and holder of the Company’s money while also procuring specie for export according to what was available and what was ordered. He had never failed to execute his duty until this occasion. Even now this situation had arisen unexpectedly following the death of Heij, which made it impossible for the broker to return to the Company money that he had wanted to use just temporarily.⁸⁶ The report goes on to criticize Heij severely, claiming that in spite of Mulchand’s request, Heij left for Bandar Abbas without even issuing a certificate for his debt. This reportedly totalled 2,590 *tūmāns*, of which he had settled only a tiny part in Bandar Abbas.⁸⁷

These considerations, however, ultimately meant less than nothing to the VOC. Getting back their money was all that mattered to them. The thorough investigation that ensued unearthed the fact that before his departure to Basra Mulchand had made contract with two *Banians* in Bandar Abbas called Bishendas and Nath to share all profits and losses which would occur during his brokery in Basra.⁸⁸ These *Banians* are probably to be identified as Bishendas, the brother of Hemraj, and a former clerk of Khemchand at Isfahan called Naga Nath (Chapter 5). In fact, Nath was a son-in-law of Mulchand.⁸⁹ Accordingly, the Company

⁸² NA VOC2006, instruction from P. ’t Lam at Bandar Abbas to L. de Cleen and J. de Villiers, 29 February 1724, fol. 3002r.

⁸³ Bandar Abbas sent bookkeeper Dames Heij to Basra for his proficiency in Persian. *Idem*, fol. 3001r.

⁸⁴ See Appendices 2 and 4.

⁸⁵ NA VOC2357 2, charge against Mulchand from G. Gutchi at Basra to Batavia, 25 May 1735, p. 88.

⁸⁶ *Idem*, pp. 88-9.

⁸⁷ *Idem*, pp. 89-92. Cf. VOC VOC2357 2, Mulchand’s confession, Basra, undated, pp. 98-9.

⁸⁸ NA VOC2357 2, charge against Mulchand from G. Gutchi at Basra to Batavia, 25 May 1735, p. 93.

⁸⁹ NA VOC2416, resolution, Bandar Abbas, 6 July 1736, pp. 1198-9.

tried to sequester the property of the guarantors, whatever little value it had.⁹⁰ In November 1735 Mulchand and his family were brought to Bandar Abbas where he was subjected to further interrogations and confiscations. The Dutch made his “friends” Bishendas and Nath responsible for the outstanding money.⁹¹ After squeezing as much as they could out of Mulchand, in 1739 he was sent far away from Bandar Abbas to Cochin in Malabar, so that his creditors could not run after him. He was sent with a letter to the Dutch supervisor there asking him to keep Mulchand under strict surveillance lest he turn against the Company from some other place.⁹²

In the meantime Basra used a *Banian* called Fattitjant as a provisional broker, and distinguished him and his *šarrāf* as subjects of the VOC by conferring *khil’as* on them. The Dutch officer Willem Slaars acted as interpreter, for he had good linguistic ability.⁹³ By 1740, however, Fattitjant had also been dismissed for misconduct, and then the post of broker was given to another *Banian* named Tjettoe. He had been working for the Dutch factory for more than four years previously.⁹⁴

The Sahid family

Despite the fact that the *Banian* community was a key group facilitating the VOC trade in Basra, the Julfa Armenian family of the Sahids, who had been the official Isfahan interpreters from the Safavid period, also played a big role in the Dutch trade in the early 1740s. From the late 1670s till his death in 1721 the VOC employed the leader of the merchant house Francois Sahid as (chief) Isfahan interpreter (Appendix 11).⁹⁵ He was a dependable fixer, and the Dutch counted on him to negotiate with the Safavid court specifically for silk deals.⁹⁶ In return he received monthly wages and necessary support from the Company, as well as enjoying various royal favours, such as an exemption from *jizya*, the right to collect a brokerage for trade in textiles (*lijwatan*), weighed goods and asafetida in Bandar Abbas, etc.⁹⁷

As described above, the Sahid family also served as the Bandar Abbas interpreters after the Safavid period. In July 1730 David Sahid, son of Francois, came down to Bandar Abbas to carry out this function. He had to take leave for Isfahan in November 1735 to be treated for

⁹⁰ NA VOC2357 2, report on the goods confiscated from Bishendas and Nath, Bandar Abbas, 19 April 1735, pp. 82-3.

⁹¹ NA VOC2417, separate letter from Bandar Abbas to Batavia, 30 November 1736, pp. 3451-5.

⁹² NA VOC2476, resolution, Bandar Abbas, 16 February 1739, pp. 501-3. After the deportation of Mulchand, the VOC asked his brother Sandaldas who was in Isfahan to share the responsibility for the arrears, but he flatly declined. VOC2511, letter from Isfahan to Bandar Abbas, 4 July 1740, pp. 944-6.

⁹³ The VOC described Fattitjant as being “a bad man and not capable enough to stay away from bankruptcy” (*een slim en buiten vermogen van respondentie voor bankroeten*). NA VOC2448, letter from Basra to Bandar Abbas, 1 November 1737, pp. 1075-6.

⁹⁴ NA VOC2511, letter from Basra to Bandar Abbas, 31 January 1740, pp. 1016-8.

⁹⁵ NA VOC1732, letter from Bandar Abbas to Batavia, 31 January 1706, pp. 302-4.

⁹⁶ NA VOC1694, letter from Bandar Abbas to The Netherlands, 20 May 1704, p. 288.

⁹⁷ According to a Persian order of October 1731, the Safavid king allowed Francois and his offspring that particular brokerage on a 30-year contract, and the contract remained valid. F.W. Stapel (ed.), *Corpus diplomaticum*, vol. 5 (The Hague: Martinus Nijhoff, 1935), 81 (Article 2), 82 (Article 9); NA VOC2254, Persian order by Muhammad Ali Khan, October 1731, pp. 1414-7.

an ophthalmic problem (*blindheid*). Bandar Abbas then called up his brother Ibrahim from Isfahan together with the aforementioned David Busskens, who was competent in Dutch.⁹⁸

Perhaps around this time, the Sahids turned their attention to Basra. In November 1738, the VOC appointed Jacob Jan Sahid (also called Jan Jacob Sahid), the son of the Isfahan interpreter Elias, to replace Slaars as the Basra interpreter. The Dutch noted that Jacob Jan had acted as such before, and now he was to act as broker as well.⁹⁹ In February 1741 the *Banian* broker Tjettoe died and the VOC had extreme difficulty in finding a reliable replacement.¹⁰⁰ Jacob Jan stepped up to provide the needed skill.¹⁰¹ Although the Company appointed a broker and a *šarrāf* soon afterwards, since “handling those offices was too heavy a workload” for Jacob Jan, he remained involved in the management of the Company’s cash.¹⁰² Meanwhile, Jacob Jan as interpreter successfully persuaded the Basra government to reduce the Dutch tariff from 4 to 3 per cent.¹⁰³

Because of Jacob Jan’s superb performance at Basra, in 1743 the Bandar Abbas factory called him over to be their interpreter. The incumbent Ibrahim, who was upset about his consequent dismissal, was mollified by being appointed to the vacant post of Basra interpreter.¹⁰⁴ In 1750 there was a decision to switch back the offices, but the plan did not work. Jacob Jan returned to Basra to be interpreter there again but died soon afterwards. Ibrahim, who had not yet left for Bandar Abbas, was unwilling to move again on account of “his big family” (*zijn grote familie*) and wanted to continue his interpreting service at Basra. The VOC met his request and gave the office of Bandar Abbas interpreter to David Sahid for the second time.¹⁰⁵ Ibrahim was on duty in Basra until the Dutch factors deserted the city in 1753.¹⁰⁶

S. Aslanian recently argued that during Nadir Shah’s reign there was a critical reformation of the global network of Armenian merchants. He contends that Nadir Shah’s oppression of the Armenian society in Julfa, the pivot of their business network, which culminated in his ruinous taxation demands at the close of his reign, led to the collapse of Julfa’s once-celebrated economy. It also caused the community to disperse to other economic centres in the Mediterranean, to Iraq, to Russia and to India; these were places where they had strong commercial interests and thus it gave new life to the entire network.¹⁰⁷ The active

⁹⁸ NA VOC2390, letter from Bandar Abbas to Batavia, 19 March 1736, pp. 14-5. About five years later, David acted as the substitute for his brother and Isfahan interpreter Elias. Floor, *The Rise and Fall of Nader Shah*, 95-7, 98-9.

⁹⁹ NA VOC2476, resolution, Bandar Abbas, 28 November 1738, pp. 381-2. He received a monthly salary of 80 *maḥmūdīs*. VOC2511, specification of monthly expenses, Basra, March 1740, p. 1222.

¹⁰⁰ NA VOC2583, letter from at Basra to Bandar Abbas, 31 March 1741, pp. 1017-9.

¹⁰¹ NA VOC2583, letter from Basra to Bandar Abbas, 10 August 1741, p. 1085.

¹⁰² NA VOC2610 1, letter from Bandar Abbas to Batavia, 31 October 1742, p. 133.

¹⁰³ *Idem*, pp. 137-8. See also Chapter 4.

¹⁰⁴ NA VOC2610 2, letter from Bandar Abbas to Batavia, 29 June 1743, pp. 199-200; VOC2680, letter from Bandar Abbas to Batavia, 10 August 1745, pp. 166-7.

¹⁰⁵ NA VOC2787, letter from Basra to Batavia, 10 August 1751, p. 9.

¹⁰⁶ NA VOC3064, letter from Kharg to Batavia, 30 September 1761, p. 16.

¹⁰⁷ Aslanian has developed Herzig’s argument. E. Herzig, “The Armenian Merchants of New Julfa, Isfahan: A Study in Pre-modern Asian Trade,” (PhD diss., University of Oxford, 1991), 102-9; S. Aslanian, *From the Indian Ocean to the Mediterranean: The Global Trade Networks of Armenian Merchants from New Julfa* (Berkeley: University of California Press, 2011), 202-14.

commitment of the Sahid family to the VOC enterprise at Basra as seen above not only supports his idea, but also suggests that the increased sugar trade for bullion there was one of the stimuli for the claimed transformation of the network.¹⁰⁸

4. Bushire

Bushire also progressively benefited from the contraction of the Bandar Abbas trade while developing its own depository of exportable bullion, particularly copper. The VOC entered this budding market in 1737.

Although the details of the merchant community of Bushire at the time are somewhat cursory, the general image is clear enough. It was similarly composed of various merchant groups including Iranians, Arabs, Armenians, Jews and *Banians*, and was anchored on the idea of family, clan and ethnicity.¹⁰⁹ Apart from the Arab family of the Madhkurs, who had augmented their influence both in the political and mercantile life of Bushire towards the mid-century, the Iranian and Armenian merchants were the most powerful.¹¹⁰

In order to conduct active trade at Bushire the EIC sought associations with the Iranian sector. To do this they utilized a powerful Iranian merchant named Agha Abdi as their broker.¹¹¹ The VOC by contrast made most use of the *Banian* sector, just like they did in Basra. The Company chose the aforementioned Nath as their Bushire broker. Nath was now in residence at Bandar Abbas, but according to the Dutch he had had some previous experience of trading in Bushire for two years. The Company also asked Bishambardas, the brother of the then Bandar Abbas broker Uttamchand, to act jointly with Nath. But Bishambardas refused their request. David Busskens joined the project as interpreter.¹¹² Apparently Nath was a leading figure in the *Banian* community in Bushire. In 1739, the port authorities nagged the Dutch about Nath's activities, saying many *Banians* had left the place and this had caused them a great loss.¹¹³ We know little about the native countries of these *Banians*, but many might well hail from Sind since Nath was in close contact with that country (a subject to which I shall return later).

During the time of the VOC operations (1737–53) the market at Bushire for the Company's Javanese sugar was only of secondary importance in the northern Gulf. The port functioned rather as a transit hub from Basra to Shiraz. The Dutch prioritized the sales at

¹⁰⁸ The nature of the Dutch's local agency at Basra would be more accurately understood if we further study their English counterpart. For an overview of it, see Onley, *The Arabian Frontier of the British Raj*, 229 (Appendix 3).

¹⁰⁹ W. Floor, *The Persian Gulf: The Rise of the Gulf Arabs: The Politics of Trade on the Persian Littoral 1747–1792* (Washington, DC: Mage Publishers, 2007), 235–54; S. Grummon, "The Rise and Fall of the Arab Shaykhdom of Būshire: 1750–1850," (PhD diss., Johns Hopkins University, 1985), 242–64.

¹¹⁰ See Chapter 4.

¹¹¹ *Idem*.

¹¹² NA VOC2448, resolution, Bandar Abbas, 21 June 1737, pp. 443, 445–6; *Idem*, 3 July 1737, p. 460.

¹¹³ Floor, *The Rise of the Gulf Arabs*, 242–3.

Basra. Basra sometimes forwarded imported sugar to Bushire according to the demand. Nath would then engage there in the trade on a commission of one per cent.¹¹⁴

But for copper Bushire presented itself as a main market in the region, and the marketplace was highly competitive. In the face of so many different competitors, including the English, the French and the Armenians, the *Banian* broker struggled to procure old copper ware and copper *paysas*.¹¹⁵

5. Kharg

As mentioned already, in early 1753 the VOC received an invitation from Mir Nasir, the Arab ruler of Bandar Rig, to come to trade at Kharg Island, a territory in his possession. His offer arrived at a good time for the Company, who were then looking for a new centre of operations in the northern Gulf. Later that year they settled on the island to launch their final venture in the Gulf.

The Dutch records say that the Kharg factory used a broker, without specifying who it actually was. The picture gathered from sporadic evidence is that the broker was a merchant who had close business ties with Bandar Rig. In reference to an uncollected sum of 30,021 guilders 15 stivers, the Kharg factory wrote in 1755 that this was caused by the unexpected death of Mir Nasir in July 1754. Shortly before he died they had granted his request for him to borrow this amount of Company goods on a three-month credit. He would then send them to Shiraz, and thereby attract passing caravans to Bandar Rig. The factory wanted to encourage the trade and to keep on good terms with Mir Nasir in those days, so they accepted the proposal. They supposed they would have enough opportunities to reclaim the money at risk. Mir Nasir would promote trade in the merchandise in his port and consequently receive tolls to settle the account. Besides, the tolls that the inland merchants had to pay in Bandar Rig for the goods brought from Kharg always came into the hands of the Company's broker (*daar d' E[dele] Comp[ani]e door de op Bender Riek van de inlandse kooplieden voor d' ons afgekochte goederen te betalende tollen (die altijd in handen van onze makelaar komen) gelegentheid genoeg heeft, aan haar garant te komen*).¹¹⁶ That the broker was accountable for the toll revenue from Bandar Rig suggests that he acted as the customs master of the port.

It may be assumed that the Kharg broker was Armenian, given the fact that scores of Julfa Armenians took shelter in Bandar Rig during Nadir Shah's reign and founded a solid commercial base there. What is more, the VOC had several contacts with these Armenians before they came to Kharg. Around 1752 the Basra factory asked some Armenian merchants

¹¹⁴ NA VOC2476, annual sales statement, Bushire, 1737–38, pp. 1388-9.

¹¹⁵ See Chapter 4.

¹¹⁶ NA VOC2864, letter from Kharg to Batavia, 31 May 1755, pp. 51-2.

in Bandar Rig to acquire copper ware for export. In February 1753 five Armenians from the place requested Batavia to allow them to trade under the Company's protection.¹¹⁷

Kharg under the Dutch clearly owed much of its economic vitality to the Armenian population there. During the Dutch period the island was inhabited by diverse communities, including Arabs, Iranians, *Banians*, Armenians, Africans and Europeans.¹¹⁸ The Armenian community increased their presence by repeatedly incorporating Armenian merchants from the Iranian littoral, in particular from Bandar Rig. In late 1754 many inhabitants of Bandar Rig and Bushire, fearful of the approaching sounds of battle from the interior, took refuge in Kharg. According to the Dutch this included all the Armenians from those ports. As a result, the number of the Armenian citizens on the island increased to 100 persons. Among them were ten wealthy merchants who carried out trading to Bengal, Coromandel and Surat.¹¹⁹ Two years later the Dutch reported again that, due to the rapid decline of Bandar Rig, both the Armenian and the Iranian merchants had left the place; those who had some capital tried to flee to Kharg or Basra. Bandar Rig was set to wane into a fishing village within a year.¹²⁰ In 1762 the Armenian settlement consisted of 115 to 200 people. They had raised enough money to build a small church there, served by two secular Armenians priests. The supervisor of the church called Auweek di Oannes acted as the VOC interpreter at Kharg.¹²¹

6. Masqat

The significant rise of the Masqat sugar trade was one of the highlights in the reformation of the Gulf market after the Safavid period. The VOC sent trial cargoes there in 1756 and 1757. How did they penetrate the growing market?

Immigrations of merchants

It is useful to note first that the success of Masqat was concurrent with the development of its mercantile society which was being infiltrated by waves of merchant immigrants after the 1720s. Masqat developed its transit trade significantly under the rule of the Arab Yarubi clan in the second half of the seventeenth century and the early eighteenth century.¹²² During that time the port was administered by a governor (*walī*) appointed by the Yarubi imam who lived

¹¹⁷ See Chapters 2 and 4. It may be interesting to note that in 1748, an Armenian called "Coja Melleck" held the post of *shāhbandar* (customs master) at Bushire. BL IOR G/29/7, 14 September 1748; Grummon, "The Rise and Fall of the Arab Shaykhdōm," 69-70; Floor, *The Rise of the Gulf Arabs*, 248.

¹¹⁸ For the population of the Kharg in the Dutch period, see Floor, *The Rise of the Gulf Arabs*, 121-9.

¹¹⁹ These refugees also included *Banian* and Iranian merchants. NA VOC2864, letter from Kharg to Batavia, 1 November 1754, pp. 18-9; Floor, *The Rise of the Gulf Arabs*, 119.

¹²⁰ NA VOC2885 3, letter from Kharg to Batavia, 5 August 1756, pp. 20-2.

¹²¹ NA VOC3092 1, letter from Kharg to Batavia, 19 October 1762, p. 37.

¹²² For the directions of Masqat's trade, see C. Allen, "Sayyids, Shets and Sultāns: Politics and Trade in Masqat under the Āl Bū Sa'īd," (PhD diss., University of Washington, 1978), 7-32; R. Klein, "Trade in the Safavid Port City Bandar Abbas and the Persian Gulf (ca. 1600-1680): A Study of Selected Aspects," (PhD diss., University of London, 1993-94), 130-1; Floor, *The Persian Gulf, Dutch-Omani Relations: A Commercial & Political History 1651-1806* (Washington, DC: Mage Publishers, 2014), 127.

in Rustaq some 75 miles inland from Masqat.¹²³ The resident merchant community was mainly comprised of Arabs, Indians, Iranians and Armenians. Among them the richest were the Indians, especially those called “Sindis” and “Banians”. According to C. Allen, the “Sindis” were the first “Banians” to settle in Masqat, and they belonged to the Hindu caste of Bhattias from Thatta in Sind.¹²⁴

After the death of the Yarubi imam Sultan b. Sayf in 1718, a war of succession broke out, and hostilities rapidly spread throughout the interior. But Masqat remained undisturbed. The port afforded a shelter for many substantial merchants from Iran who had endured the simultaneous upheavals of the Afghan invasion. Its sugar trade was so brisk that in 1725 the VOC explored the possibility of trading sugar there for the ready money they needed.¹²⁵

From 1736 till 1747 the political situation in Oman became more fluid because of Nadir Shah’s military intervention. During that period he used his newly-built navy nominally to support a contender for the imamate named Sayf b. Sultan, but more probably to subjugate the country.¹²⁶ At first Masqat continued to function as the distribution centre for sugar in the Gulf. In September 1737 a small two-mast vessel which belonged to a Basra merchant came into Bandar Abbas from Masqat with a freight cargo of sugar and grain.¹²⁷ Around this time, transshipments also headed to Bushire.¹²⁸ But once Iranian troops took possession of Masqat in 1738 and 1742 there must have been negative consequences for the mercantile life of the port.¹²⁹

The commotion seems to have generated an alternative trading venue in Barka. Lying 45 miles west of Masqat Barka similarly encountered Iranian intruders but survived owing to the heroic resistance offered by the decisive Arab chief Ahmad b. Said. It was he who founded the Bu Said dynasty after this achievement.¹³⁰ In mid-1747 the *Multani Banian* and *Bhansali* in Bandar Abbas sailed across the Gulf to seek refuge in Barka. The market in Barka was well-equipped with ready money. Later that year the EIC factors in Bandar Abbas, who were in dire need of cash to keep up the factory, sent some old copper to Barka for an appropriate valuation.¹³¹

By 1750 much vigour had returned to Masqat, which had now under the Bu Said regime entirely superseded Bandar Abbas as the premier sugar market in the Lower Gulf. The town most likely welcomed a new wave of immigrants around this time. The EIC wrote in 1751

¹²³ *Idem*, 120-7.

¹²⁴ C. Allen, “The Indian Merchant Community of Masqat,” *Bulletin of the School of Oriental and African Studies* 44, no. 1 (1981): 40-1; Klein, “Trade in the Safavid Port City,” 132-3; Floor, *Dutch-Omani Relations*, 103-7, 118-20.

¹²⁵ See Chapter 4.

¹²⁶ L. Lockhart, “Nādir Shāh’s Campaigns in ‘Oman, 1737–1744,” *Bulletin of the School of Oriental and African Studies* 8, no. 1 (1935): 157-71; Floor, *The Rise of the Gulf Arabs*, 13-21.

¹²⁷ BL IOR G/29/6, 3 September 1737.

¹²⁸ See Chapter 4.

¹²⁹ Sood, *India and the Islamic Heartlands*, 184.

¹³⁰ Lockhart, “Nādir Shāh’s Campaigns in ‘Oman,” 167-70; P. Risso, *Oman & Muscat: An Early Modern History* (New York: St. Martin’s Press, 1986), 39-42.

¹³¹ BL IOR G/29/7, 30 November 1747.

that *Banians* in Kerman intended to move to Masqat.¹³² Over the course of the decade, there were large numbers of local craft conveying sugar from Masqat to all different ports in the Gulf and its adjacent waters where they could reap the benefits of trade. When the VOC abandoned Bandar Abbas in the late decade this further solidified Masqat's prime position for this traffic.¹³³

While the migrants from Iran provided an intermittent impetus, it should be noted that a Muslim merchant family from Hyderabad in Sind also built a recognized clearing house in Masqat. The VOC reported in October 1761 that they could not collect debt from their wool agent in Kerman, Hovhaness Khatchik (Oanes Katjeh), because of the default of a Mir Hassan Bayg (Mir Hassen Beek), who was the head of the "*sayyids*" (*sayds*) of the "Memeny" family in Hyderabad (Heyderabaat). Over a long period of time, they said, many rich merchants of the "Memeny" family who lived in Masqat and Surat and elsewhere had annually sent large sums of money to the head of the family and his adherents at home in exchange for cheques drawn on him. In recent years, however, too many cheques had been made out to him, so that the merchants had refused to accept them. As a result Hovhaness, who was banking on one such cheque, became unable to pay his debt.¹³⁴ The EIC also mentioned the same unrest. In September of the following year Nasir Khan, the ruler of Lar and also a creditor of the insolvent "*sayyid*" Hassan Bayg (Seid Hossan Beg), ordered his brother Jafar Khan, ruler of Bandar Abbas, instead to seize the goods belonging to some Hyderabadi merchants who had arrived from Masqat and who were bound to Kerman.¹³⁵

Nothing has been written about this particular Muslim family, but the fact that the family expanded their business network from Hyderabad seems to suggest that they belonged to the Lawatis, a renowned Shiite business community in Masqat, who traced their historical origins to Hyderabad. However, Allen thinks that the first Lawati migration occurred a little later. He claims that the Lawatis from Sind and the Bhattias from Kutch increasingly settled in Masqat from the 1780s to replace the Bhattias from Sind, who had moved to other Gulf ports such as Bahrain.¹³⁶

Banian networks

In order to get access to the Masqat market the VOC principally tapped into the *Banian* community there. The first attempt took place in January 1756, when Schoonderwoerd stopped by at Masqat with surplus goods from Bandar Abbas on his way to Batavia. It seems, however, that he hardly participated in the unfamiliar commercial environment. He could only

¹³² Idem, 24 December 1750. The *Banians* were also leaving for India at the time. Idem, 6 February 1751.

¹³³ NA VOC3092, letter from the ruler of Bandar Abbas Jafar Khan to Batavia, 1 March 1763, pp. 55-7.

¹³⁴ NA VOC3064, letter from Kharg to Batavia, 1 October 1761, pp. 30-1.

¹³⁵ BL IOR G/29/14, 2 September 1762.

¹³⁶ Allen, "The Indian Merchant Community of Masqat," 41-53; L. Louër, *Transnational Shia Politics: Religious and Political Networks in the Gulf* (New York: Columbia University Press, 2008), 146-9. Floor points out that the Hyderabadi merchants constituted an integral part of the merchant world of Bandar Abbas during Nadir Shah's time. Floor, *The Rise and Fall of Nader Shah*, 229.

dispose of 24,200 pounds of iron and 100,121 pounds of castor sugar, because there was a shortage of cash in the market during his stay.¹³⁷

What Schoonderwoerd did receive was an invitation from the governor of Sind (*raja of gouverneur van Dieuel, de hoofdplaats van Sindise Kust*) to trade in his land through a *Banian* resident in Masqat named Anand Ram (Annandaram). According to Schoonderwoerd Anand Ram was the “son of the former and old broker of the VOC” (*zoon van 's Comp[anies] gewezen oude makelaar*) Nath, i.e. the Bushire broker Nath, which suggests that his family had a business network linking Bushire, Masqat and Sind.¹³⁸

In July 1756 Batavia ordered Captain de Nijsz of *de Marienbosch* and Captain Brahé of *'t Pasgeld* to sail to Masqat with cargoes of various goods, but mainly of sugar. On the advice of Schoonderwoerd, who had arrived at Batavia a month earlier, the authorities also directed Brahé to set course to Sind if he did not find it feasible to trade at Masqat. Both ships left Batavia on 19 July 1756; *de Marienbosch* reached Masqat first, on 27 August 1756.¹³⁹

Soon after his arrival de Nijsz was able to see the imam Ahmad b. Said at a place called Bocca, one day away from Masqat by boat.¹⁴⁰ There de Nijsz used “our *Banian*” who could interpret Dutch and Arabic to negotiate with the imam about trade conditions.¹⁴¹ The identity of “our *Banian*” was probably “the broker at Masqat (*makelaar*) Faram Ram”.¹⁴² In subsequent correspondence the broker’s name is spelled “Noerotaem Anak Ram Djiendil Djoezie”, who must be Narottam Ramchandar Joshi/Raoij, a Gujarati Brahmin *Banian*, whom the EIC had also recruited as their broker at Masqat around this time.¹⁴³ Narottam undertook to sell the imported Company goods and to procure items requested for export.¹⁴⁴ But the market turned out to be sluggish. It was not until February 1757 that most of the goods were sold.¹⁴⁵ Yet the broker requested Batavia to continue to send 100 canisters (*canassers*) of candy sugar and 2,000 canisters of castor sugar (about 0.6 million pounds in total).¹⁴⁶

When Brahé reached Masqat on 19 September 1756 he decided to steer *'t Pasgeld* to Karachi, Sind, according to instructions.¹⁴⁷ Following Schoonderwoerd’s advice he then appointed the aforementioned *Banian* Anand Ram (*een Benjaanse makelaar genaamd Annamderamme*) to accompany him as broker.¹⁴⁸ The Dutch communicated with him in Portuguese.¹⁴⁹

¹³⁷ See Chapter 2.

¹³⁸ NA VOC2885 1, letter from J. van Schoonderwoerd at Masqat to Batavia, 27 January 1756, p. 56.

¹³⁹ Floor, *The Rise of the Gulf Arabs*, 210.

¹⁴⁰ Floor suggests that Bocca refers to Dikkah near Matrah. Idem, 210-1.

¹⁴¹ NA VOC2909, report, C. de Nijsz, 6 May 1757, pp. 8-9.

¹⁴² Idem, p. 12.

¹⁴³ NA VOC2937, letter from Noerotaem Anak Ram Djiendil Djoezie to Batavia, received on 8 March 1758, pp. 107-9; Onley, *The Arabian Frontier of the British Raj*, 84; BL IOR G/29/11, 16 September 1757.

¹⁴⁴ NA VOC2909, letter from Faram Ram (Narottam) to Batavia, received on 20 April 1757, pp. 4-5.

¹⁴⁵ Floor, *The Rise of the Gulf Arabs*, 212.

¹⁴⁶ NA VOC2909, report, de Nijsz, 6 May 1757, pp. 12-3.

¹⁴⁷ Floor, *The Rise of the Gulf Arabs*, 212.

¹⁴⁸ When Brahé arrived at Masqat, Anand Ram was in Bandar Abbas. NA VOC2937, report, W. Brahé and N. Mahué, 8 May 1757, pp. 6-7.

¹⁴⁹ Idem, pp. 9-10.

Brahé arrived at Karachi on the 8th of November and a few weeks later sailed up the Indus River to a market town called Auranga (Orangabander), where he rented a house in which to settle. He left for Batavia in April 1757.¹⁵⁰ During this period Anand Ram tirelessly invited wholesale merchants in those places to the Dutch party for trade. He also travelled to other trading towns such as Thatta to find possible buyers for the imported merchandise. He mediated deals for 638,747 pounds of castor sugar between the Dutch and some important merchants (indigenous *Banians* and Afghans), but the profits were rather small (74 per cent). His commission was 2 per cent. Furthermore, he played the important role of introducing the party to members of the local ruling elite.¹⁵¹ All these facts confirm that Anand Ram was certainly an important part of the merchant world of Sind while doing business in Masqat.

Notwithstanding the disheartening result obtained by de Nijsz, Batavia decided to continue the Masqat project and ordered Captain Rood of *de Barbara Theodra* to sail to Masqat. They needed to get rid of the ever-growing sugar stocks, and one important consideration for Batavia must have been that they had a reliable broker in Masqat. After de Nijsz's voyage Narottam sent presents to the Governor General of Batavia Jacob Mossel, requesting him to reappoint him as the VOC broker for the next voyage. Mossel honoured his request and instructed him to sell the cargo of *de Barbara Theodra* at higher prices.¹⁵²

The ship arrived at Masqat on 21 September 1757. This time the market was so active that Rood had sold the whole cargo by the end of November.¹⁵³ Sugar trade was especially satisfactory. Total sales amounted to far more than the proposed 0.6 million pounds (794,568 pounds of castor sugar and 33,810 pounds of candy sugar), which realised a favourable profit of 101 per cent, 30 per cent more than the previous time.¹⁵⁴ Narottam was definitely a key player in this development. On the 25th of September, when Rood sold 800 to 1,000 canisters of castor sugar on a 3-month credit, the broker readily guaranteed the payment in conjunction with the governor of Masqat (*wakīl*), a practice to encourage the VOC to trade at Masqat.¹⁵⁵ As Anand Ram had done in Sind, Narrotam also earned 2 per cent of the total sales.¹⁵⁶

Despite the improved situation, the High Government discontinued the shipping of sugar to Masqat and Sind due to a serious concern that the project was prejudicial to the factories of Kharg and Surat. Even so, Narottam continued to be active in Masqat. In 1760, in reply to his request, Batavia wrote that they would not resume trade, but he could easily get what he

¹⁵⁰ W. Floor, *The Dutch East India Company (VOC) and Diwel-Sind (Pakistan) in the 17th and 18th Centuries (Based on Original Dutch Records)* (Institute of Central and West Asian Studies (University of Karachi): Karachi, 1993–94), 52-3, 59, 60.

¹⁵¹ In spite of the crucial roles that Anand Ram played, Brahé was unhappy with the quality of the broker's service. He had a strong suspicion that Anand Ram had also received payments from the local merchants to mislead the Dutch. He concluded that, if he had had a good interpreter and a trustworthy broker, he could have realized more profits from the trade of sugar and spices. For the details, see the translation of Brahé's report. *Idem*, 57-87.

¹⁵² NA VOC1011 2, letter from J. Mossel to Faram Ram (Narottam), 25 July 1757, pp. 209-11.

¹⁵³ Floor, *The Rise of the Gulf Arabs*, 212, 215.

¹⁵⁴ See Chapter 2.

¹⁵⁵ Floor, *The Rise of the Gulf Arabs*, 213.

¹⁵⁶ NA VOC2937, sales statement, Masqat, 21 September 1757–7 December 1757, p. 85.

needed for Masqat from Kharg or Cochin.¹⁵⁷ As the EIC broker, Narottam was expected to supply intelligence while occasionally transmitting news from the Bombay Presidency to the English settlements in the Gulf and vice versa.¹⁵⁸ Narottam also formed an integral part of the information network of Mancherji Khurshedji, the Parsi broker of the VOC at Surat. In 1766, when the Kharg factory was conquered by the Arab chief Mir Muhanna, Narottam wrote about it to Nanna Bhai and Basroorji, the agents of Mancherji at Bombay, who then notified their master.¹⁵⁹

In 1777, Dutch private traders, backed by the High Government, resumed voyages to Masqat.¹⁶⁰ The voyages continued until 1796 when Masqat became the scene of the Anglo-French war (see Chapter 4). How the Dutch traders took part in the Masqat market during this phase is unknown, but it is almost certain that they also made good use of Narottam as their broker. In September 1796, to show his loyalty to the EIC, Narottam wrote to Bombay that he had given up working for the French and the Dutch, even though this would mean a considerable decrease in his income.¹⁶¹ In 1798 the EIC discharged Narottam, accusing him of divided loyalties as well as deceiving them financially. The function of the Company's broker was then taken over by Vishandas, a Bhattia working for the customs house of Masqat.¹⁶²

Conclusion

The present chapter has probed into the relationships between the VOC and their local agents in conducting the trade of Javanese sugar for exportable bullion in the Gulf and its interior after the Safavid period. The information obtained illuminates the high mobility and flexibility of the local merchant communities in the reformation of the market in the eighteenth century.

After the Afghan invasion the long collaboration between the VOC and their *Banian* brokers at Bandar Abbas, the Rawals, faded due to the Rawals defaulting in payments. In the catastrophe of the revolution rich merchants in Isfahan who were supposed to pay for the Company goods sold at Bandar Abbas had completely vanished. The brokers who stood surety for their payments had to shoulder responsibility for all the unsettled money. In addition, the deterioration of the economic conditions in Bandar Abbas during the Afghan interregnum — the Baluchi pillaging and the fall of the powerful Muslim wholesalers of Lar and Shiraz who had been the cornerstones of the port's trade — reduced the brokers' liquidity.

¹⁵⁷ NA VOC1014 1, letter from Mossel to Narottam, 13 August 1760, pp. 519-20. In 1761, Kharg also wrote a letter to Narottam instructing him to help Hovhaness Khatchik, who was then in Masqat, to collect the debt from the "Memeny" family and then transfer the money to Kharg. VOC3064, letter from Kharg to Batavia, 30 September 1761, pp. 24-5.

¹⁵⁸ He received a monthly salary of 100 rupees. Onley, *The Arabian Frontier of the British Raj*, 84-5.

¹⁵⁹ Nadri, "Commercial World of Mancherji Khurshedji," 331-2.

¹⁶⁰ Floor, *Dutch-Omani Relations*, 161-9.

¹⁶¹ Risso, *Oman & Muscat*, 145-6.

¹⁶² Narottan died in that year. Idem, 49; Onley, *The Arabian Frontier of the British Raj*, 84-5.

Some compensation for the endangered partnership, however, to some extent came from other business associates. From this time on some principal clerks of the brokers played a prominent role in the Company's trade at the port. The family of Hovhanness, a Julfa Armenian who was the Company's wool collector at Kerman, became more involved.

Burdened with their huge debt from the Afghan mishap, the Rawals remained suppressed during Nadir Shah's time, which also shackled the VOC enterprise. But the Dutch struggles show a striking contrast to the English reactions. The EIC, who increasingly redirected their trade from Bandar Abbas to Kerman, dissolved the *Banian* brokership at Bandar Abbas in 1739 and transferred most of its function to the agency at Kerman, which consisted of Zoroastrian and Muslim merchants. Until 1747 those agents, under the direction of an English resident, actively traded various import goods forwarded from Bandar Abbas for exportable goods, especially copper.

The cancellation of the Isfahan debt in the early 1750s did not help ease the Rawals' tight credit. But it offers another interesting contrast to the fact that around this time the English had reactivated the *Banian* agency at Bandar Abbas. The weakened partnership also reveals an active supporting cast. The family of Ishwardas, a clerk of the Rawals, remained wealthy until the Company's retreat. David Busskens, who had served the Dutch as interpreter for a long time, also assisted the brokering service. In the last days of the Company's operation these merchants practically took over the Rawal firm.

The Afghan conquest also diminished the partnership between the VOC and their *Banian* brokers at Isfahan, the Khemchand family, since at this time the bullion market sharply fell. The brokers Hemraj and Bishendas were no longer active in procuring gold and silver specie, but acted rather as financiers for the Isfahan factory on a limited provision of money and goods from the Bandar Abbas factory.

Whereas the old partnerships wavered uncertainly, the VOC established alternative local agencies in the new markets they entered. At Basra the Company partnered with the *Banian* community (supposedly from Sind and Hindustan), primarily utilizing them as brokers and money changers. The case of the first broker, Mulchand, suggests that the *Banian* sector had gained momentum from an increased participation of the *Banians* from Bandar Abbas and Isfahan after the Safavid period. The Dutch recruited Mulchand in Bandar Abbas in 1724. He was closely associated with the Hemraj firm; his brother was a principal servant of Hemraj at Isfahan, and apparently he himself was a business partner of Bishendas. Settled in Basra, Mulchand formed an integral part of the community and undertook literally the whole trade of the Company until 1735.

Despite the strong commitment of the *Banians*, the partnership was also underpinned by Jacob Jan Sahid, a Julfa Armenian whose family had served the Dutch at Isfahan as interpreters since the Safavid period. Installed as the first Basra broker in 1739, Jacob Jan represented the VOC to the Basra authorities, but in the early 1740s, when the Company found no proper *Banian* agents, he also acted as broker and money changer. His successor and uncle Ibrahim took up permanent residence in Basra, a sign of the phased migration of the Julfa Armenians to Basra from the late 1730s.

At Bushire the Company used another *Banian*, one named Nath, as their broker. Nath was the epitome of a mobile *Banian* of the eighteenth century. He first served Khemchand at Isfahan, and then moved to Bandar Abbas, Sind, and then back to Bandar Abbas, before he was appointed as the Bushire broker. In the meantime he also spent two years getting trading experience in Bushire.

The scene at the Kharg local agency is not very clear. It might well have included Armenian merchants, given the fact that a number of Julfa Armenians who had fled Nadir Shah's tyranny built a new settlement in 1754 in Bandar Rig, a place where the Kharg broker had strong interests. Afterwards, most of them moved to Kharg.

The significant rise in the sugar trade at Masqat in the eighteenth century must to a great extent be credited to the steady immigration of merchants after the 1720s. Masqat, which already had attracted the solid business colony of the Bhattias from Sind, extended its shelter to numerous merchants in Iran fleeing from the Afghan invasion. After a possible recession during Nadir Shah's military intervention in Oman, the port's merchant society attracted *Banians* from Kerman, and arguably incorporated Shiite Muslim merchants from Hyderabad. In 1756 and 1757, when the VOC were trading in Masqat, they encountered two *Banian* brokers named Anand Ram and Narottam. Anand Ram was a son of the Bushire broker Nath and similarly a mobile merchant. As representative of the governor of Sind at Masqat he invited the Dutch to trade in Sind. This in fact occurred under his guidance in 1757. Narottam, a Gujarati Brahmin, was an influential broker in Masqat, and he achieved favourable sugar sales in 1757. He would undertake sugar trade for the Dutch and the French for the rest of the century.

To conclude, the tremendous vigour with which the local merchant communities, particularly the *Banian* and the Armenian ones, strove to adjust to the rapidly changing economic circumstances provided a critical setting for the link between sugar and bullion to be maintained after the Safavid period.

Conclusion

In September 1889, the British statesman and traveller George Nathaniel Curzon visited Iran. Although he stayed for little more than three months, that was long enough to convince him that the country consumed “enormous quantities” of sugar. In advance of his visit he had read Chardin, but he did not repeat the old question as to the origin of cane sugar (as mentioned in the Introduction). Instead, he reported on the ongoing cut-throat competition between French sugar and Russian sugar to dominate the market. He wrote: “Formerly sugar used to be imported from India, Java, and Mauritius; but Marseilles and Astrakhan are now the chief ports of supply.”¹

The noted change in the sugar supplier from Asia to what we can call Europe in the nineteenth century, however, did not simply indicate the arrival of Western industrial capitalism, as Chaudhuri and Mintz claim. Rather, it was the result of a long-term, steady development of the “demand” — i.e. the relationship between trade and consumption — which began in the seventeenth century. The present study has shown that the sustained relationship between sugar imports in the Persian Gulf and its consumption during the eighteenth century played a crucial role in that development.

Over the last half-century, many scholars of the Persian Gulf have cast critical eyes on the idea of an eighteenth-century imperial and economic decline and claimed that local states continued to play the pivotal role of stimulating flows of commodities in the Gulf during that period. While some historians including Floor and al-Qasimi still underline the possibility of an overall crisis, the results obtained from this study have contributed substantially to some similar revisionism. We have shown that the Afghan conquest of the Safavids in 1722 occasioned a serious decline of the old consumption centre of Isfahan, and an impairment of the trade channel Bandar Abbas-Lar-Shiraz-Isfahan. By contrast, various rulers who rose after the Safavids, especially the Qajars in Teheran, the Durranis in Afghanistan, the Zands in Shiraz, the *mamlūks* in Baghdad, and the Bu Saids in Masqat, capitalized on the consequent turbulence to draw sugar supplies to pass through their territories. As a result new magnets developed in Teheran, Kerman, Yazd, Khorasan, Sind, Shiraz, the Caspian, Iraq, Arabia, Kurdistan, and Anatolia. Accordingly the Bandar Abbas-Yazd-Kerman route, the Bushire-Shiraz route, and the Basra-Baghdad route became the main supply lines from the Gulf, while Masqat significantly rose as a major distribution centre of sugar for West Asian markets. As those rulers earned considerable customs revenues from the trade they attracted they also became centres for sugar consumption. It is also possible to see their court circles manifesting a sustained commitment to urban sugar consumption; in the new environment uses for sugar flourished in the social life of urban populations. The eclipse of Isfahan and the rise of Iraq and other places may be causally linked. After the Safavids, most of the population in Isfahan who had grown accustomed to consuming sugar moved to major Iraqi cities such as Basra, Baghdad and Mosul. Under these circumstances markets in the Caspian and Iraq grew to the point that they attracted conspicuous amounts of American sugar as well.

¹ George Nathaniel Curzon, *Persia and the Persian Question*, vol. 2 (London: Longmans, Greens and Co., 1892), 496, 560.

The crucial setting for the maintenance of this political economy was the tremendous mercantile effort over the century to derive the maximum benefit possible from sugar. Despite a slump of sales of Javanese sugar at Bandar Abbas, the VOC remained an important driving force until their final departure in 1766. After unsuccessful enterprises in Basra and Bushire the Company's trade witnessed an impressive improvement in the late 1750s and the beginning of the 1760s. Between 1759 and 1763 annual imports into Kharg were developed to a level comparable with those imports of the late Safavid period. This is the reason why Floor's assertion that the downfall of the Company meant a substantial decrease in the population's purchasing power must now be viewed with some reservations.

We can view the "decline" of the VOC against increasing competition with other suppliers for export bullion from the late Safavid period. From 1694 to 1715 Bandar Abbas was also the main destination for non-VOC suppliers. Among them, the most vigorous were the English, particularly the private traders, followed by the Surat Muslims. The former imported large quantities of sugar from Bengal and China on a regular basis. Similar to the VOC, these suppliers primarily traded for European gold and silver specie for Indian markets. Towards the end of the Safavid period, however, the conflict between the Masqati Arabs and the Safavids made non-Dutch traders sail to safer harbours, such as Masqat, Basra and Mocha, from where the unloaded sugar was re-exported to Iran. After the Afghan invasion, the redirection of the sugar trade progressed further. Even so, the records of trade at Bandar Abbas reveal the resilience of non-VOC suppliers to adjust to the changed environment. The English — both the Company and private traders — were by far the best at capitalizing on the new situations. They adapted to changes of regime, altered channels of trade, entered more wholesale merchants from Kerman, and unfolded the commercial possibilities of copper. In the 1730s the competition became more intense with the vigorous participation of the French traders from India. These nations attracted more local merchants than the VOC, since they offered merchants in the country who were experiencing a serious shortage of cash cheaper sugar and longer terms of credit. They also offered them more flexible means of payment by accepting copper money and copper ware as mediums of payment instead of gold and silver coins. Additionally, during the period from 1737 to 1747, the English regularly forwarded imported goods including sugar to Kerman. There they could be traded for copper, which brought about a considerable diversion from the Bandar Abbas market. In the early 1750s Masqat superseded Bandar Abbas as the principal sugar market in the Lower Gulf and many non-VOC suppliers headed there. Appreciable amounts of sugar imported to Masqat were reshipped to Minab, a town in the neighbourhood of Bandar Abbas, and thence by caravan to Kerman, Yazd, and Khorasan.

Meanwhile, the VOC also had a great deal of trouble vying with other suppliers in their northern settlements of Basra and Bushire. In the 1720s Basra made up for the plunging bullion market of Isfahan, for it was there that the merchants of Iraq, the Middle East and Greece, as well as Iran, appeared with gold and silver specie and, more importantly, Anatolian copper for trade. Most of the non-Dutch sugar trade that had thus far passed through Bandar Abbas responded to this development, and their shipping to Basra became very active in the first half of the 1730s. In the Upper Gulf, the magnitude of the Bushire sugar market was

subdued as the port functioned as a port of transit between Basra and Shiraz and between Masqat and Shiraz. Yet Bushire was a substantial depository for copper because it received steady supplies from the mint town of Hoveyzeh. Like in Bandar Abbas, the English and the French prevailed in Basra and Bushire because of their extreme flexibility in trading sugar for exportable precious metals. Not only did they import large amounts of Bengali and Chinese sugar, and later Javanese sugar, from Indian ports, they also offered their sugar to the merchants at cheap prices and on long credit terms, and accepted copper for export to India adeptly.

We must also remember that the temporary recovery of the VOC trade at the turn of the 1760s reflected another important political development of the eighteenth century, the rising influence of the Arabs. Contrary to the traditional beliefs about Arab piracy, from the mid-century we have to recognize that local shipping by the coastal Arabs significantly grew in conjunction with the caravans coming to the Gulf from inland. This underpinned the decision of the VOC to establish the Kharg factory, which aimed to concentrate local navigation towards the island. Thanks to Kharg's favourable location and the convoy service that the Company offered, the factory succeeded in attracting many local vessels transporting the Company's sugar to the northern Iranian littoral as well as to the Red Sea. At the same time the ubiquitous shipping allowed other suppliers to unload their sugar virtually anywhere in the Gulf, thus posing a potential threat to the Company. It is also remarkable that the growing hostilities among the local Arabs in the late 1750s strongly favoured the Kharg traffic because the Dutch had adopted a neutral position. That power struggle was also an opportunity for the alliance between the Madhkurs and the Zands to develop, which stimulated the Bushire trade to Shiraz. In their final years at Kharg, the Dutch encountered many English ships bringing considerable amounts of Bengali, Javanese and Chinese sugar into Bushire. After the VOC withdrawal, the pivot of the sugar trade shifted to Basra, before it was reoriented to Masqat in the late 1770s. Richly provided with copper and gold and silver specie, Masqat attracted various sugar suppliers, such as the Masqati Arabs, Dutch private traders and the French. From there the bulk of imported sugar was sent on local craft to the Upper Gulf as well as to the Red Sea and Sind.

All these facts indicate that the sustained sugar consumption largely reflected India's unfaltering appetite for precious metals throughout the eighteenth century. It is this link between sugar and bullion that supported the "demand" during that time, and the local merchants who undertook this particular trade for the sugar suppliers served as crucial catalysts. During the late Safavid period the *Banian* brokers of the VOC were among those merchants. The Rawal family and the family of Khemchand, who acted as the Company's brokers at Bandar Abbas and Isfahan respectively, were rich merchants. They arguably came from Kutch and Sind. Historians have considered arbitrary exploitations of merchants by the authorities as one of the main reasons for the innate instability of the market in Safavid Iran. However, the menace of fiscal oppression was not necessarily a negative thing, for this was also a time when more successful manners or paths of trade could and did emerge, which were thus an "unexpected" but fundamental impetus to the political economy. The partnerships between the VOC and their brokers were one such formation. In order to prevent

dispersion of their investments, the Company as a rule kept a brokership in the hands of one merchant family. The brokers, who always feared capricious extortions by the ruling elite as well as attacks by rival merchants, sought a formal association with the Company, which in turn would safeguard their assets and businesses. It was such collaboration that facilitated the smooth import of Javanese sugar into the Iranian market and the reverse flow of gold and silver coins to India. At Bandar Abbas, the Rawals not only mediated sugar deals between the VOC and major wholesale merchants from Shiraz and Lar but also took charge of coordinating the monetary transfers from the proceeds to the Isfahan factory by utilizing the commercial network of the wholesalers. At Isfahan, Khemchand and his agents were intent on obtaining coins for the Company to export.

We discover another interesting clue about what the mercantile vigour would have looked like in the political uncertainties from the remarkable mobility and flexibility of the local merchant communities after the Safavids. While the Rawals became bankrupt due to the huge losses sustained during the Afghan invasion, the Bandar Abbas agency lasted until the Dutch final departure. This was due to an active supporting cast of players that included the *Banian* servants of the Rawals, the Armenians from Julfa, and the localized Dutch merchant family of the Busskens. There were also some Zoroastrian and Muslim merchants who served the EIC in Kerman and had undertaken the trading of sugar transferred from Bandar Abbas for copper. Whereas the partnership between the VOC and the Khemchand family significantly waned as the bullion market in Isfahan fell, the *Banians* in Bandar Abbas and Isfahan increasingly turned to Basra, where the community provided the Dutch with services ranging from brokering and money changing to negotiating with the port authorities. The Julfa Armenians acted similarly. Nath, the *Banian* broker of the VOC at Bushire, was a highly mobile merchant. He conducted business in Bushire while at the same time travelling from Isfahan to Bandar Abbas and to Sind. The Dutch trade at Kharg owed much of its vitality to the Armenian inhabitants there who had steadily immigrated from Julfa. The striking rise of Masqat was also due to the merchant immigrants from Iran after the 1720s as well as to those from Sind and Kutch over the course of the century. There, the most influential were the *Banians* from Sind and Gujarat who had active commercial networks across the western Indian Ocean. They presided over the sugar market in Masqat and engaged in the trade of the product for the foreign suppliers.

Thus our investigation of the sugar trade in the eighteenth-century Persian Gulf has led to a picture of the impressive tenacity of the Indian Ocean trade during that time, where the rulers and the merchants continued to be active, integral participants. Different interests between them were routinely comparable with and tuned to each other, producing the dynamism necessary for the unceasing flow of trade as well as a flexibility of attitude. It is this persistence that paved the way for further inflows of Western investments as European sugar progressively arrived in the next century.

Appendix 1: Sugar prices at the Isfahan market, 1737–41 (*maḥmūdīs* per *man-i shāhī*)

Year	Javanese castor sugar	Javanese candy sugar	Bengali castor sugar called <i>caluppie</i>
April 1737	13 ¼	15 ½	
June 1737	13 ¼	15 ½	
July 1737	11 ¼	13 ½	
August 1737	11 ¼	13 ½	8 ½
October 1737	10 ¼	13 ½	8 ¼
December 1738	11	15	
June 1739	11	15	
12 August 1739	16 ½	18 ½	
18 August 1739	11 ½	12 4/5	
March 1740	18	21	
April 1740	16 ½	20	
July 1740	16 ½	21	
June 1741	18 ½	25	
August 1741	17	27	
October 1741	17	27	
November 1741	17	27	

Sources: NA VOC2448 pp. 1576-86, 1589-92; VOC2476 pp. 1396-8; VOC2510 pp. 1472-7; VOC2511 pp. 1429-40; VOC2584 pp. 2444-9, 2453-7.

1731-32	98.393	8.701	18.836	116,5	91.366	15.269	27.486	80	15.269	287.846
1732-33	161.914	14.995	35.425	136,2	33.431	5.320	11.429	114,9	5.320	263.535
1733-34	41.781	3.880	7.998	106	6.655	1.059	2.184	106,2	1.059	291.112
1734-35	331.686	29.630	63.498	114,5	120.696	19.205	39.610	106,2	19.205	432.261
1735-36										
1736-37	129.434	10.205	24.179	136	39.530	6.295	10.595	68,3	6.295	227.749
1737-38										
1738-39	189.713	16.238	35.281	117	69.146	11.002	18.531	68	11.002	175.838
1739-40	293.323	25.145	57.749		51.435	6.590	14.320		6.590	161.589
1740-41								90,2		
1741-42	0		0		2.183	351	672	91	351	196.642
1742-43	0		0		0		0			156.696
1743-44	9.878	908	1.760	94	14.286	2.242	3.712	65,5	2.242	75.481
1744-45	140.311	12.311	25.483	107	45.182	6.562	11.593	82	6.562	131.021
1745-46	125.551	10.719	24.859	131	34.896	5.013	10.364	106,5	5.013	138.119
1746-47	9.879	932	2.557	131	654	88	307	106	88	37.073
1747-48	0		0		0		0			59.506
1748-49	134.244	12.517	29.483	135	41.857	5.601	16.631	198	5.601	234.439
1749-50	125.244	10.948	35.131	221	0		0			169.691
1750-51	0		0		0		0			89.551
1751-52										
1752-53	113.427	9.271	26.514	186	6.002	943	3.217	241	943	135.098
1753-54	173.433	15.034	36.486	142	64.468	9.182	21.097	129	9.182	165.549
1754-55	170.327	15.034	34.065	113	25.671	3.584	7.701	114,7	3.584	192.766
1755-56	189.171	17.702	35.943	103	105.094	14.451	30.290	109,5	14.451	188.056
1756-57	549.700	48.227	87.846	82	176.425	24.430	43.899	80	24.430	208.667

Note: Data for 1722–23, 1723–24, 1730–31, 1735–36, 1737–38, 1740–41, and 1751–52 are not available. For the years 1704–05 and 1705–06, the VOC made one sales statement (NA VOC1747 1, pp. 373-4).

Source: G. Nadri, “The Dutch Intra-Asian Trade in Sugar in the Eighteenth Century,” *International Journal of Maritime History* 20, no. 1 (2008): 87-90.

Appendix 3: Sales of sugar by the VOC at Bushire, 1737–48 (Dutch pounds and guilders)

Year	Castor sugar (pounds)	Invoice value (guilders)	Sale value (guilders)	Profit (%)	Candy sugar (pounds)	Invoice value (guilders)	Sale value (guilders)	Profit (%)	Total invoice value (guilders)	Total sale value (guilders)
1737-38	18.896	1.504	4.412	193	32.768	5.215	11.438	119	11.577	32.456
1738-39	27.607	2.364	6.195	193	30.402	4.837	10.612	119	15.453	49.523
1739-40										
1740-41	11.683	1.001	2.767	176	775	123	270	119	20.719	46.878
1741-42	0				0				13.574	35.599
1742-43	0				0				15.321	49.933
1743-44										
1744-45										
1745-46	34.934	3.107	7.685	147	19.268	3.001	6.325	111	13.023	35.646
1746-47	26.722	2.382	5.890	147	4.000	626	1.320	111	4.548	12.780
1747-48	47.086	4.421	10.523	138	20.061	2.922	7.154	145	14.982	45.430
1748-49	19.301	1.826	4.606	152	17.547	2.387	6.948	191	11.701	28.252

Note: Data for 1739–40, 1743–44 and 1744–45 are not available.

Sources: NA VOC2476 pp. 1388-9 (1737–38); VOC2510 pp. 146-7 (1738–39); VOC2584 pp. 2474-5 (1740–41); VOC2610 pp. 64-5 (1741–42); VOC2610 pp. 72-3 (1 September 1742–28 February 1743); VOC2710 fols. 1419v-20r (1745–46); VOC2710 fols. 1422v-3r (1746–47); VOC2766 pp. 24-5 (1 February 1748–31 August 1748); VOC2766 pp. 26-7 (1 September 1748–28 February 1749).

Appendix 4: Sales of sugar by the VOC at Basra, 1723–51 (Dutch pounds and guilders)

Year	Castor sugar (pounds)	Invoice value (guilders)	Sale value (guilders)	Profit (%)	Candy sugar (pounds)	Invoice value (guilders)	Sale value (guilders)	Profit (%)	Total invoice value (guilders)	Total sale value (guilders)
1723-24	55.445	5.146	13.196	157	22.452	4.048	11.355	180	53.876	118.893
1724-25	0				0				19.204	41.510
1725-26	146.949	13.638	32.475	138	38.396	6.923	17.623	155	34.414	83.302
1726-27	55.740	6.038	12.096	100	27.987	5.505	13.325	142	53.212	108.402
1727-28	66.256	7.109	15.565	119	92.476	17.832	43.625	145	51.126	104.358
1728-29	33.570	2.465	4.258	72	0				22.428	36.431
1729-30	66.129	10.416	10.506	1	13.408	2.155	3.787	75	13.417	16.493
1730-31	70.250	11.066	10.497	-5	0				47.725	55.774
1731-32	0				0				25.611	27.282
1732-33										
1733-34	85.638	7.704	15.040	95	1.325	210	481	128	74.827	101.873
1734-35	0				12.500	1.989	4.542	128	36.765	46.542
1735-36	15.000	1.148	2.725	137	19.925	3.170	7.240	128	74.285	104.000
1736-37	112.625	8.625	19.136	122	0				110.752	168.733
1737-38	40.650	3.088	6.943	124	0				31.834	47.473
1738-39	174.577	14.329	24.590	71	0				41.719	83.217
1739-40	108.410	9.293	19.045	109	24.546	3.940	3.904	86	80.592	127.196
1740-41	0				0				45.137	54.514
1741-42	0				0				52.749	60.848
1742-43	0				0				38.322	82.110
1743-44	15.083	1.375	3.041	121	22.898	3.594	7.122	98	12.293	75.481
1744-45										
1745-46	87.834	8.286	17.707	113	17.973	2.718	5.590	105	43.654	103.775
1746-47	49.327	4.583	5.731	64	8.605	1.257	2.542	102	50.742	101.509
1747-48	271.004	23.689	52.447	121	106.855	14.572	30.691	110	209.504	406.134
1748-49	0				0				53.344	86.262

1749-50	191.304	15.922	46.074	121	74.738	10.245	25.385	110	108.065	250.556
1750-51	85.266	6.957	17.693	154	94.493	13.416	27.702	106	56.322	139.681
1751-52	58.114	5.121	11.695	128	82.088	12.043	23.280	93	164.826	275.820

Note: Data for 1732–33 and 1744–45 are not available.

Sources: Nadri, “The Dutch Intra-Asian Trade,” 88-90 (1723–24, 1739–40, 1743–44); NA VOC2023 fol. 3352r (1724–25); VOC2042 fols. 3979v-80r (1725–26); VOC2042 fol. 3992 (1726–27); VOC2091 fols. 4927v-28r (1727–28); VOC2168 pp. 52-3 (1728–29); VOC2253 pp. 40-1 (1729–30); VOC2254 pp. 398-9 (1730–31); VOC2322 2 pp. 248-9 (1731–32); VOC2357 1 pp. 986-7 (1733–34); VOC2416 pp. 128-9 (1734–35); VOC2416 pp. 274-5 (1735–36); VOC2448 pp. 130-1 (1736–37); VOC2476 pp. 1384-5 (1737–38); VOC2510 pp. 52-3 (1738–39); VOC2584 pp. 2473-4 (1 September 1740–28 February 1741); VOC2610 pp. 60-1 (1741–42); VOC2610 pp. 70-1 (31 August 1742–28 February 1743); VOC2710 fols. 1418v-9r (1745–46); VOC2710 fols. 1421v-2r (1746–47); VOC2766 pp. 20-1 (1747–48); VOC2766 pp. 22-3 (1748–49); VOC2787 pp. 12-3 (1 January 1750–31 August 1750); VOC2804 pp. 6-7 (1750–51); VOC2824 pp. 6-9 (1751–52).

Appendix 5: Sales of sugar by the VOC at Kharg, 1753–64 (Dutch pounds and guilders)

Year	Castor sugar (pounds)	Invoice value (guilders)	Sale value (guilders)	Profit (%)	Candy sugar (pounds)	Invoice value (guilders)	Sale value (guilders)	Profit (%)	Total invoice value (guilders)	Total sale value (guilders)
1753-54	12.869	1.137	3.024	165,8	13.646	1.870	4.442	137,5	18.752	44.065
1754-55										
1755-56										
1756-57										
1757-58										
1758-59										
1759-60	918.445	73.612	142.358	93	196.540	27.660	40.703	47	296.387	566.974
1760-61	771.000	67.669	127.215	88	615.027	91.330	132.001	44	249.660	501.881
1761-62	694.375	60.823	124.987	105	0	0	0		106.320	284.090
1762-63	1.035.507	90.868	192.829	113	45.171	7.520	11.563	52	132.903	358.438
1763-64	667.666	51.651	112.949	119	28.000	4.299	6.496	51	74.686	181.254
1764-65	243.380	18.892	38.940	106	95.717	15.358	22.206	44	70.630	176.370

Note: Data for 1754–55, 1755–56, 1756–57, 1757–58 and 1758–59 are not available.

Sources: Nadri, “The Dutch Intra-Asian Trade,” 90 (1753–54); NA VOC3027 pp. 10-1 (1759–60); VOC3064 pp. 6-7 (1760–61); VOC3092 p. 8 (1761–62); VOC3156 pp. 6-7 (1762–63); VOC3156 pp. 18-9 (1763–64); VOC3184 pp. 38-9 (1764–65).

Appendix 6: Non-VOC sugar suppliers to Bandar Abbas, 1694–1715 (number)

Year	Sugar suppliers	Others
1694-95	2	2
1695-96	0	2
1696-97	2	10
1697-98	4	7
1698-99	5	16
1699-1700	8	9
1700-01	4	5
1701-02	2	9
1702-03	5	7
1703-04	3	8
1704-05	8	3
1705-06	6	3
1706-07	5	9
1707-08	3	8
1708-09	3	17
1709-10	4	7
1710-11	6	12
1711-12	8	5
1712-13	6	8
1713-14	5	7
1714-15	4	4
1715-16	1	4

Note: Sugar suppliers shown in the figure include those who conveyed cargoes of conserves.

Sources: NA VOC1582, pp. 179-81; VOC9054 pp. 188-90 (28 June 1695–31 October 1695); VOC1598 1, pp. 71-3 (1 November 1696–31 March 1697); VOC1598 1, pp. 90-2 (1 April 1697–8 June 1697); VOC1598 2, pp. 26-8 (8 June 1697–31 August 1697); VOC1611 1, p. 49 (1 September 1697–8 January 1698); VOC1611 1, pp. 106-7 (1 February 1698–26 March 1698); VOC1611 2, pp. 69-72 (5 April 1698–28 July 1698); VOC1626 1, pp. 103-8 (2 September 1698–22 March 1699); VOC1626 2, pp. 30-4 (26 March 1699–1 July 1699); VOC1639, pp. 23-7 (15 September 1699–31 May 1700); VOC1650, pp. 29-30; VOC8367, pp. 51-3 (10 June 1700–11 December 1700); VOC1667, pp. 248-52 (28 February 1701–27 January 1702); VOC1667, pp. 484-6 (27 January 1702–30 April 1702); VOC1679, pp. 136-8 (1 May 1702–30 September 1702); VOC1679, pp. 249-50 (19 November 1702–29 March 1703); VOC1652, fols. 1013r-v (1 January 1703–23 July 1703); VOC1685, p. 2572 (20 May 1704–31 July 1705); VOC1694, pp. 109-11 (28 March 1703–20 August 1703); VOC1694, pp. 346-8 (14 December 1703–24 May 1704); VOC1714 1, pp. 343-4 (31 May 1704–31 March 1705); VOC1714 1, pp. 382-4 (1 April 1705–18 July 1705); VOC1732, pp. 590-3 (19 July 1705–15 April 1706); VOC1747 1, pp. 375-7 (13 April 1706–30 November 1706); VOC1763, pp. 342-8 (30 November 1706–21 December 1707); VOC1768, fols. 1884r-v (1 November 1708–23 December 1709); VOC1779, pp. 318-27 (21 December 1707–12 January 1709); VOC1785, fols. 421r-v (7 June 1710–17 July 1711); VOC1798 1, pp. 154-60 (15 January 1709–9 March 1710); VOC1798 1, pp. 464-6 (9 March 1710–31 May 1710); VOC1802, fols. 2114r-5v (7 June 1710–17 July 1711); VOC1802, fols. 2204r-5v (9 March 1712–22 October 1712); VOC1812, pp. 245-9 (18 May 1710–11 December 1710); VOC1829, pp. 178-91, VOC8081, pp. 94-103 (11 December 1710–23 May 1712); VOC1834, fols. 2669r-71r (22 October 1712–23 April 1714); VOC1843 1, pp. 278-81 (18 May 1712–15 March 1713); VOC1843 2, pp. 197-201 (10 March 1713–23 June 1713); VOC1856, pp. 1146-53 (22 March 1713–23 May 1714); VOC1870, p. 335 (15 June 1714–25 September 1714); VOC1870, pp. 650-2 (30 September 1714–13 April 1715); VOC1886 pp. 401-4 (13 April 1715–15 February 1716).

Appendix 7: Registrations of arrivals at Bandar Abbas, 1694–1715 (number)

Nationality	English	EIC	English private	Muslim	Local	Portuguese	Arab	Danish	Danish company	French	French company	Armenian	Unknown
Sugar suppliers	65	0	4	14	1	0	0	5	1	2	0	1	1
Others	58	8	1	62	8	7	6	0	0	2	1	0	9

Appendix 8: Origins of English arrivals at Bandar Abbas, 1694–1715 (number)

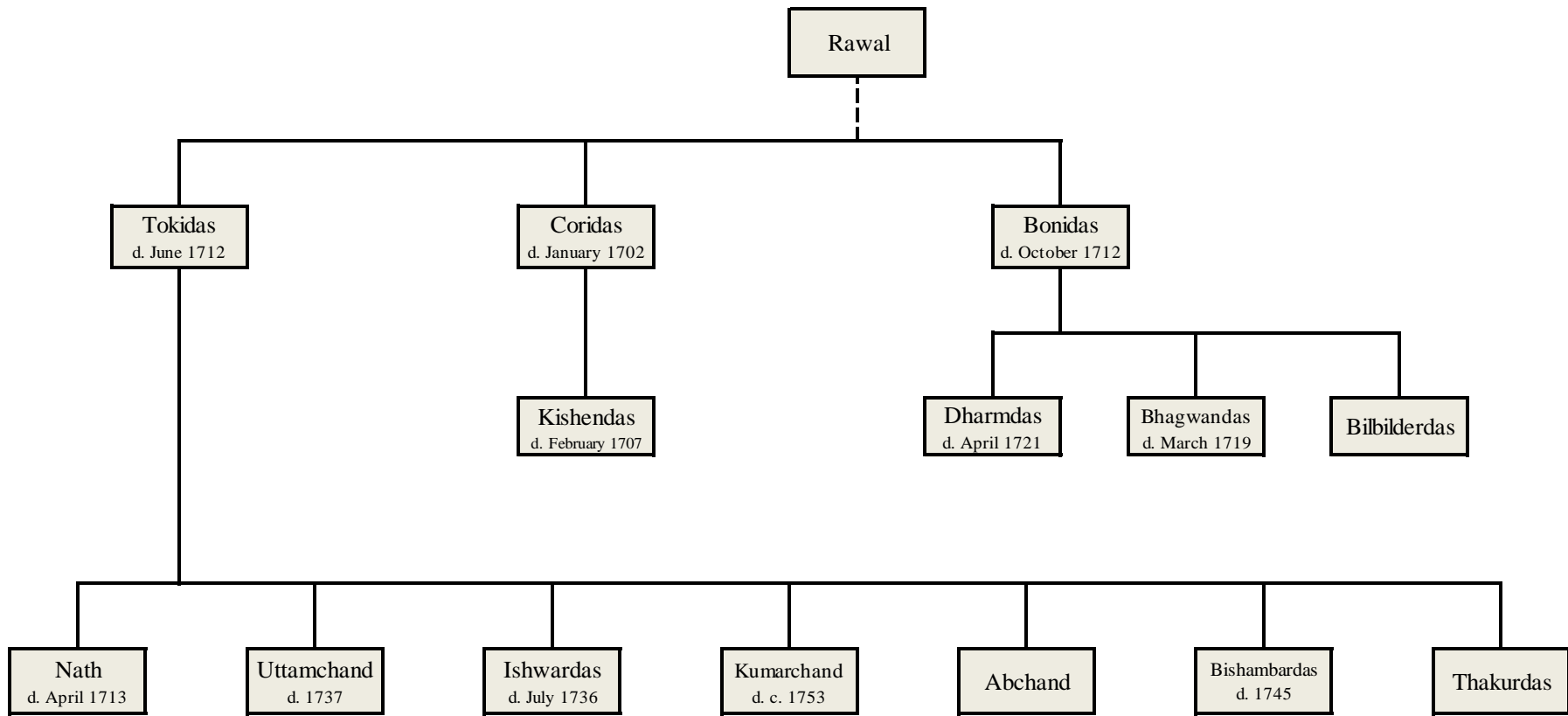
Origin	Europe/England	Basra	Kong	Surat	Bombay	Calicut	Madras	Bengal	Batavia	China	Accident	Unknown	
Sugar suppliers		0	1	0	8	5	1	2	46	1	5	0	0
Others		2	5	4	17	25	2	1	8	0	0	1	2

Appendix 9: Origins of Muslim arrivals at Bandar Abbas, 1694–1715 (number)

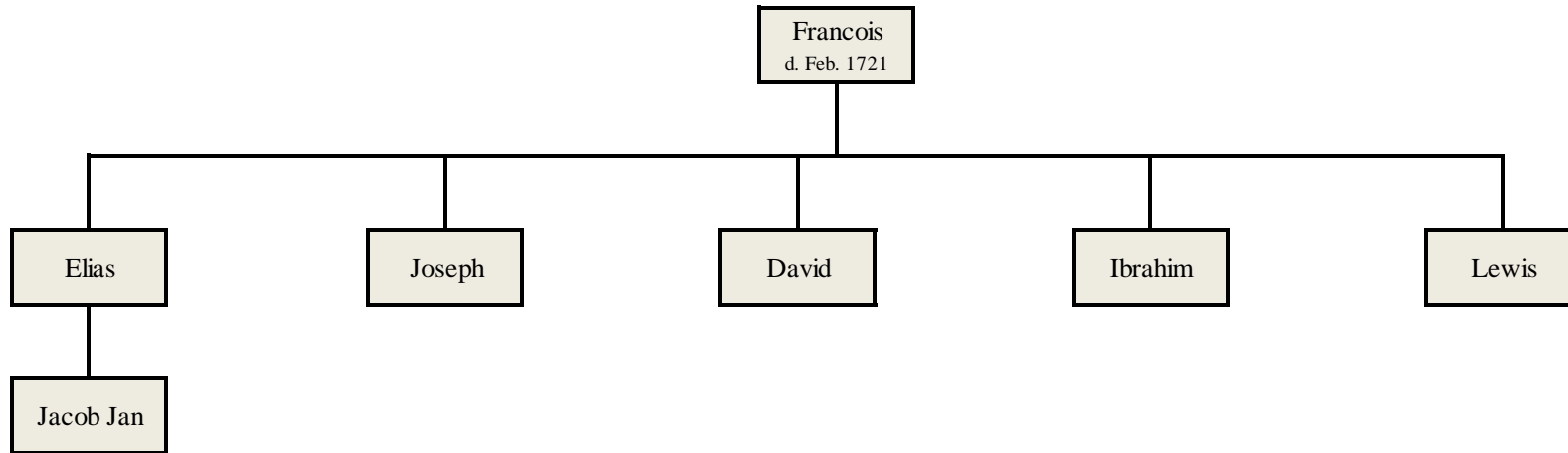
Origin	Mocha	Basra	Kong	Kishm Island	Ghogha	Patan	Bharuch	Surat	Bombay	Mangalore	Bengal	Unknown	
Sugar suppliers	0	0	0	0	0	0	0	0	12	0	0	2	0
Others	2	1	14	2	3	2	4	27	1	2	1	3	

Sources: See Appendix 6.

Appendix 10: Family-tree of the Rawals



Appendix 11: Family-tree of the Sahids



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Samenvatting

Deze dissertatie heeft als onderwerp de suikerhandel in de Perzische Golf in de achttiende eeuw. In tegenstelling tot de bestaande geschiedschrijving, die de nadruk legt op staatkundige en economische neergang, toont zij aan dat er sprake is van een aanhoudende vitaliteit van de handel in de Golf door opvallende veranderingen in de verhouding tussen suikerimport in de Golf en suikerconsumptie in die periode naar voren te halen.

Deze continuïteit in de handel werd mogelijk gemaakt door verschillende factoren, maar bij dit alles bleef de rol van de staat cruciaal. Door de Afghaanse verovering van het rijk van de Safavieden in 1722 nam de rol van Isfahan als centrum van consumptie aanzienlijk af, terwijl tevens de aanvoerroute Bandar Abbas-Lar-Shiraz-Isfahan werd verzwakt. De commotie die hiervan het gevolg was bood diverse lokale vorsten in Iran en aangrenzende gebieden (zoals de Kadjaren in Teheran, de Durrani-dynastie in Afghanistan, de Zand-dynastie in Shiraz, de Mammelukken in Bagdad en de Bu Said-dynastie in Maskate) echter de gelegenheid de aanvoer van suiker vanaf de Golf over hun eigen territorium te laten lopen. Dit leidde ertoe dat er nieuw afzetgebied ontstond in Teheran, Kerman, Yazd, Khorasan, Sind en Shiraz, aan de Kaspische Zee en in Irak, Arabië, Koerdistan en Anatolië. Dienovereenkomstig werden de routes Bandar Abbas-Yazd-Kerman, Bushire-Shiraz en Basra-Bagdad de voornaamste aanvoerlinies vanaf de Golf, terwijl Maskate zich ontwikkelde tot belangrijk distributiecentrum van suiker voor de West-Aziatische markt. In deze nieuwe constellatie waren vooral de heersende elites en de stedelijke bevolking consumenten van suiker.

Bij deze aanhoudende relatie tussen politiek en economie speelde op de achtergrond een sterke drang om de aanzienlijke economische waarde die suiker in de handel vertegenwoordigde niet onbenut te laten. De aanzienlijke daling in de verkoop van Javaanse suiker door de VOC na de val van de Safavieden-dynastie in 1722 was niet zozeer een gevolg van verzwakking van de relatie tussen handel en consumptie als wel van toenemende concurrentie met andere suikerleveranciers om metalen voor de Indiase markt te leveren. Uit Nederlandse documentatie met betrekking tot concurrenten, met name Engelse en Franse handelaren die regelmatig in suiker uit Bengalen, China en zelfs Java handelden, blijkt dat deze rivalen zich heel snel aanpasten aan veranderende economische omstandigheden, zoals regimewisselingen, opkomende nieuwe handelskanalen, de toestroom van goud en zilver in de noordelijke golfregio voor de export, de toegenomen vraag naar koper, actieve rondtrekkende groothandelaren en het levendige lokale en regionale Arabische handelsverkeer per schip en karavaan.

De cruciale samenhang tussen de handel in suiker en in goud, zilver en koper gedurende de achttiende eeuw laat duidelijk de spilfunctie zien van lokale tussenhandelaren. In de nadagen van de Safavieden waren het onder anderen de Benjaanse makelaars van de VOC die zich met deze specifieke handel inlieten. Historici beschouwen de willekeurige wijze waarop de bewindhebbers de handelaren exploiteerden als een van de voornaamste redenen van de inherente instabiliteit van de markt in het Iran van de Safavieden. Maar de dreiging van fiscale uitbuiting was ook een drijvende kracht van de politieke economie; zij zorgde voor

krachtiger vormen van handel. Dergelijke nieuwe samenwerkingsverbanden ontstonden onder andere in Isfahan en Bandar Abbas, waar respectievelijk de familie van Khemchand en de familie Rawal als makelaar voor de Compagnie optraden. Zij smeedden hechte banden met elkaar omwille van wederzijdse zekerheid, wat de import van Javaanse suiker op de Iraanse markt vergemakkelijkte, evenals de export van gouden en zilveren munten in omgekeerde richting naar India. Na de ondergang van de Safavieden gaven degenen die zich bezighielden met de ruilhandel van suiker en edelmetaal voor de VOC en de Engelsen in de Golf en het achterland daarvan, en wel vooral de Benjanen en de Armeniërs, eveneens blijk van de hoge mate van mobiliteit en flexibiliteit van de lokale handelsgemeenschappen te midden van de heersende politieke onzekerheden.

Aldus weerspiegelt de suikerhandel in de Perzische Golf in de achttiende eeuw de onverminderde veerkracht van de handel in de Indische Oceaan in die tijd, waarbij heersers en handelaren hun actieve, onmisbare rol bleven spelen. Hun uiteenlopende belangen werden als altijd tegen elkaar afgewogen en op elkaar afgestemd, met als resultaat een dynamiek die maakte dat de handel geen moment stokte en zijn flexibiliteit behield.

Curriculum Vitae

Norifumi Daito was born in Kakogawa, Japan, in 1981. He obtained his MA in Asian History at Kobe University, Japan in 2008. Since 2012 he has participated in the Cosmopolis programme at the History Department at Leiden University. His main interests are the history of the early modern Persian Gulf and the maritime trade of the Indian Ocean.